



**IL&FS Global Financial Services (UK) Limited**  
(Registered Number 06830319)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

## **CORPORATE INFORMATION**

### **AUDITOR**

**Deloitte LLP  
London**

### **DIRECTORS**

**Ravi Parthasarathy  
Surinder Singh Kohli  
Ramesh Bawa  
Milind Patel  
Rajesh Kotian**

### **REGISTERED OFFICE**

**40 Queen Street, London EC 4R 1DD, United Kingdom  
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## **Directors' Report**

### **For the financial year ended 31 March 2016**

The Directors have pleasure in presenting their Annual Report and the Audited Financial Statements for the financial year ended 31 March 2016. The Directors have taken advantage of the small Companies exemption under section 414B of the Companies Act 2006 from the requirement to prepare a Strategic report.

### **Principal Activities**

IL&FS Global Financial Services (UK) Limited (IGFSL-UK) is a Private Limited Company incorporated in the UK. IGFSL-UK is authorised and regulated by the Financial Conduct Authority (FCA) under Firm Reference No 494444 to undertake activities relating to advising on investments (except on Pension Transfers and Pension Opt Outs), arranging deals in investments and making arrangements with a view to transactions in investments.

IGFSL-UK is a 100% owned subsidiary of IL&FS Financial Services Limited (IFIN), one of India's leading non-banking financial companies providing a wide range of financial and advisory solutions.

### **Business review and future developments**

The Company began its operations in the financial year 2010. The Company has made significant progress on the closure of large mandates during the current financial year and is focused on achieving robust growth using its marketing strength and existing relationship base built over the past five years.

### **Going Concern Basis**

After making enquiries the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the annual financial statements. For further details kindly refer to Note 1 of the financial statements.

### **Results**

The Company earned fee income of GBP 671,158 (2015: GBP 727,526) and miscellaneous income GBP 25,353 (2015: GBP 31,335) during the year ended 31 March 2016 and achieved loss after tax of GBP (37,245) (2015: profit after tax of GBP 155,822)

**Directors' Report (continued)**  
**For the financial year ended 31 March 2016**

**Dividend**

The Directors do not recommend the payment of a dividend (2015: GBP Nil)

There is only one class of equity shares as at 31 March 2016

**Directors**

The Directors of the Company who served throughout the year ended 31 March 2016 were as follows:

- (i) Mr Ravi Parthasarathy
- (ii) Mr Surinder Singh Kohli
- (iii) Mr Ramesh Bawa
- (iv) Mr Milind Patel
- (v) Mr Rajesh Kotian
- (vi) Mr Abhishek Sahay (Resigned on 22 August 2015)

**Directors' Indemnities:**

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

**Directors' Interest**

The Directors of the Company holding office during the financial year had no interest in share capital and debentures of the Company.

**Financial Control**

The Directors acknowledge responsibility for the Company's system of internal financial control and believe the established systems, including the computerisation of the Company's financial accounts, are appropriate to the business. No material losses or contingencies have arisen during the year that would require disclosure by the Directors.

**Directors' Report (continued)**  
**For the financial year ended 31 March 2016**

**Risk Management**

The Company's risk management policies and exposure in relation to the respective risks are detailed in Note 2 to the financial statements.

**Auditor**

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- (i) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- (ii) the Director has taken all steps that he / she ought to have taken as Director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP has expressed their willingness to continue in office as auditor of the Company and the resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

**Approved by the Board of Directors on 05 May 2016**  
**and signed on its behalf by**



**Rajesh Kotian**

Director  
London

**For the financial year ended 31 March 2016**

**Statement of Directors' Responsibilities:**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare such financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the accounts 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 year. In preparing these financial statements, International Accounting Standard 1 requires that Directors :

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IL&FS GLOBAL FINANCIAL SERVICES (UK) LIMITED**

We have audited the financial statements of IL&FS Global Financial Services (UK) Limited for the year ended 31 March 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performance of the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
  - the financial statements are not in agreement with the accounting records and returns;
- or
- certain disclosures of Directors' remuneration specified by law are not made; or
  - we have not received all the information and explanations we require for our audit; or
  - the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Caroline Britton (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

06 May 2016

**Statement of Comprehensive Income  
For the year ended 31 March 2016**

		(In GBP)	
	Notes	For the year ended 31 March 2016	For the year ended 31 March 2015
Revenue		671,158	727,526
Interest and Miscellaneous income		25,353	31,335
<b>Total revenue</b>	<b>3</b>	<b>696,511</b>	<b>758,861</b>
Employee Cost	6	496,268	349,151
Depreciation and Amortisation		7,758	8,883
Other administrative expenses	4	229,307	202,907
<b>Total expenses</b>		<b>733,333</b>	<b>560,941</b>
<b>(Loss) / Profit before tax</b>	<b>7</b>	<b>(36,822)</b>	<b>197,920</b>
<b>Tax</b>	<b>14</b>	<b>(423)</b>	<b>(42,098)</b>
<b>(Loss) / Profit for the year</b>		<b>(37,245)</b>	<b>155,822</b>
Other comprehensive (Loss) / Income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>(37,245)</b>	<b>155,822</b>
<b>Attributable to the owners of the Company</b>		<b>(37,245)</b>	<b>155,822</b>

All amounts relate to continuing activities.

The notes on Pages 14 to 28 form an integral part of the financial statements.

**Statement of Financial Position at 31 March 2016**  
(Registration No: 06830319)

(In GBP)

	Notes	As at 31 March 2016	As at 31 March 2015
<b>Non-Current assets</b>			
Property Plant & Equipment		19,777	21,837
Intangible Assets		4,075	-
	8	23,852	21,837
<b>Current assets</b>			
Trade and other receivables	9	624,342	772,899
Cash and Cash equivalents	10	397,095	310,058
		1,021,437	1,082,957
<b>Total assets</b>		<b>1,045,289</b>	<b>1,104,794</b>
<b>Current liabilities</b>			
Trade and other payables	11	74,342	53,710
Current tax liabilities	14	-	43,315
		74,342	97,025
<b>Net Current Assets</b>		<b>947,095</b>	<b>985,932</b>
<b>Non-Current liabilities</b>			
Deferred Tax Liabilities	15	4,498	4,075
<b>Net Assets</b>		<b>966,449</b>	<b>1,003,694</b>
<b>Equity</b>			
Share capital	12	400,001	400,001
Retained earnings	16	566,448	603,693
<b>Equity attributable to the owners of the Company</b>		<b>966,449</b>	<b>1,003,694</b>
<b>Total equity</b>		<b>966,449</b>	<b>1,003,694</b>

The notes on Pages 14 to 28 form an integral part of the financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 05 May 2016 and signed on its behalf by:



**Rajesh Kotian**  
Director

**Statement of changes in equity for the year ended 31 March 2016**

**(In GBP)**

	<b>Share Capital</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance as at 31 March 2014	400,001	447,871	847,872
Total Comprehensive Income for the year ended 31 March 2015	-	155,822	155,822
Balance as at 31 March 2015	400,001	603,693	1,003,694
Total Comprehensive Loss for the year ended 31 March 2016	-	(37,245)	(37,245)
<b>Balance as at 31 March 2016</b>	<b>400,001</b>	<b>566,448</b>	<b>966,449</b>

**Cash Flow Statement**  
**For the year ended 31 March 2016**

	(In GBP)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>Operating activities</b>		
(Loss) / Profit for the year	(37,245)	155,822
<b>Adjustment for:</b>		
Depreciation and amortisation of Fixed Assets	7,758	8,883
Corporation tax expense	423	42,098
<b>Operating cash flow before movements in working capital</b>	<b>(29,064)</b>	<b>206,803</b>
Decrease / (Increase) in receivables	148,557	(546,883)
Increase in payables	20,634	15,091
Corporation tax paid	(43,315)	(5,006)
<b>Net Cash from / (used in) operating activities</b>	<b>96,812</b>	<b>(329,995)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(9,775)	(542)
<b>Net Cash used in investing activities</b>	<b>(9,775)</b>	<b>(542)</b>
Net increase in cash and cash equivalent	87,037	(330,536)
Cash and cash equivalents at the beginning of year	<b>310,058</b>	<b>640,594</b>
<b>Cash and cash equivalents at end of year</b>	<b>397,095</b>	<b>310,058</b>

**Notes to the financial statements  
For the year ended 31 March 2016**

**(1) SIGNIFICANT ACCOUNTING POLICIES**

IL&FS Global Financial Services (UK) Ltd is Company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The principal activities of the company are set out in the Director's Report on page 4.

The principal accounting policies, which have been consistently applied, are set out below:

**Basis of preparation**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation.

The financial statements have been prepared on a historical cost basis and are presented in pounds sterling (GBP) because that is the currency of the primary economic environment in which the Company operates.

**Going Concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review in the Directors' report. The Company is expected to generate positive cash flows on its own account for the foreseeable future.

The Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern.

After consideration of the business review and the risks and uncertainties set out in note 2, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(1) SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property, plant and equipment**

Property, plant and equipment are recorded at cost less accumulated depreciation. Depreciation is provided on the cost on a straight-line basis over the anticipated useful lives as below:

Lease Improvements	Over the lease period
Computer and Equipment	Four years

Depreciation on Furniture and Fixtures, Office Equipment and Electrical Fittings is provided on the reducing balance method as below:

Office Equipment	13.91%
Furniture and Fixtures	18.10%
Electrical Fittings	13.91%

**Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Depreciation on License software & Software Development is provided on the Straight-line Method:

License Software	Over the license year not exceeding 5 years
Software Development	20.00%

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(1) SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Financial Assets**

Financial assets are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument and are initially measured at fair value.

***i) Loans and receivables***

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. They arise when the Company renders services and are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

***ii) Impairment of financial assets***

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. The amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

**Operating Lease as Lessee**

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.



**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(1) SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Financial Liabilities**

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**Foreign currency transactions**

The Company's financial statements are presented in sterling, being the Company's functional currency. In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date and any resulting foreign exchange differences are included in the income statement. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**Revenue recognition**

The Company's revenue includes fees earned from advisory services. Such fees are recognised when services are performed and when economic benefit will accrue to the entity.

**Taxation**

Income tax expense represents the sum of the current income tax and deferred tax. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted in the United Kingdom as at the balance sheet date.

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(1) SIGNIFICANT ACCOUNTING POLICIES (continued)**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(1) SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Segment reporting:**

IFRS 8 requires that an entity disclose financial and descriptive information about its reportable segments, which are operating segments or aggregation of operating segments. Operating segments are identified on the basis of internal reports that are regularly reviewed by the Chief Executive Officer to allocate resources and to assess performance.

**Adoption of new and revised Standards**

In the current year, the Company has applied a number of amendments to IFRSs and a new Interpretation issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2014. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities
- Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC 21 Levies
- Amendments to IAS 32 Offsetting financial assets and financial liabilities

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRSs that have been issued but are not yet effective and in some cases had not yet been adopted by the EU:

- IFRS 9 Financial Instruments
- IAS 16 and IAS 38 (amendments) Clarification of Acceptable Methods of Depreciation and Amortisation
- IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Annual Improvements to IFRSs: 2010-2012
- Annual Improvements to IFRSs: 2011-2013
- Annual Improvements to IFRSs: 2012-2014 Cycle

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(2) Financial risk management policies and objectives**

The management of the Company reviews and agrees policies for managing each of these risks the entity faces and they are summarised as follows:

I. Credit risk:

Credit risk refers to the risk that debtors will default on their contractual obligations resulting in a financial loss to the Company.

The credit risk on bank balances and debtors is limited because they are held with creditworthy entities.

The majority of the credit risk faced by the Company during the year was from group entities. The Company has an effective system to monitor and follow up for realisation of above dues within a reasonable time period.

II. Interest rate risk:

The Company is not exposed to any significant interest rate risk. No sensitivity analysis is prepared as the company does not expect any material effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the balance sheet date.

III. Foreign currency risk:

The Company is not exposed to any foreign currency risk as there are minimal non-functional currency balances. No foreign currency sensitivity analysis is prepared as the management of the Company does not expect a material impact on the Company's profit or loss arising from the effects of reasonably possible changes to foreign exchange rates at the reporting date on a going forward basis.

IV. Liquidity risk

Liquidity risk is managed by matching the payment and receipt cycle. As at the balance sheet date the Company has sufficient liquidity to meet its liabilities and does not expect to make borrowings in the foreseeable future.

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(2) Financial risk management policies and objectives (continued)**

V. Capital Risk Management:

The capital structure consists of equity attributable to equity holders of the Company, comprising issued capital and retained earnings. The Company ensures that sufficient capital is available for its operations and meeting capital resources. The Company monitors its Capital position at every quarter to ensure that the shortfall in the Capital, if any is taken care of by fresh infusion of capital by the Parent Company.

The remaining contractual maturity of the Company's non-derivative financial assets and financial liabilities as at balance sheet date is as follows:

(In GBP)

As at 31 March 2016	Up to 1 month	1-3 months	3-12 months	1-5 years	5 +years	Total
<b>Financial Assets</b>						
Non-Interest Bearing						
(i) Debtors	485,634	37,434	7,500	-	-	<b>530,568</b>
(ii) Bank Balance	397,095	-	-	-	-	<b>397,095</b>
<b>Financial Liabilities</b>						
Non-Interest Bearing						
(i) Trade and other Payables	74,342	-	-	-	-	<b>74,342</b>

**(3) Revenue**

Revenue comprises the following:

(In GBP)

For the year ended	31 March 2016	31 March 2015
Fee Income	671,158	727,526
Interest Income on Fixed Deposit	3,217	5,506
Miscellaneous Income	22,136	25,829
<b>Total</b>	<b>696,511</b>	<b>758,861</b>

All invoices relating to revenue were raised in the United Kingdom

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Executive to allocate resources to the segments and assess their performance. Pursuant to this, the Company continues to identify a single reportable segment, i.e. consultancy services.

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(4) Administrative Expenses**

(In GBP)

<b>For the year ended</b>	<b>31 March 2016</b>	<b>31 March 2015</b>
Rent	52,520	31,921
Professional fees	8,343	4,482
Auditor's Remuneration for audit of annual accounts	10,500	9,500
Auditor's Remuneration for regulatory assurance	1,500	1,000
Travelling expenses	7,357	11,544
Other expenses *	149,587	144,460
<b>Total</b>	<b>229,307</b>	<b>202,907</b>

\* Other Expenses includes exchange fluctuation loss of GBP 315 (2015 GBP 874)

**(5) Director's Remuneration**

The remuneration of the Directors was as below:

(In GBP)

<b>For the year/period ended</b>	<b>31 March 2016</b>	<b>31 March 2015</b>
Salary	38,796	114,644
Directors Termination Benefits	14,501	-
Director's Sitting Fees	3,322	-

Only one Director is remunerated by the company. The Directors have no other interests except as disclosed in Directors' Report.

There is no remuneration paid other than sitting fees to other Directors by the Company.

**(6) Employee's costs (including executive Directors' Remuneration)**

The aggregate remuneration comprised:

(In GBP)

<b>For the year/period ended</b>	<b>31 March 2016</b>	<b>31 March 2015</b>
Wages and salaries	437,596	314,405
Employees Termination Benefits	14,501	-
Social Security Charges	44,171	34,746
<b>Total</b>	<b>496,268</b>	<b>349,151</b>

The average monthly number of employees (including executive Director) was five (2015: three). At the end of the period, the Company has five employees (2015: three employees).

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(7) (Loss) / Profit before tax**

(Loss) / Profit before tax has been arrived at after charging the following expenses:

(In GBP)

<b>For the year/period ended</b>	<b>31 March 2016</b>	<b>31 March 2015</b>
Employee costs (see note 6)	496,268	349,151
Depreciation	7,758	8,883
Rent – Operating leases	52,520	31,921
Auditor’s Remuneration	12,000	10,500

**(8) Property, Plant and Equipment and Intangible Assets**

(In GBP)

<b>Particulars</b>	<b>Data processing Equipment</b>	<b>Electrical Fittings</b>	<b>Lease Improvements</b>	<b>Furniture and Fixtures</b>	<b>Office Equipment</b>	<b>License and Software</b>	<b>Total</b>
<b><u>Cost</u></b>							
<b>At 31 March 2014</b>	7,555	681	17,573	41,598	851	-	68,258
<b>Additions during the year</b>	542	-	-	-	-	-	542
<b>At 31 March 2015</b>	8,097	681	17,573	41,598	851	-	68,800
<b>Additions during the year</b>	4,019	429	-	-	257	5,070	9,775
<b>Disposals during the year</b>	-	-	-	-	(191)	-	(191)
<b>At 31 March 2016</b>	12,116	1,110	17,573	41,598	917	5,070	78,384
<b><u>Accumulated Depreciation</u></b>							
<b>At 31 March 2014</b>	3,544	281	12,595	21,125	535	-	38,081
<b>Charge for the Period</b>	1,564	55	3,515	3,706	44	-	8,883
<b>At 31 March 2015</b>	5,108	336	16,110	24,831	579	-	46,964
<b>Change for the Period</b>	1,880	94	1,462	3,035	292	995	7,758
<b>Disposal during the year</b>	-	-	-	-	(190)	-	(190)
<b>Carrying Amount as at 31 March 2016</b>	<b>5,128</b>	<b>680</b>	<b>1</b>	<b>13,732</b>	<b>236</b>	<b>4,075</b>	<b>23,852</b>
<b>Carrying Amount as at 31 March 2015</b>	<b>2,989</b>	<b>345</b>	<b>1,463</b>	<b>16,767</b>	<b>273</b>	<b>-</b>	<b>21,837</b>

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(9) Other Financial Assets**

Details of trade and other receivables are as shown below:

(In GBP)

As at	31 March 2016	31 March 2015
Other receivable	349	8,890
Amount receivable on services rendered	530,568	706,135
Security Deposit	36,716	36,716
Advance payment of taxes	2,874	2,874
Prepaid Expenses	25,604	18,284
Sundry Advances	25,638	-
Interest Accrued but not due	2,592	-
<b>Total</b>	<b>624,341</b>	<b>772,899</b>

Trade receivables disclosed above are identified as loans and receivables and therefore valued at amortised cost. Total trade receivables held by the Company at 31 March 2016 amounted to £530,568 (2015: £706,135). There is no fixed credit period taken on sales of services and the receivables are non-interest bearing.

The Company has not recognised any allowance for doubtful debts (2015: £nil) and does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

**(10) Cash and cash equivalents**

Cash and Cash equivalent includes Cash in hand and Balance with Bank. The carrying amounts of cash and cash equivalents are at their approximate fair value.

Cash and cash equivalent are as set out below:

(In GBP)

As at	31 March 2016	31 March 2015
Bank Balance in current account	147,095	310,058
Fixed Deposit with bank	250,000	-
<b>Total</b>	<b>397,095</b>	<b>310,058</b>



**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(11) Trade and other payables**

(In GBP)

<b>As at</b>	<b>31 March 2016</b>	<b>31 March 2015</b>
Accrued Expenses	62,342	43,210
Auditor's remuneration	12,000	10,500
<b>Total</b>	<b>74,342</b>	<b>53,710</b>

The Directors consider that the carried amount of trade and other payables is approximately equal to their fair value.

**(12) Share capital**

(In GBP)

<b>As at</b>	<b>31 March 2016</b>	<b>31 March 2015</b>
<b>Issued and fully paid:</b>		
400,001 ordinary shares of 1 GBP each	400,001	400,001

The Company has one class of ordinary shares which carries no right to fixed income and is held by IL&FS Financial Services Ltd (Parent).

The Liability of the Parent entity in the Company is limited to the extent of its Share Capital held by it.

**(13) Related party transactions**

Details of transactions entered into with related parties as part of normal trading activities, and amounts outstanding at the balance sheet date are provided below:

(In GBP)

<b>Related Entity</b>	<b>Relationship with related entity</b>	<b>For the year end 31 March 2016</b>	<b>For the year end 31 March 2015</b>
<b>Income</b>			
Elsamex SA	Fellow Subsidiary	221,329	468,978
ITNL International Pte Ltd	Fellow Subsidiary	69,099	45,800
IL&FS Transportation Networks Ltd	Fellow Subsidiary	371,230	210,748
Rapid Metrorail Gurgaon South Ltd	Fellow Subsidiary	-	1,000
Chenani Nashri Tunnelway Ltd	Fellow Subsidiary	1,000	-
ITNL Offshore Two Pte Ltd	Fellow Subsidiary	-	1,000
ITNL Offshore Three Pte Ltd	Fellow Subsidiary	1,000	-
<b>Expenses</b>			
IL&FS Financial Services Ltd	Holding Company	15,495	20,362
IL&FS Technologies Ltd	Fellow Subsidiary	-	6,248
Livia India Ltd	Fellow Subsidiary	6,315	4,618

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(13) Related party transactions (continued)**

Details of transactions entered with related parties are provided below:

(In GBP)

Related Entity	Relationship with related entity	For the year end 31 March 2016	For the year end 31 March 2015
<b>Assets</b>			
<b>Debtors, included within Amounts receivable on services rendered</b>			
ITNL International Pte Ltd	Fellow Subsidiary	82,568	-
IL&FS Transportation Networks Ltd	Fellow Subsidiary	371,230	210,748
ITNL Offshore Two Pte Ltd	Fellow Subsidiary	-	1,000
Elsamex SA	Fellow Subsidiary	69,270	492,913
<b>Liability</b>			
<b>Creditors and Other Payables, included within accrued expenses</b>			
IL&FS Financial Services Ltd	Holding Company	10,105	16,471
IL&FS Global Financial Services (ME) Ltd	Fellow Subsidiary	2,167	-
IL&FS Technologies Ltd	Fellow Subsidiary	-	6,248
Livia India Ltd	Fellow Subsidiary	-	4,618

Details of Directors' remuneration are stated in note 5.

**(14) Tax**

(In GBP)

For the year/period ended	31 March 2016	31 March 2015
<b>Corporation Tax</b>		
- Current year	-	43,315
- Adjustment in respect of Previous year	-	-
Deferred Tax	423	(1,217)
<b>Tax expense reported in the Statement of Comprehensive Income</b>	<b>423</b>	<b>42,098</b>

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(14) Tax (contd)**

*Factors affecting tax charge for period*

The charge for the period can be reconciled to the (loss) / profit per the Statement of Comprehensive Income as follows:

	(In GBP)	
<b>For the year/period ended 31 March</b>	<b>2016 GBP</b>	<b>2015 GBP</b>
(Loss) / Profit before tax from continuing operations	(36,822)	197,920
Tax at the UK corporation tax rate of 20% (2015: 21%)	(7,364)	41,563
Effect of tax rate change	-	(204)
Effect of disallowance of Capital Allowance	-	738
Unused tax losses	7,787	-
<b>Tax Expense for the year</b>	<b>423</b>	<b>42,097</b>

**(15) Deferred Tax**

	(In GBP)	
<b>For the year ended</b>	<b>2016</b>	<b>2015</b>
Deferred Tax Liability as at 1 April	4,075	5,292
Created/ (used) during the year - Difference between Capital Allowance and Depreciation for the year	423	(1,217)
<b>Balance as at 31 March</b>	<b>4,448</b>	<b>4,075</b>

**(16) Retained Earnings**

	(In GBP)	
<b>For the year ended</b>	<b>2016</b>	<b>2015</b>
Balance as at 1 April	603,693	447,871
Profit / (Loss) for the year	(37,245)	155,822
<b>Balance as at 31 March</b>	<b>566,448</b>	<b>603,693</b>

**Notes to the financial statements (continued)**  
**For the year ended 31 March 2016**

**(17) Events after Balance sheet date**

There have been no significant events between the period end and the date of approval of the accounts, which would require a change or additional disclosure in the financial statements.

**(18) Commitments**

The Company has entered into a lease agreement 06 July 2015 in respect of office premises for a non-cancellable period of five years. The Company has recognised an expense of GBP 52,520 (Previous year: GBP 31,921) for the year ended 31 March 2016

<b>As at</b>	(In GBP)	
	<b>31 March 2016</b>	<b>31 March 2015</b>
Within one year	61,825	8,396
One to five years	202,963	-

**(19) Ultimate Controlling party**

The Company is a wholly-owned subsidiary of IL&FS Financial Services Ltd, incorporated in India. The ultimate holding Company and controlling party is Infrastructure Leasing & Financial Services Limited (“IL&FS”), also incorporated in India.

The ultimate holding Company and the holding Company each prepare consolidated financial statements which include the Company. Copies of these financial statements can be obtained from Infrastructure Leasing & Financial Services Limited, Plot C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051, India.