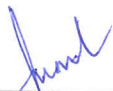


Independent Auditor's Review Report on the Quarterly Unaudited Standalone Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
AXISCADES Engineering Technologies Limited

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of AXISCADES Engineering Technologies Limited (the 'Company') for the quarter ended June 30, 2019 (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 ('the Regulations') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. 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, read with the Circular is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. 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 is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies, 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.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004


per Sunil Gaggar
Partner
Membership No.: 104315
UDIN: 19104315AAAAAS4093



Place: Bengaluru
Date: August 1, 2019

AXISCADES Engineering Technologies Limited

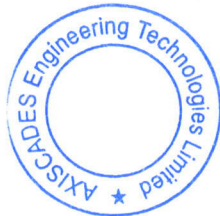
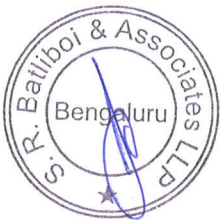
CIN NO: L72200KA1990PLC084435

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 standalone financial results for the quarter ended 30 June 2019

Particulars	Quarter ended			Year ended
	30 June 2019	31 March 2019	30 June 2018	March 31, 2019
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		[Refer note 8]		
I. REVENUE				
(a) Revenue from operations	5,417.66	5,821.13	4,921.76	22,519.26
(b) Other operating income	59.34	-	-	-
(b) Other income	30.59	53.15	62.19	160.67
TOTAL REVENUE	5,507.59	5,874.28	4,983.95	22,679.93
II. EXPENSES				
(a) Employee benefits expense	3,510.65	3,736.17	3,367.01	14,390.59
(b) Finance costs	485.66	522.63	401.16	1,667.64
(c) Depreciation and amortisation expense	378.03	201.28	278.78	907.01
(d) Project consultancy charges	118.72	264.84	445.77	1,679.35
(e) Other expenses	1,233.37	1,534.29	1,554.43	6,027.08
TOTAL EXPENSES	5,726.43	6,259.21	6,047.15	24,671.67
III. LOSS BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)	(218.84)	(384.93)	(1,063.20)	(1,991.74)
IV. Exceptional items (refer note 5)	-	-	-	1,450.68
V. LOSS BEFORE TAX (III-IV)	(218.84)	(384.93)	(1,063.20)	(541.06)
VI. Tax Expense				
Current tax	-	-	-	-
Deferred tax charge / (credit)	-	220.71	(132.44)	(141.67)
VII. NET LOSS FOR THE PERIOD / YEAR (V - VI)	(218.84)	(605.64)	(930.76)	(399.39)
VIII. Other comprehensive income, net of tax [(loss) / profit]	(7.10)	(5.87)	(59.95)	11.10
IX. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD / YEAR (VII + VIII)	(225.94)	(611.51)	(990.71)	(388.29)
X. Paid-up equity share capital (₹ 5/- each)	1,889.51	1,889.51	1,889.51	1,889.51
XI. Other equity				20,683.74
XI. EARNINGS / (LOSS) PER SHARE ("EPS") (of ₹ 5/- EACH) (NOT ANNUALISED):				
Basic and Diluted (EPS) (₹) (refer note 10)	(0.58)	(1.60)	(2.46)	(1.06)



For AXISCADES Engineering Technologies Limited

[Signature]
Authorized Signatory
DIRECTOR

AXISCADES Engineering Technologies Limited

CIN NO: L72200KA1990PLC084435

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

(₹ in lakhs)

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

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, 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 standalone 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 Company 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. 1,223.26 lakhs, and a lease liability of Rs. 1,287.60 lakhs. The cumulative effect of applying the standard resulted in Rs. 138.60 lakhs being debited to retained earnings, net of taxes. The effect of this adoption on the loss 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	1,457.95	(224.58)	1,233.37
Finance costs	+52.53	33.13	+85.66
Depreciation and amortisation expense	190.02	188.01	378.03
Loss before tax	(215.40)	(3.44)	(218.84)

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:

Particulars	Quarter ended			Year ended
	30 June 2019 (Unaudited)	31 March 2019 (Audited)	30 June 2018 (Unaudited)	March 31, 2019 (Audited)
Fair value change in purchase consideration (refer note 6)	-	-	-	1,450.68
Total	-	-	-	1,450.68

6. During the financial 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.

7. During the quarter ended June 30, 2019, the Company 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 ₹ 59.34 lakhs. The Management believes that it has satisfied all the conditions to receive the incentive and is in the process of filing the claim.

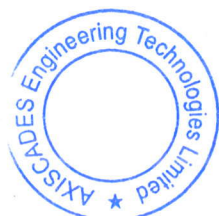
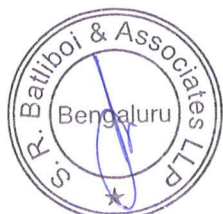
8. The figures for the quarter ended March 31, 2019 are the derived balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto third quarter of the financial year. Also, the figures upto the end of the third quarter were only reviewed and not subjected to audit.

9. 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 Company and its subsidiaries on 29 April 2019 and 20 May 2019, respectively.

10. 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 dilutive equity shares are anti-dilutive. Hence, basic and dilutive EPS are same.

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

12. The above unaudited standalone financial results of the Company are available on the Company's website (www.axiscales.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