

**Limited Review Report**

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 September 30, 2018 and year to date from April 01, 2018 to September 30, 2018 (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 Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 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, 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 Regulation, 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



Place: Bengaluru  
Date: November 11, 2018

**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 and half year ended 30 September 2018**

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I. REVENUE</b>						
(a) Revenue from operations	5,487.38	4,921.76	6,098.17	10,409.14	11,416.41	23,258.02
(b) Other income	22.23	62.19	66.32	84.42	250.22	693.74
<b>TOTAL REVENUE</b>	<b>5,509.61</b>	<b>4,983.95</b>	<b>6,164.49</b>	<b>10,493.56</b>	<b>11,666.63</b>	<b>23,951.76</b>
<b>II. EXPENSES</b>						
(a) Employee benefits expense	3,698.32	3,367.01	3,619.13	7,065.33	7,174.87	14,533.54
(b) Finance costs	301.82	401.16	47.48	702.98	83.18	720.32
(c) Depreciation and amortisation expense	217.47	278.78	343.85	496.25	667.10	1,370.11
(d) Project consultancy charges	470.23	445.77	610.74	916.00	913.66	1,950.30
(e) Other expenses	1,417.70	1,554.43	1,561.64	2,972.13	2,875.41	6,162.95
<b>TOTAL EXPENSES</b>	<b>6,105.54</b>	<b>6,047.15</b>	<b>6,182.84</b>	<b>12,152.69</b>	<b>11,714.22</b>	<b>24,737.22</b>
<b>III. PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)</b>	<b>(595.93)</b>	<b>(1,063.20)</b>	<b>(18.35)</b>	<b>(1,659.13)</b>	<b>(47.59)</b>	<b>(785.46)</b>
IV. Exceptional items (refer note 5)	1,450.68	-	(13.86)	1,450.68	175.12	(298.69)
<b>V. PROFIT/(LOSS) BEFORE TAX (III-IV)</b>	<b>854.75</b>	<b>(1,063.20)</b>	<b>(32.21)</b>	<b>(208.45)</b>	<b>(222.71)</b>	<b>(1,084.15)</b>
VI. Tax Expense						
Current tax	-	-	-	-	-	156.47
Tax expense of prior period / year	-	-	-	-	-	58.79
Deferred tax charge / (credit)	(229.94)	(132.44)	(19.10)	(362.38)	(74.04)	(357.60)
<b>VII. NET PROFIT/(LOSS) FOR THE PERIOD / YEAR</b>	<b>1,084.69</b>	<b>(930.76)</b>	<b>(13.11)</b>	<b>153.93</b>	<b>(148.67)</b>	<b>(941.81)</b>
VIII. Other Comprehensive Income, net of tax	(72.74)	(59.95)	(93.80)	(132.69)	(146.91)	(182.77)
<b>IX. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD / YEAR</b>	<b>1,011.95</b>	<b>(990.71)</b>	<b>(106.91)</b>	<b>21.24</b>	<b>(295.58)</b>	<b>(1,124.58)</b>
<b>X. Paid-up equity share capital (₹ 5/- each)</b>	<b>1,889.51</b>	<b>1,889.51</b>	<b>1,889.51</b>	<b>1,889.51</b>	<b>1,889.51</b>	<b>1,889.51</b>
<b>XI. EARNINGS PER SHARE ("EPS") (of ₹ 5/- EACH) (NOT ANNUALISED FOR THE PERIOD):</b>						
Basic and Diluted EPS (₹)	2.87	(2.46)	(0.03)	0.41	(0.39)	(2.49)

**Notes**

1. In terms of Regulation 33 of the SEBI Regulations 2015, the aforesaid statement of unaudited standalone financial results of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 11, 2018. The aforesaid results for the quarter and half year ended September 30, 2018 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, 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.

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 financial results.

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			Half year ended		Year ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Merger expenses	-	-	(13.86)	-	(175.12)	(298.69)
Fair value change in contingent consideration (refer note 6)	1,450.68	-	-	1,450.68	-	-
<b>Total</b>	<b>1,450.68</b>	<b>-</b>	<b>(13.86)</b>	<b>1,450.68</b>	<b>(175.12)</b>	<b>(298.69)</b>

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 previous quarter, 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. Pending necessary regulatory approvals, no effect is given to aforesaid scheme of amalgamation.

During the current quarter, the Company, has re-estimated the fair value 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.

7. 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

Director



**AXISCADES Engineering Technologies Limited**

CIN NO: L72200KA1990PLC084435

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(₹ in lakhs)

**Unaudited Standalone Statement of Assets and Liabilities**

SI No	Particulars	As at	
		30 September 2018 (Unaudited)	31 March 2018 (Audited)
	<b>ASSETS</b>		
<b>A</b>	<b>Non-current assets</b>		
	Property, plant and equipment	1,250.72	1,367.07
	Other intangible assets	673.02	950.38
	<b>Financial assets</b>		
	Investments	38,446.38	38,446.38
	Trade receivables	12.13	11.14
	Loans	722.48	695.58
	Other financial assets	224.25	196.14
	Deferred tax assets, net	1,082.71	658.51
	Non-current tax asset, net	791.65	664.94
	Other non-current assets	49.63	78.02
	<b>Total Non-current assets</b>	<b>43,252.97</b>	<b>43,068.16</b>
<b>B</b>	<b>Current assets</b>		
	<b>Financial assets</b>		
	Trade receivables	7,080.77	6,004.69
	Cash and cash equivalents	649.89	765.06
	Bank balances other than cash and cash equivalents	99.42	218.51
	Loans	147.08	144.67
	Other financial assets	2,710.75	2,803.85
	Other current assets	2,200.72	1,923.34
	<b>Total Current assets</b>	<b>12,888.63</b>	<b>11,860.12</b>
	<b>Total assets (A+B)</b>	<b>56,141.60</b>	<b>54,928.28</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>C</b>	<b>Equity</b>		
	Equity share capital	1,889.51	1,889.51
	Other equity	21,070.53	21,061.48
	<b>Total Equity</b>	<b>22,960.04</b>	<b>22,950.99</b>
<b>D</b>	<b>Non-current liabilities</b>		
	<b>Financial liabilities</b>		
	Borrowings	2,638.13	2,824.91
	Other financial liabilities	9,269.61	10,325.23
	Provisions	386.98	395.23
	Other non-current liabilities	27.82	27.82
	<b>Non-current liabilities</b>	<b>12,322.54</b>	<b>13,573.19</b>
<b>E</b>	<b>Current liabilities</b>		
	<b>Financial liabilities</b>		
	Borrowings	5,063.26	3,739.96
	Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprise	-	-
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprise	1,759.07	2,154.76
	Other financial liabilities	12,918.91	11,632.25
	Provisions	238.08	262.96
	Other current liabilities	879.70	614.17
	<b>Total Current liabilities</b>	<b>20,859.02</b>	<b>18,404.10</b>
	<b>Total equity and liabilities (C+D+E)</b>	<b>56,141.60</b>	<b>54,928.28</b>



For AXISCADES Engineering Technologies Limited

*[Signature]*  
Director