

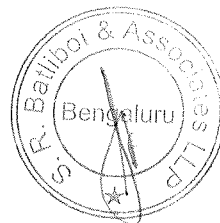
Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
AXISCADES Engineering Technologies Limited

1. We have reviewed the accompanying Statement of unaudited Consolidated Ind AS Financial Results of AXISCADES Engineering Technologies Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its associate for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Regulations"), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared 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 read with the Circular. 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. 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.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. The Statement includes the results of the entities as stated in Note 12 of the Statement.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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 Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

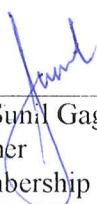
Chartered Accountants

6. We did not review the Ind AS financial results of eleven subsidiaries, included in the consolidated unaudited Ind AS financial results, whose Ind AS financial results reflect total revenues of Rs. 4,263.19 lakhs, total net profit after tax of Rs. 123.27 lakhs and total comprehensive income of Rs. 115.72 lakhs, for the quarter ended June 30, 2019, respectively, as considered in the consolidated unaudited Ind AS financial results. These Ind AS financial results have been reviewed by other auditors, whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of the other auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Sunil Gaggar

Partner

Membership No.: 104315

UDIN: 19104315AAAAAT1601



Place: Bengaluru

Date: August 1, 2019

AXISCADES Engineering Technologies Limited

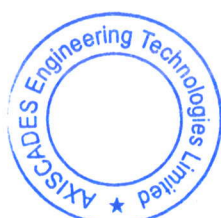
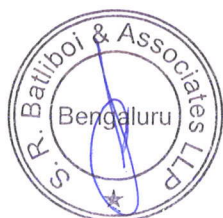
CIN NO: L72200KA1990PLC084435

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 unaudited consolidated financial results for the quarter ended June 30, 2019

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
I. REVENUE		[Refer note 9]		
(a) Revenue from operations	15,268.48	16,107.16	12,148.10	60,433.53
(b) Other operating income (refer note 4)	169.69	135.95	114.39	340.77
(c) Other income	126.66	487.37	213.66	902.23
TOTAL REVENUE	15,564.83	16,730.48	12,476.15	61,676.53
II. EXPENSES				
(a) Cost of materials consumed	2,496.91	2,764.43	1,317.13	9,450.73
(b) Employee benefits expense	8,531.59	9,066.16	7,946.72	35,006.43
(c) Finance costs	700.62	774.67	552.23	2,357.41
(d) Depreciation and amortisation expense	741.34	484.99	520.00	1,974.81
(e) Project consultancy charges	441.92	480.22	673.07	2,472.69
(f) Other expenses	2,409.13	3,080.44	2,509.81	12,649.75
TOTAL EXPENSES	15,321.51	16,650.91	13,518.96	63,911.82
III. PROFIT / (LOSS) BEFORE NON-CONTROLLING INTEREST / SHARE IN NET PROFIT / (LOSS) OF ASSOCIATE (I-II)	243.32	79.57	(1,042.81)	(2,235.29)
IV. Share in net profit/(loss) of associate	7.30	(54.75)	-	(54.75)
V. PROFIT/(LOSS) BEFORE NON-CONTROLLING INTEREST AND AFTER SHARE IN NET PROFIT/(LOSS) OF ASSOCIATE (III-IV)	250.62	24.82	(1,042.81)	(2,290.04)
VI. Exceptional items (refer note 5)	-	-	-	1,450.68
VII. PROFIT/(LOSS) BEFORE TAX AND NON CONTROLLING INTEREST	250.62	24.82	(1,042.81)	(839.36)
VIII. Tax expense:				
- Current tax	155.25	275.97	61.33	827.40
- Deferred tax charge/(credit)	(12.84)	(330.13)	(310.88)	(899.29)
IX. PROFIT/(LOSS) AFTER TAX	108.21	78.98	(793.26)	(767.47)
X. Other Comprehensive Income, net of tax [(loss)/profit]	32.36	(102.73)	(30.76)	(13.68)
XI. TOTAL COMPREHENSIVE INCOME FOR THE QUARTER /YEAR	140.57	(23.75)	(824.02)	(781.15)
Total profit/(loss) attributable to				
Owners of the Company	94.48	67.31	(804.70)	(813.30)
Non controlling interest	13.73	11.67	11.44	45.83
Total Comprehensive income attributable to				
Owners of the Company	126.84	(35.42)	(835.46)	(826.98)
Non controlling interest	13.73	11.67	11.44	45.83
XII. Paid up equity share capital (₹ 5/- each)	1,889.51	1,889.51	1,889.51	1,889.51
XIII. Other equity				26,577.35
IV. Earnings per share ('EPS') (of ₹ 5 each) (not annualised)				
Basic EPS (in ₹)	0.25	0.18	(2.13)	(2.15)
Diluted EPS (in ₹)	0.25	0.18	(2.13)	(2.15)



For AXISCADES Engineering Technologies Limited

[Signature]
Director
Authorized Signatory

AXISCADES Engineering Technologies Limited

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(₹ In Lakhs)

Statement of unaudited consolidated financial results for the quarter ended June 30, 2019

Notes

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of unaudited consolidated financial results for the quarter ended June 30, 2019 of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 1, 2019. The aforesaid consolidated financial results for the quarter ended June 30, 2019 have been subjected to a 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 and SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.

3. Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to the lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 2,870.12 lakhs, and a lease liability of Rs.2,958.77 lakhs. The cumulative effect of applying the standard resulted in Rs.199.65 lakhs being debited to retained earnings, net of taxes. The effect of this adoption on the profit for the current quarter ended June 30, 2019 is as follows.

Adjustments to increase / (decrease) in net profit	Quarter ended June 30, 2019 comparable basis	Changes due to Ind AS 116 increase / (decrease)	Quarter ended June 30, 2019 as reported
Other expenses	2,761.90	-352.77	2,409.13
Finance costs	629.86	70.76	700.62
Depreciation and amortisation expense	447.43	293.91	741.34
Profit before tax	231.42	11.90	243.32

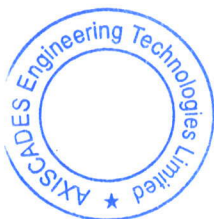
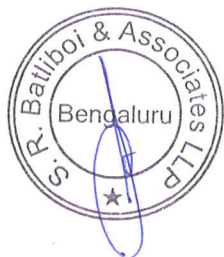
4. During the quarter ended June 30, 2019, the Group has recognised other operating income from export incentives under the provisions of Foreign Trade Policy (1 April 2015 - 31 March 2020), as amended from time to time, aggregating ₹ 169.69 lakhs (quarter ended March 31, 2019: ₹ 135.95 lakhs and June 30, 2018: ₹ 114.39 lakhs) (year ended March 31, 2019: ₹ 340.77 lakhs). The Management believes that it has satisfied all the conditions to receive the incentive and is in the process of filing the claim.

5. Exceptional items comprise the following:

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Fair value change in purchase consideration (refer note 8)	-	-	-	1,450.68
Total	-	-	-	1,450.68

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

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Total revenue (including other income)	5,507.59	5,874.28	4,983.95	22,679.93
Profit/(Loss) before tax	(218.84)	(384.93)	(1,063.20)	(541.06)
Profit/(Loss) after tax	(218.84)	(605.64)	(930.76)	(399.39)
Total Comprehensive Income for the quarter/year ended	(225.94)	(611.51)	(990.71)	(388.29)



For AXISCADES Engineering Technologies Limited

[Signature]

Authorized Signatory
DIRECTOR

AXISCADES Engineering Technologies Limited

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(₹ In Lakhs)

Statement of unaudited consolidated financial results for the quarter ended June 30, 2019

7. 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".

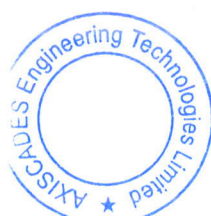
Segment wise revenue, results, assets and liabilities

Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1. Segment revenue				
(a) Engineering design services	12,110.40	11,778.23	10,536.34	47,624.37
(b) Strategic technology solutions	3,327.77	4,464.88	1,726.15	13,149.94
Total	15,438.17	16,243.11	12,262.49	60,774.31
Less: inter segment revenue	-	-	-	-
Net sales/income from operations	15,438.17	16,243.11	12,262.49	60,774.31
2. Segment results				
(Profit/(Loss) before tax, interest and exceptional item from each segment)				
(a) Engineering design services	1,099.33	521.90	374.75	1,333.48
(b) Strategic technology solutions	(47.72)	(15.21)	(905.52)	(1,491.50)
(c) Unallocable	-	-	-	-
Total	1,051.61	506.69	(530.77)	(158.02)
Less: i) Interest expenses	(700.62)	(774.67)	(552.23)	(2,357.41)
ii) Share in net profit/(loss) of associate	7.30	(54.75)	-	(54.75)
iii) Exceptional items (refer note 5 and 8)	-	-	-	1,450.68
iv) Other Unallocable expenditure	(234.33)	(139.82)	(153.68)	(622.09)
Add: i) Other income	126.66	487.37	193.87	902.23
Total profit/(loss) before tax	250.62	24.82	(1,042.81)	(839.36)
Particulars	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
3. Segment assets				
(a) Engineering design services	29,346.05	27,099.62	24,565.13	27,099.62
(b) Strategic technology solutions	31,082.38	31,593.38	36,377.00	31,593.38
(c) Unallocable assets	18,592.62	18,403.93	15,375.79	18,403.93
Total	79,021.05	77,096.93	76,317.92	77,096.93
4. Segment liabilities				
(a) Engineering design services	17,165.61	15,389.90	14,057.32	15,389.90
(b) Strategic technology solutions	31,269.42	31,618.49	32,606.97	31,618.49
(c) Unallocable liabilities	1,774.37	1,231.45	888.67	1,231.45
Total	50,209.40	48,239.84	47,552.96	48,239.84

8. During the year ended March 31, 2018, the Company entered into a Share Purchase Agreement ("SPA") to acquire 100% stake in Mistral Solutions Private Limited ("MSPL") along with its subsidiaries ("MSPL Group") in a phased manner. MSPL Group is headquartered in Bengaluru, India and 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.

During the quarter ended June 30, 2018, the Company has filed an application with National Company Law Tribunal ("NCLT") for amalgamation of Explosoft 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 Explosoft 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 previous year, the Company has recognised a fair value gain of Rs.1,450.68 Lakhs on re-estimation of the purchase consideration payable as per the terms of the SPA. The change in fair value is based on the revised projections of MSPL Group updated considering the actual performance of MSPL Group.



FOR AXISCADES Engineering Technologies Limited

Authorized Signatory
 Director

AXISCADES Engineering Technologies Limited

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(₹ In Lakhs)

Statement of unaudited consolidated financial results for the quarter ended June 30, 2019

9. The figures for the quarter ended March 31, 2019 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 financial year. Also, the figures upto the end of the third quarter were only reviewed and not subjected to audit.

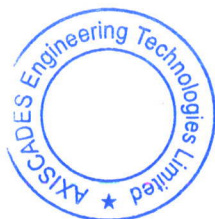
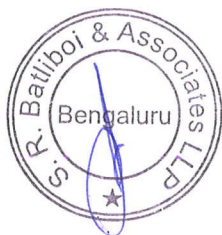
10. The ESOP scheme titled "AXISCADES Engineering Employee Stock Option Plan- Series 1 & 2" was approved by the Shareholders of the Company vide resolution passed at the Extra Ordinary General Meeting through postal ballot on 31 March 2018, in respect of grant of options exercisable into equity shares of face value of Rs 5 each fully paid-up, not exceeding 3,020,762 equity shares or 8% of the paid up equity shares of the Company from time to time. Pursuant to the said Scheme, the Company has granted 7,52,300 and 1,50,000 options at an exercise price of Rs 52.65 per share and Rs 52.95 per share to the employees of the Group on 29 April 2019 and 20 May 2019, respectively.

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


12. 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
- p. ASSYSTEM AXISCADES Engineering Private Limited (w.e.f. August 31, 2018)

13. The above unaudited 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.



For AXISCADES Engineering Technologies Limited


Authorized Signatory
DIRECTOR