

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

Review Report to  
The Board of Directors  
AXISCADES Technologies Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of AXISCADES Technologies Limited (the "Company") for the quarter ended June 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

# **S.R. BATLIBOI & ASSOCIATES LLP**


Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**

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by Sunil Gaggar  
Date: 2023.08.04  
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**per Sunil Gaggar**

Partner

Membership No.: 104315

UDIN: 23104315BGXPYV2800

Place: Bengaluru

Date: August 04, 2023

(₹ in lakhs)

**Statement of unaudited standalone financial results for the quarter ended June 30, 2023**

Particulars	Quarter ended			Year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	(Unaudited)	(Audited) (Refer note 8)	(Unaudited)	(Audited)
<b>I. Income</b>				
(a) Revenue from contracts with customers	8,106.89	7,873.70	6,121.35	28,314.85
(b) Other income	23.00	33.55	15.38	155.13
<b>Total Income</b>	<b>8,129.89</b>	<b>7,907.25</b>	<b>6,136.73</b>	<b>28,469.98</b>
<b>II. Expenses</b>				
(a) Employee benefits expense	5,255.68	5,289.10	3,683.53	17,293.09
(b) Finance costs (refer note 5)	2,001.50	1,326.44	131.53	3,342.48
(c) Depreciation and amortisation expense	340.29	304.42	236.43	1,093.65
(d) Other expenses	1,631.21	2,471.11	1,359.85	6,941.91
<b>Total expenses</b>	<b>9,228.68</b>	<b>9,391.07</b>	<b>5,411.34</b>	<b>28,671.13</b>
<b>III. Profit/(loss) before exceptional items and tax (I-II)</b>	<b>(1,098.79)</b>	<b>(1,483.82)</b>	<b>725.39</b>	<b>(201.15)</b>
IV. Exceptional items, net (refer note 4)	-	-	(4,444.98)	(1,664.87)
<b>V. Loss before tax (III+IV)</b>	<b>(1,098.79)</b>	<b>(1,483.82)</b>	<b>(3,719.59)</b>	<b>(1,866.02)</b>
VI. Tax expense				
-Current tax	-	(113.31)	58.46	146.21
-Adjustment of current tax relating to earlier periods/years	-	-	-	(340.79)
-Deferred tax charge/(credit)	(300.54)	88.20	146.88	311.43
Income Tax expense	(300.54)	(25.11)	205.34	116.85
<b>VII. Loss for the period/year (V - VI)</b>	<b>(798.25)</b>	<b>(1,458.71)</b>	<b>(3,924.93)</b>	<b>(1,982.87)</b>
<b>VIII. Other comprehensive Income</b>				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains/(losses) in defined benefit plans	(4.88)	60.81	8.64	3.52
Income tax effect	1.36	(16.92)	(2.40)	(0.98)
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>	<b>(3.52)</b>	<b>43.89</b>	<b>6.24</b>	<b>2.54</b>
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Gains/(losses) on cash flow hedges	61.44	93.43	(66.88)	(29.38)
Income tax effect	(15.72)	(26.00)	18.59	8.17
<b>Net Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>45.72</b>	<b>67.43</b>	<b>(48.29)</b>	<b>(21.21)</b>
<b>Other comprehensive Income for the year, net of tax</b>	<b>42.20</b>	<b>111.32</b>	<b>(42.05)</b>	<b>(18.67)</b>
<b>IX. Total comprehensive loss for the period/year (VII+VIII)</b>	<b>(756.05)</b>	<b>(1,347.39)</b>	<b>(3,966.98)</b>	<b>(2,001.54)</b>
<b>X. Paid-up equity share capital (₹ 5/- each)</b>	<b>1,911.50</b>	<b>1,911.50</b>	<b>1,901.68</b>	<b>1,911.50</b>
<b>XI. Other equity</b>				<b>13,700.24</b>
<b>XII. Earnings/(loss) per share ("EPS") (of ₹ 5/- Each)*</b>				
Basic EPS (₹)	(2.09)	(3.82)	(10.34)	(5.21)
Diluted EPS (₹) (refer note 6)	(2.09)	(3.82)	(10.34)	(5.21)

\* EPS is not annualised for interim periods.

**Notes:**

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid Statement of unaudited standalone financial results for the quarter ended June 30, 2023 of the AXISCADES Technologies Limited (hereinafter referred to as the "Company") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 04, 2023. The aforesaid unaudited standalone financial results for the quarter ended June 30, 2023 have been subjected to limited review by the statutory auditors of the Company.

2. The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3. The Company is engaged in the business of "Technology Services and Solutions". These, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosures.



**Statement of unaudited standalone financial results for the quarter ended June 30, 2023**

4. Exceptional item comprises of the following:

Particulars	Quarter ended			Year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Interest and additional purchase consideration (refer note (i) below)	-	-	(4,444.98)	(6,738.84)
Reversal of impairment allowance on investment (refer note (ii) below)	-	-	-	5,073.97
<b>Total, net</b>	-	-	<b>(4,444.98)</b>	<b>(1,664.87)</b>

(i) During the quarter ended June 30, 2022 and year ended March 31, 2023, the Company had received an Interim and Final Arbitration Award ("Arbitration Awards") from the Arbitral Tribunal relating to the arbitration proceedings between the Company and the shareholders of Mistral Solutions Private Limited ('MSPL') and MSPL for discharge of purchase consideration payable towards acquisition of Mistral. In accordance with the Arbitration Awards, the Company had completed acquisition of MSPL and recorded an additional charge of ₹ 4,444.98 lakhs and ₹ 6,738.84 lakhs during the quarter ended June 30, 2022 and year ended March 31, 2023, respectively, as an exceptional item.

(ii) Based on the impairment assessment of investment in subsidiary i.e., MSPL, the Company has reversed an impairment loss aggregating ₹ 5,073.97 lakhs during the year ended March 31, 2023.

5. During the previous year, the Company had issued Unrated, Unlisted, Secured Non-Convertible Debentures ("NCDs") aggregating ₹ 14,500 lakhs to a financial institution repayable over three years. The interest rate is 15.75% - 16% per annum on the NCDs payable quarterly. The Company had also entered into an Investment Agreement with the aforesaid financial institution and provided a Right to Invest ("Share Warrants") in the Compulsorily Convertible Preference Shares ("CCPS") of the subsidiary, MSPL, at an agreed value and mutually agreed terms and conditions. Share Warrants are classified as Derivative Liability carried at Fair Value through Profit and Loss. The Company has recorded a Share Warrant expense of ₹ 565.18 lakhs in the Statement of Profit and Loss and reduced the equivalent amount of investment in equity shares of MSPL in the Balance Sheet.

During the quarter ended June 30, 2023, the above NCDs together with other borrowings aggregating ₹ 21,000 lakhs have been refinanced at a lower interest rate of 12.75% per annum through the issuance of Unlisted Unrated Secured Redeemable Non-Convertible Debentures. The Company has recorded a one-time expense of ₹ 667.40 lakhs relating to an unamortised portion of borrowing costs and prepayment charges on the aforesaid refinancing. The same has been grouped under finance costs in the standalone financial results for the quarter ended June 30, 2023.

6. For the purpose of computation of diluted EPS, the effect of stock options granted under ESOP scheme have not been considered as the effect of these potentially diluted equity shares are anti-dilutive. Hence basic and diluted EPS are same.

7. The previous period/year figures have been regrouped/rearranged wherever necessary to conform with the current period presentation.

8. The figures of the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2023 and the published unaudited year to-date figures up to December 31, 2022, being the date of the end of the third quarter of the respective financial year, which were subjected to limited review.

9. The above unaudited standalone financial results of the Company are available on the Company's website (www.axiscades.com) and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.



for AXISCADES Technologies Limited

*Arun Krishnamurthi*

Arun Krishnamurthi  
CEO & Managing Director

Place : Bengaluru  
Date : August 04, 2023