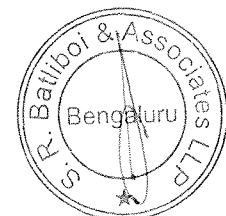


Auditor's Report on Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**The Board of Directors****AXISCADES Engineering Technologies Limited**

1. We have audited the accompanying statement of consolidated financial results of AXISCADES Engineering Technologies Limited ('the Company') comprising its subsidiaries (together, 'the Group') for the quarter and year ended March 31, 2018 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The consolidated financial results for the quarter and year ended March 31, 2018 have been prepared on the basis of the consolidated financial results for the nine-months period ended December 31, 2017, the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2018, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's Management and have been approved by the Board of Directors of the Company.

Our responsibility is to express an opinion on these consolidated financial results based on our review of the consolidated financial results for the nine-months period ended December 31, 2017 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2018; and the relevant requirements of the Regulation and the Circular.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements and the other financial information of subsidiaries, these quarterly consolidated financial results as well as the year to date results:
 - i. includes the results of the entities as stated in Note 10 of the Statement;
 - ii. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
 - iii. give a true and fair view of the consolidated net loss including other comprehensive income and other financial information for the quarter and year ended March 31, 2018.



4. Emphasis of Matter

We draw attention to Note 3 to the Statement which describes the adjustment of errors on account of non-recognition of impairment losses and consequential tax impact thereon in the Ind AS consolidated financial statements as at March 31, 2017 and the transition date opening balance sheet as at April 01, 2016, which were duly audited by the predecessor statutory auditor of the Company, who expressed an unmodified opinion with an emphasis of matter paragraph describing the aforesaid impairment losses and consequential tax impact thereon vide their report dated May 07, 2018. Our opinion is not qualified in respect of this matter.

5. We did not audit the financial statements and other financial information, in respect of eleven subsidiaries, whose Ind AS financial statements include total assets of Rs 27,780.43 lakhs as at March 31, 2018, and total revenues of Rs 6,399.49 lakhs and Rs 12,385.87 lakhs for the quarter and year ended on that date respectively. These Ind AS financial statements and other financial information have been audited by other auditors, for which financial statements, other financial information and auditor's reports have been furnished to us by the Management. Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the reports of other auditors. Our opinion is not qualified in respect of this matter.
6. The comparative Ind AS financial information of the Group for the quarter and year ended March 31, 2017, included in these consolidated Ind AS financial results, have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated May 07, 2018 expressed an unmodified opinion with an emphasis of matter paragraph.
7. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2018 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

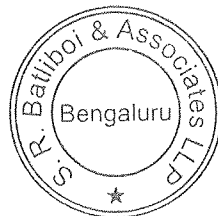
[Signature]
per Sunil Gaggar

Partner

Membership No.: 104315

Bengaluru

May 31, 2018



AXISCADES Engineering Technologies Limited

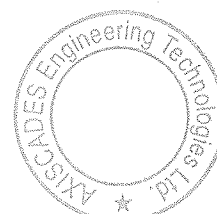
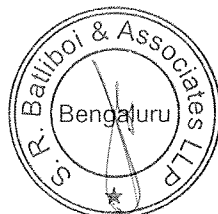
CIN NO: L72200KA1990PLC084435

Regd. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560024, Karnataka, India
Website: www.axiscades.com, Email: info@axiscades.com, Tel: +91 80 4193 9000, Fax: +91 80 4193 9099

(₹ In Lakhs)

Statement of audited consolidated financial results for the quarter and year ended 31 March 2018

Particulars	Quarter ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	(Audited) [Refer note 8]	(Unaudited)	(Audited) [Refer note 2,3(a) and 8]	(Audited)	(Audited) [Refer note 2 and 3(a)]
I. REVENUE					
(a) Revenue from operations	14,852.65	14,415.48	10,984.96	51,915.67	48,676.75
(b) Other income	840.06	97.14	924.50	1,507.02	1,460.06
TOTAL REVENUE	15,692.71	14,512.62	11,909.46	53,422.69	50,136.81
II. EXPENSES					
(a) Cost of materials consumed	2,592.33	1,818.73	942.71	5,488.40	6,695.57
(b) Employee benefits expense	8,284.94	7,118.82	5,991.53	28,366.22	25,111.94
(c) Finance costs	615.19	381.50	340.32	1,368.97	1,286.12
(d) Depreciation and amortisation expense	445.72	541.59	160.07	1,876.32	1,220.18
(e) Project consultancy charges	670.10	1,633.57	1,072.18	5,455.43	3,976.82
(f) Other expenses	4,019.09	2,394.67	2,635.62	10,847.08	9,015.36
TOTAL EXPENSES	16,627.37	13,888.88	11,142.43	53,402.42	47,305.99
III. PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)	(934.66)	623.74	767.03	20.27	2,830.82
IV. Exceptional items (refer note 4)	-	123.57	(93.67)	298.69	(52.34)
V. PROFIT/(LOSS) BEFORE TAX AND NON CONTROLLING INTEREST (III-IV)	(934.66)	500.17	860.70	(278.42)	2,883.16
VI. Tax expense:					
- Current tax	428.95	230.67	241.77	801.36	1,146.30
- Tax for earlier years	58.79	-	-	58.79	-
- Deferred tax charge/(credit)	(174.75)	(99.85)	305.61	(357.37)	281.93
VII. PROFIT/(LOSS) AFTER TAX	(1,247.65)	369.35	313.32	(781.20)	1,454.93
VIII. Other Comprehensive Income, net of tax	(4.61)	(141.78)	(133.50)	(103.00)	(106.22)
IX. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(1,252.26)	227.57	179.82	(884.20)	1,348.71
Total Comprehensive income attributable to					
Owners of the Company	(1,263.51)	216.65	171.72	(927.98)	1,305.44
Non controlling interest	11.25	10.92	8.10	43.78	43.27
X. Paid up equity share capital (₹ 5/- each)	1,889.51	1,889.51	1,889.51	1,889.51	1,889.51
XI. Earnings per share ('EPS') (of ₹ 5 each) (not annualised)					
Basic EPS (in ₹)	(3.33)	0.95	0.81	(2.18)	3.74
Diluted EPS (in ₹)	(3.33)	0.92	0.81	(2.18)	3.74

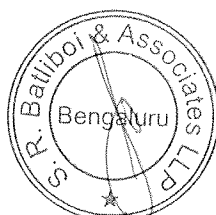
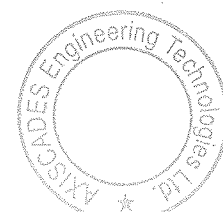


[Handwritten signature]

(₹ In Lakhs)

The Consolidated statement of assets and liabilities

Particulars	As at	
	March 31, 2018	March 31, 2017
	(Audited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	12,399.36	10,460.25
(b) Capital work-in-progress	50.48	587.59
(c) Goodwill	16,474.25	3,870.48
(d) Other Intangible assets	5,501.28	1,609.01
(e) Financial assets		
(i) Investments	0.09	0.19
(ii) Trade receivables	11.14	9.77
(iii) Loans	1,161.98	1,068.63
(iv) Other financial assets	196.69	599.82
(f) Deferred tax asset (net)	1,615.33	895.99
(g) Non-current tax assets, net	1,694.22	1,238.28
(h) Other non-current assets	2,075.54	1,995.61
	41,180.36	22,335.62
Current assets		
(a) Inventories	3,013.49	195.31
(b) Financial assets		
(i) Investments	625.14	35.00
(ii) Trade receivables	16,588.90	8,421.56
(iii) Cash and cash equivalents	1,377.32	3,694.77
(iv) Bank balances other than cash and cash equivalents	4,816.00	3,499.68
(v) Loans	279.99	11.75
(vi) Other financial assets	4,674.94	5,716.89
(c) Other current assets	3,199.77	2,028.74
	34,575.55	23,603.70
Total Assets	75,755.91	45,939.32
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,889.51	1,889.51
(b) Other equity	27,282.72	28,255.94
(c) Non controlling interest	344.41	300.63
	29,516.64	30,446.08
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	7,263.63	2,721.89
(ii) Trade payables	-	24.96
(iii) Other financial liabilities	10,325.24	-
(b) Provisions	1,057.88	546.19
(c) Deferred tax liability, net	1.10	-
(d) Other non-current liabilities	27.82	27.82
	18,675.67	3,320.86
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,515.21	5,396.25
(ii) Trade payables	5,003.93	2,751.35
(iii) Other financial liabilities	12,647.40	1,856.57
(b) Provisions	822.97	430.27
(c) Current tax liability	86.51	8.75
(d) Other current liabilities	2,487.58	1,729.19
	27,563.60	12,172.38
Total Equity and Liabilities	75,755.91	45,939.32

Notes

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of audited consolidated financial results for the quarter and year ended March 31, 2018 of the Company has been reviewed by the Audit Committee on May 30, 2018 and considered by the Board of Directors at its meeting commenced on May 30, 2018 and approved at the meeting re-assembled today on May 31, 2018. The aforesaid consolidated financial results for the quarter and year ended March 31, 2018 have been audited by the current statutory auditors of the Company and for the quarter and the year ended March 31, 2017 have been audited by the predecessor statutory auditor of the Company.

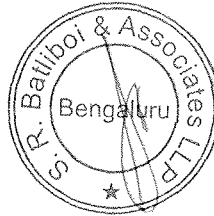
2. The Company has adopted Indian Accounting Standards (Ind AS) from April 01, 2017 (transition date April 01, 2016) and accordingly, the above audited consolidated financial results for the quarter ended March 31, 2018 and March 31, 2017 have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/FAC/62/2016 dated July 05, 2016.

The Ind AS financial results and financial information for the quarter and year ended March 31, 2017 has been presented after incorporating the applicable Ind AS adjustments.

3. Reconciliation of Net Profit after tax under the previously applicable Generally Accepted Accounting Principles in India (referred to as "Previous GAAP") and total comprehensive income as reported in these consolidated financial results under Ind AS for the quarter and year ended March 31, 2017 and reconciliation of equity as at March 31, 2017 are as below.

a) Financial results reconciliation:

Particulars	Quarter ended March 31, 2017 (Audited) (Refer Note 2)	Year ended March 31, 2017 (Audited) (Refer Note 2)
Profit after tax as reported under previous GAAP	157.67	1,357.42
Other adjustments:		
(i) Reversal of amortisation of trademark due to impairment	160.00	160.00
(ii) Reversal of depreciation on building due to impairment	51.35	51.35
(iii) Deferred tax on the above	(77.61)	(77.61)
Sub-total [(i) + (ii) + (iii)]	133.74	133.74
Adjustments on account of:		
(i) Reversal of rent recorded on account of straight lining	(12.82)	(43.67)
(ii) Fair valuation of long-term trade receivables	0.30	1.20
(iii) Fair valuation of borrowings from related parties	(9.21)	(59.39)
(iv) Additional depreciation on fair valuation of building	(0.07)	(0.26)
(v) Expected credit loss assessment for trade receivables	(0.81)	(8.71)
(vi) Fair valuation of inter-corporate deposit to related party	0.78	8.24
(vii) Remeasurement of defined benefit obligation	54.93	54.93
(viii) Asset retirement obligation	(8.56)	(8.56)
(ix) Reversal of amortisation of goodwill	2.32	2.32
(x) Deferred tax impact on above Ind AS adjustments	(4.95)	17.67
	21.91	(36.23)
Profit after tax as reported under Ind AS	313.32	1,454.93
Other comprehensive income (net of tax)	(133.50)	(106.22)
Total comprehensive income as reported under Ind AS	179.82	1,348.71



b) Reconciliation of equity:

Particulars	As at March 31, 2017
Total Equity (including shareholders' fund) as per previous GAAP	28,849.25
Other adjustments:	
(i) Diminution in the value of capital work-in-progress	(1,938.14)
(ii) Diminution in the value of building	(2,604.35)
(iii) Impairment of trademark	(1,439.56)
(iv) Deferred tax impact on the above	475.97
	(5,506.08)
Ind AS adjustments:	
(i) Reversal of rent recorded on account of straightlining of lease rentals	59.77
(ii) Impact on accounting of asset retirement obligation	(36.66)
(iii) Fair valuation of inter corporate deposit (borrowings)	85.80
(iv) Fair valuation on long-term trade receivables	(3.35)
(v) Expected credit loss assessment for trade receivables	(26.87)
(vi) Fair valuation of inter corporate deposit	(12.50)
(vii) Depreciation on account of fair valuation of building	(0.26)
(viii) Fair valuation of land and building	6,866.33
(ix) Reversal of amortisation of goodwill arising on business combination	2.33
(x) Deferred tax impact on the above	(38.36)
(xi) Deferred tax impact on other comprehensive income	(93.95)
	6,802.28
Total Equity (including shareholders' fund) as per IND AS	30,145.45

Other adjustments

Consequent to the Scheme of Amalgamation and subsequent consolidation of IAT and its subsidiaries;

a) the Group recorded capital work-in-progress amounting to ₹ 2,349.07 lakhs previously recorded at the carrying value under the previous GAAP. However, the Group had not recorded an impairment of ₹ 1,938.14 lakhs under the previous GAAP which has now been adjusted in the consolidated financial statements.

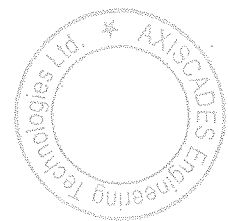
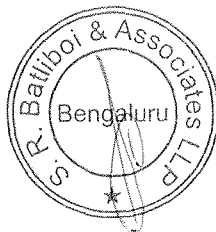
b) the Group recorded building owned by the Company, amounting to ₹ 3,009.27 lakhs at the carrying value under the previous GAAP. As a part of the transition to IND AS, the Group elected to record its property, plant and equipment at fair value on the date of transition to be the deemed costs. Basis on an independent valuation as of the transition date, the fair value of the building was deemed lower than the carrying value under the previous GAAP by ₹ 2,655.70 lakhs as at April 1, 2016 and ₹ 2,604.35 lakhs as at March 31, 2017. Consequently the impairment under the previous GAAP has now been adjusted in the consolidated financial statements. Consequent to the above, depreciation previously charged on the carrying value of the building during the year ended March 31, 2017 has also been adjusted with the equity.

c) the Group had recorded the acquisition of the trademark "AXISCADES" at the carrying value under the previous GAAP. However, basis management's internal estimates the management believes that this amount is not recoverable and therefore, the Group had not recorded an impairment of ₹ 1,599.56 lakhs as at April 1, 2016 and ₹ 1,439.56 lakhs as at March 31, 2017 under the previous GAAP. This has now been adjusted in the consolidated financial statements. Consequently, the amortisation previously charged under previous GAAP has been adjusted during the year ended March 31, 2017.

4. Exceptional items comprise the following:

(₹ In Lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Merger expenses	-	123.57	4.00	298.69	45.33
Provision for impairment no longer required, written back	-	-	(97.67)	-	(97.67)
Total	-	123.57	(93.67)	298.69	(52.34)



[Handwritten signature]

(₹ In Lakhs)

5. The financial results of the Company on standalone basis is as follows:

(₹ In Lakhs)

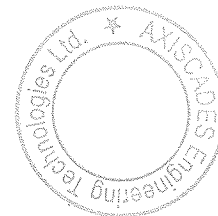
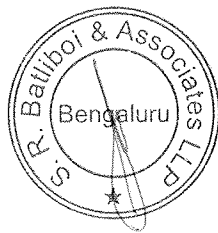
Particulars	Quarter ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Total revenue (including other income)	5,900.69	6,384.44	5,752.76	23,951.76	24,133.69
Profit/(Loss) before tax	(729.15)	(132.29)	358.22	(1,084.15)	1,969.15
Profit/(Loss) after tax	(642.02)	(151.12)	248.27	(941.81)	1,291.09
Total Comprehensive Income for the quarter / year ended	(699.40)	(129.60)	313.35	(1,124.58)	1,356.44

6. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments'. The business segments of the Group comprises of (a) "Engineering Design Services" and (b) Strategic Technology Solutions.

Segment wise revenue, results, assets and liabilities

(₹ In Lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. Segment revenue					
(a) Engineering design services	9,947.96	11,413.98	9,095.06	41,209.40	37,579.70
(b) Strategic technology solutions	4,904.69	3,001.50	1,889.90	10,706.27	11,097.05
Total	14,852.65	14,415.48	10,984.96	51,915.67	48,676.75
Less: inter segment revenue	-	-	-	-	-
Net sales/income from operations	14,852.65	14,415.48	10,984.96	51,915.67	48,676.75
2. Segment results (Profit/(Loss) before tax and interest from each segment)					
(a) Engineering design services	(1,546.19)	507.94	(5.09)	(1,173.95)	1,298.93
(b) Strategic technology solutions	245.55	400.16	235.85	915.06	1,405.86
Total	(1,300.64)	908.10	230.76	(258.89)	2,704.79
Less: i) Interest expenses	(615.19)	(381.50)	(340.33)	(1,368.97)	(1,286.13)
ii) Exceptional items (Refer note 5)	298.69	(123.57)	93.67	-	52.34
iii) Other unallocable expenditure	(157.58)	-	(47.90)	(157.58)	(47.90)
Add: i) Other income	840.06	97.14	924.50	1,507.02	1,460.06
Total profit/(loss) before tax	(934.66)	500.17	860.70	(278.42)	2,883.16



[Handwritten signature]

(₹ In Lakhs)

	Quarter ended			Year ended	
	March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
3. Segment assets					
(a) Engineering design services	60,347.87	32,312.61	19,268.59	60,347.87	19,268.59
(b) Strategic technology solutions	11,265.38	26,332.53	20,483.29	11,265.38	20,483.29
(c) Unallocable assets	4,142.66	19,757.29	6,187.44	4,142.66	6,187.44
Total	75,755.91	78,402.43	45,939.32	75,755.91	45,939.32
4. Segment liabilities					
(a) Engineering design services	33,610.34	11,711.37	4,386.31	33,610.34	4,386.31
(b) Strategic technology solutions	11,605.09	12,362.54	2,747.50	11,605.09	2,747.50
(c) Unallocable liabilities	1,023.84	23,499.87	8,359.43	1,023.84	8,359.43
Total	46,239.27	47,573.78	15,493.24	46,239.27	15,493.24

7. During the quarter ended December 31, 2017, the Company entered into a shareholder's agreement to acquire 100% stake in Mistral Solutions Private Limited ("MSPL") alongwith its subsidiaries in a phased manner. MSPL Group is engaged in rendering end to end services for product design and development in the embedded space. The Company acquired control of MSPL effective December 01, 2017.

Further, subsequent to the year end, the Company has filed an application with National Company Law Tribunal ("NCLT") for amalgamation of Explsoft Tech Solutions Pvt Ltd (erstwhile holding company of MSPL) with the Company, on receipt of observation letter conveying 'no objection' from BSE Limited and the National Stock Exchange. Pending necessary regulatory approvals, no effect is given to aforesaid scheme of amalgamation.

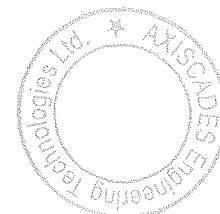
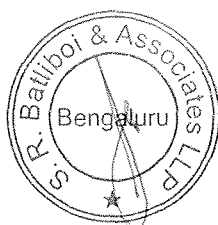
Consequent to aforesaid mentioned, results of the operations of the Group includes total revenue of ₹ 4,853.10 lakhs and ₹ 7,368.86 lakhs and net profit of ₹ 829.71 lakhs and ₹ 1,198.18 lakhs attributable to the operations of MSPL for the quarter and four months period December 1, 2017 to March 31, 2018 respectively.

The fair values of the identifiable assets and liabilities of MSPL as at the date of acquisition were:

	(₹ In Lakhs)
	Fair value recognised on acquisition
Assets	
Property, plant and equipment	1,325.03
Capital work-in-progress	11.77
Intangible assets (includes assets recognised during purchase price allocation)	4,681.08
Cash and cash equivalents and Bank balances	2,691.36
Trade receivables	3,472.22
Inventories	1,208.86
Other assets	2,315.35
	15,705.67
Liabilities	
Borrowings	211.83
Trade payables	1,868.59
Other liabilities	1,994.33
	4,074.75
Total identifiable net assets at fair value	11,630.92
Goodwill arising on acquisition	12,583.05
Purchase consideration	24,213.97

8. The figures of the quarter ended March 31, 2018 and corresponding quarter ended March 31, 2017 are the derieved balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto third quarter of the respective financial years. Also, the figures upto the end of the third quarter were only reviewed and not subjected to audit.

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

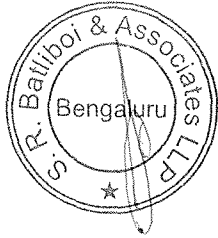


[Handwritten signature]

10. These quarterly consolidated financial results as well as the year to date results includes the results of the following entities:

- a. AXISCADES Engineering Technologies Limited
- b. AXISCADES, Inc.
- c. Cades Studec Technologies (India) Private Limited
- d. AXISCADES Aerospace & Technologies Private Limited
- e. AXISCADES UK Limited
- f. AXISCADES Technology Canada Inc.
- g. Axis Mechanical Engineering Design (Wuxi) Co., Ltd.,
- h. AXISCADES GmbH
- i. AXISCADES Aerospace & Infrastructure Private Limited
- j. Mistral Solutions Private Limited
- k. Mistral Solutions Inc.
- l. Aero Electronics Private Limited
- m. Mistral Technologies Private Limited
- n. Mistral Solutions Pte Ltd
- o. Enertec Controls Limited

11. The above audited consolidated 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.



A handwritten signature in black ink, appearing to be "S. R. Battiboi".