

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

1. We have audited the accompanying statement of standalone Ind AS financial results of AXISCADES Engineering Technologies Limited ('the Company') for the quarter and year ended March 31, 2019 ('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, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The standalone Ind AS financial results for the quarter and year ended March 31, 2019 have been prepared on the basis of the standalone Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2019, 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 standalone financial results based on our review of the standalone Ind AS financial results for the nine-month period ended December 31, 2018 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 standalone Ind AS financial statements as at and for the year ended March 31, 2019; 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 financial results are free of material misstatement. 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, these quarterly standalone Ind AS financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
 - ii. give a true and fair view of the net loss and other comprehensive income and other financial information for the quarter and year ended March 31, 2019.
4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, 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

per Sunil Gaggar

Partner

Membership No.: 104315

Bengaluru

May 08, 2019



AXISCADES Engineering Technologies Limited

CIN NO: L72200KA1990PLC084435

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(₹ in lakhs)

Statement of audited standalone financial results for the quarter and year ended 31 March 2019

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	[Refer note 8]		[Refer note 8]		
I. REVENUE					
(a) Revenue from operations	5,821.13	6,288.99	5,566.91	22,519.26	23,258.02
(b) Other income	53.15	23.10	333.78	160.67	693.74
TOTAL REVENUE	5,874.28	6,312.09	5,900.69	22,679.93	23,951.76
II. EXPENSES					
(a) Employee benefits expense	3,736.17	3,589.09	3,682.59	14,390.59	14,533.54
(b) Finance costs	522.63	442.03	439.13	1,667.64	720.32
(c) Depreciation and amortisation expense	201.28	209.47	347.34	907.01	1,370.11
(d) Project consultancy charges	264.84	498.51	420.74	1,679.35	1,950.30
(e) Other expenses	1,534.29	1,520.65	1,740.04	6,027.08	6,162.95
TOTAL EXPENSES	6,259.21	6,259.75	6,629.84	24,671.67	24,737.22
III. PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)	(384.93)	52.34	(729.15)	(1,991.74)	(785.46)
IV. Exceptional items Income/(Loss)(refer note 5)	-	-	-	1,450.68	(298.69)
V. PROFIT/(LOSS) BEFORE TAX (III-IV)	(384.93)	52.34	(729.15)	(541.06)	(1,084.15)
VI. Tax Expense					
Current tax	-	-	21.80	-	156.47
Tax expense of prior period/year	-	-	58.79	-	58.79
Deferred tax charge / (credit)	220.71	-	(167.72)	(141.67)	(357.60)
VII. NET PROFIT/(LOSS) FOR THE PERIOD / YEAR	(605.64)	52.34	(642.02)	(399.39)	(941.81)
VIII. Other comprehensive income, net of tax	(5.87)	149.66	(57.38)	11.10	(182.77)
IX. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD / YEAR	(611.51)	202.00	(699.40)	(388.29)	(1,124.58)
X. Paid-up equity share capital (₹ 5/- each)	1,889.51	1,889.51	1,889.51	1,889.51	1,889.51
XI. Other equity				20,683.74	21,061.48
XI. EARNINGS PER SHARE ("EPS") (of ₹ 5/- EACH) (NOT ANNUALISED):					
Basic and Diluted (EPS) (₹)	(1.60)	0.14	(1.70)	(1.06)	(2.49)



For AXISCADES Engineering Technologies Limited

[Signature]
Director

Statement of audited standalone financial results for the quarter and year ended 31 March 2019

The Standalone statement of assets and liabilities are as below:

Particulars	As at	
	March 31, 2019	March 31, 2018
	(Audited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	1,200.78	1,367.07
(b) Other intangible assets	479.47	950.38
(c) Intangible assets under development	50.00	-
(d) Financial assets		
(i) Investments	38,673.88	38,446.38
(ii) Trade receivables	-	11.14
(iii) Loans	773.88	695.58
(iv) Other financial assets	119.75	196.14
(e) Deferred tax assets, net	818.62	658.51
(f) Non-current tax asset, net	1,238.01	664.94
(g) Other non-current assets	29.62	78.02
	43,384.01	43,068.16
Current assets		
(a) Financial assets		
(i) Trade receivables	6,975.99	6,004.69
(ii) Cash and cash equivalents	433.82	765.06
(iii) Bank balances other than cash and cash equivalents	101.78	218.51
(iv) Loans	313.27	144.67
(v) Other financial assets	2,612.18	2,803.85
(b) Other current assets	2,024.15	1,923.34
	12,461.19	11,860.12
TOTAL ASSETS	55,845.20	54,928.28
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,889.51	1,889.51
(b) Other equity	20,683.74	21,061.48
	22,573.25	22,950.99
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,083.48	2,824.91
(ii) Other Financial liabilities	9,698.97	10,325.23
(b) Provisions	438.56	395.23
(c) Other non-current liabilities	27.82	27.82
	12,248.83	13,573.19
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	5,360.44	3,739.96
(ii) Trade payables	1,513.41	2,154.76
(iii) Other financial liabilities	13,117.27	11,632.25
(b) Provisions	283.11	262.96
(c) Other current liabilities	748.89	614.17
	21,023.12	18,404.10
TOTAL EQUITY AND LIABILITIES	55,845.20	54,928.28

Notes

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of audited standalone financial results for the quarter and year ended March 31, 2019 of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 8, 2019. The aforesaid standalone financial results for the quarter and year ended March 31, 2019 have been audited 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, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.



For AXISCADES Engineering Technologies Limited

Director

Statement of audited standalone financial results for the quarter and year ended 31 March 2019

3. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the standalone financial results for the quarter and year ended March 31, 2019.

4. The Company is engaged in the business of "Engineering Design Services". 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.

5. Exceptional item comprise the following:

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Merger expenses	-	-	-	-	(298.69)
Fair value change in contingent consideration (refer note 6)	-	-	-	1,450.68	-
Total	-	-	-	1,450.68	(298.69)

6. During the previous year, the Company entered into a shareholder's agreement to acquire 100% stake in Mistral Solutions Private Limited ("MSPL") along with 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, during the quarter ended June 30, 2018, 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.

Further, vide order dated March 8, 2019 NCLT, Bengaluru bench has approved the scheme of amalgamation. As the registered office of the Explsoft Tech Solutions Pvt Ltd is situated in the state of Maharashtra, the scheme has also been filed with NCLT, Mumbai for approval. Presently the Company is awaiting for final hearing for the approval. Pending necessary approval from NCLT Mumbai bench no effect is given to aforesaid scheme of amalgamation.

During the quarter ended September 30, 2018, the Company recorded a fair value gain of Rs.1,450.68 Lakhs on re-estimation of the contingent consideration payable as per the terms of the share purchase agreement considering the current actual performance and the revised projections of MSPL, in accordance with Ind AS.

7. The Company entered into a Separation and Release Agreement with Mr. Mritunjay Singh (Ex-CEO and Executive Director) dated January 19, 2019, whereby both the parties have mutually agreed with the termination of the employment of the latter. Pursuant to the aforesaid agreement, the Company agreed to pay the latter a sum of Rs. 258.52 lakhs as a full and final settlement, which included all dues and expenses incurred for the work done by Mr. Mritunjay Singh as of the cessation date.

The above remuneration agreed to be paid to Mr. Mritunjay Singh exceeded the limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013. Accordingly, the Company has obtained the shareholders' approval on April 22, 2019, by passing a special resolution through postal ballot in order to comply with the aforesaid provisions of the Companies Act, 2013.

8. The figures of the quarter ended March 31, 2019 and corresponding quarter ended March 31, 2018 are the derived 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/year figures have been regrouped / rearranged wherever necessary to conform with the current period/year presentation.

10. The above audited 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 Engineering Technologies Limited

[Signature]
Director