

August 1, 2019



The Manager  
Listing Department  
BSE Limited  
Phirozee Jeejeebhoy Tower,  
Dalal Street  
Mumbai 400 001  
BSE Scrip Code: 532395

The Manager  
Listing Department  
The National Stock Exchange of India Limited  
Exchange Plaza, 5 Floor, Plot C/1, G Block  
Bandra – Kurla Complex, Bandra(E),  
Mumbai 400 051  
NSE Symbol: AXISCADES

Dear Sir,

**Sub: Unaudited Financial Results (IND-AS) for the quarter ended June 30, 2019**

Pursuant to Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), enclosed herewith the Unaudited Standalone & Consolidated Financial Results of the Company for the quarter ended June 30, 2019.

The Board of Directors at its meeting held today i.e. on 1 August, 2019 has inter alia, approved the unaudited Financial Results (IND-AS) of the Company for the quarter ended June 30, 2019. The meeting of Board of Directors commenced at 2:00 pm and concluded at 5:40 pm.

We are also enclosing a Limited Review Report of the Statutory Auditors S.R. Batliboi & Associates on the Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2019 as required under Regulation 33 of the Listing Regulations.

The results will be uploaded on Stock Exchange website <http://www.bseindia.com/> and <http://www.nseindia.com/> and on the website of the Company [www.axiscades.com](http://www.axiscades.com).

Kindly take the same on record.

Yours faithfully,

For **AXISCADES Engineering Technologies Limited**

**Shweta Agrawal**

**Company Secretary**

Encl.: A/a

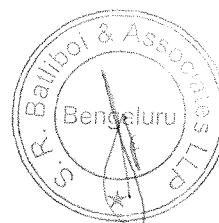
**AXISCADES Engineering Technologies Limited**

CIN No.: L72200KA1990PLC084435

**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

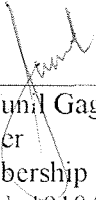
Chartered Accountants

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

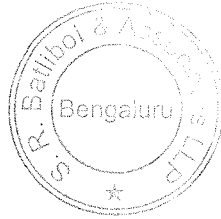
ICAI Firm registration number: 101049W/E300004

  
per Sunil Gagar

Partner

Membership No.: 104315

UDIN: 19104315AAAAAT1601



Place: Bengaluru

Date: August 1, 2019

**AXISCADES Engineering Technologies Limited**

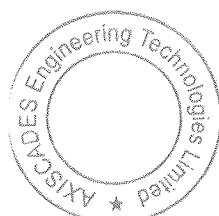
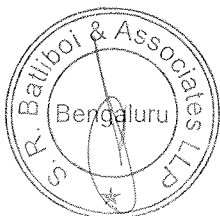
CIN NO: L72200KA1990PLC084435

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)         |
| <b>I. REVENUE</b>  |                  | [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            |
| <b>TOTAL REVENUE</b>   | <b>15,564.83</b> | <b>16,730.48</b> | <b>12,476.15</b>  | <b>61,676.53</b>  |
| <b>II. EXPENSES</b>  |                  |                  |                   |                   |
| (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         |
| <b>TOTAL EXPENSES</b>  | <b>15,321.51</b> | <b>16,650.91</b> | <b>13,518.96</b>  | <b>63,911.82</b>  |
| <b>III. PROFIT / (LOSS) BEFORE NON-CONTROLLING INTEREST / SHARE IN NET PROFIT / (LOSS) OF ASSOCIATE (I-II)</b>     | <b>243.32</b>    | <b>79.57</b>     | <b>(1,042.81)</b> | <b>(2,235.29)</b> |
| IV. Share in net profit/(loss) of associate  | 7.30             | (54.75)          | -                 | (54.75)           |
| <b>V. PROFIT/(LOSS) BEFORE NON-CONTROLLING INTEREST AND AFTER SHARE IN NET PROFIT/(LOSS) OF ASSOCIATE (III-IV)</b> | <b>250.62</b>    | <b>24.82</b>     | <b>(1,042.81)</b> | <b>(2,290.04)</b> |
| VI. Exceptional items (refer note 5)   | -                | -                | -                 | 1,450.68          |
| <b>VII. PROFIT/(LOSS) BEFORE TAX AND NON CONTROLLING INTEREST</b>  | <b>250.62</b>    | <b>24.82</b>     | <b>(1,042.81)</b> | <b>(839.36)</b>   |
| 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)          |
| <b>IX. PROFIT/(LOSS) AFTER TAX</b>   | <b>108.21</b>    | <b>78.98</b>     | <b>(793.26)</b>   | <b>(767.47)</b>   |
| X. Other Comprehensive Income, net of tax [(loss)/profit]  | 32.36            | (102.73)         | (30.76)           | (13.68)           |
| <b>XI. TOTAL COMPREHENSIVE INCOME FOR THE QUARTER /YEAR</b>  | <b>140.57</b>    | <b>(23.75)</b>   | <b>(824.02)</b>   | <b>(781.15)</b>   |
| <b>Total profit/(loss) attributable to</b>   |                  |                  |                   |                   |
| Owners of the Company  | 94.48            | 67.31            | (804.70)          | (813.30)          |
| Non controlling interest   | 13.73            | 11.67            | 11.44             | 45.83             |
| <b>Total Comprehensive income attributable to</b>  |                  |                  |                   |                   |
| Owners of the Company  | 126.84           | (35.42)          | (835.46)          | (826.98)          |
| Non controlling interest   | 13.73            | 11.67            | 11.44             | 45.83             |
| <b>XII. 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>XIII. Other equity</b>  |                  |                  |                   | <b>26,577.35</b>  |
| <b>IV. Earnings per share ('EPS') (of ₹ 5 each) (not annualised)</b>   |                  |                  |                   |                   |
| 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**

CIN NO: L72200KA1990PLC084435

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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                                 |
| 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                                  |

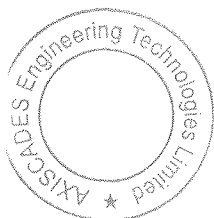
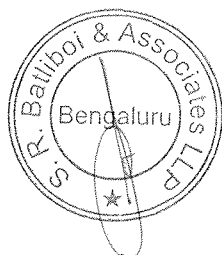
4. During the quarter ended June 30, 2019, the Group has recognised other operating income from export incentives under the provisions of Foreign Trade Policy (1 April 2015 - 31 March 2020), as amended from time to time, aggregating ₹ 169.69 lakhs (quarter ended March 31, 2019: ₹ 135.95 lakhs and June 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        |
| <b>Total</b>   | -             | -              | -             | <b>1,450.68</b> |

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:

*[Handwritten Signature]*

Authorized Signatory  
Director



**AXISCADES Engineering Technologies Limited**

CIN NO: L72200KA1990PLC084435

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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.

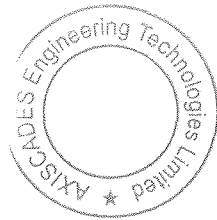
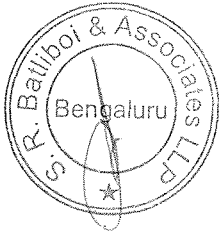
10. The ESOP scheme titled "AXISCADES Engineering Employee Stock Option Plan- Series 1 & 2" was approved by the Shareholders of the Company vide resolution passed at the Extra Ordinary General Meeting through postal ballot on 31 March 2018, in respect of grant of options exercisable into equity shares 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:

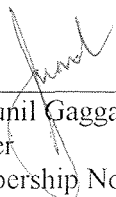
Authorized Signatory  
Director

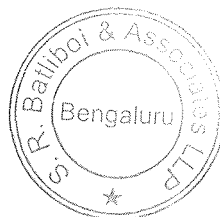
**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

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



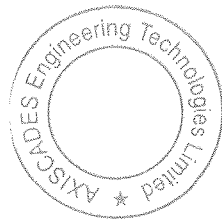
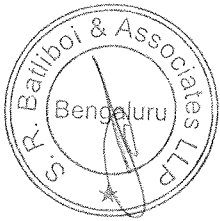
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Website: www.axiscades.com, Email: info@axiscades.com, Tel: +91 80 4193 9000, Fax: +91 80 4193 9099

(₹ 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]  |                   |                   |
| <b>I. REVENUE</b>  |                 |                 |                   |                   |
| (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            |
| <b>TOTAL REVENUE</b>   | <b>5,507.59</b> | <b>5,874.28</b> | <b>4,983.95</b>   | <b>22,679.93</b>  |
| <b>II. EXPENSES</b>  |                 |                 |                   |                   |
| (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          |
| <b>TOTAL EXPENSES</b>  | <b>5,726.43</b> | <b>6,259.21</b> | <b>6,047.15</b>   | <b>24,671.67</b>  |
| <b>III. LOSS BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)</b>                         | <b>(218.84)</b> | <b>(384.93)</b> | <b>(1,063.20)</b> | <b>(1,991.74)</b> |
| IV. Exceptional items (refer note 5)   | -               | -               | -                 | 1,450.68          |
| <b>V. LOSS BEFORE TAX (III-IV)</b>   | <b>(218.84)</b> | <b>(384.93)</b> | <b>(1,063.20)</b> | <b>(541.06)</b>   |
| VI. Tax Expense  |                 |                 |                   |                   |
| Current tax  | -               | -               | -                 | -                 |
| Deferred tax charge / (credit)   | -               | 220.71          | (132.44)          | (141.67)          |
| <b>VII. NET LOSS FOR THE PERIOD / YEAR (V - VI)</b>                              | <b>(218.84)</b> | <b>(605.64)</b> | <b>(930.76)</b>   | <b>(399.39)</b>   |
| VIII. Other comprehensive income, net of tax [(loss) / profit]                   | (7.10)          | (5.87)          | (59.95)           | 11.10             |
| <b>IX. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD / YEAR (VII + VIII)</b>         | <b>(225.94)</b> | <b>(611.51)</b> | <b>(990.71)</b>   | <b>(388.29)</b>   |
| 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         |
| <b>XI. EARNINGS / (LOSS) PER SHARE ("EPS") (of ₹ 5/- EACH) (NOT ANNUALISED):</b> |                 |                 |                   |                   |
| Basic and Diluted (EPS) (₹) (refer note 10)                                      | (0.58)          | (1.60)          | (2.46)            | (1.06)            |



For AXISCADES Engineering Technologies Limited:

*[Signature]*

Authorized Signatory

Director

(₹ 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                                     | 1,157.95                                     | (224.58)  | 1,233.37                                |
| Finance costs                                      | 452.53                                       | 53.13   | 485.66                                  |
| Depreciation and amortisation expense              | 190.02                                       | 188.01  | 378.03                                  |
| Loss before tax                                    | (215.40)                                     | (3.11)  | (218.81)                                |

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  | 31 March 2019 | 30 June 2018 | March 31, 2019  |
|  | (Unaudited)   | (Audited)     | (Unaudited)  | (Audited)       |
| Fair value change in purchase consideration (refer note 6) | -             | -             | -            | 1,450.68        |
| <b>Total</b>   | -             | -             | -            | <b>1,450.68</b> |

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.

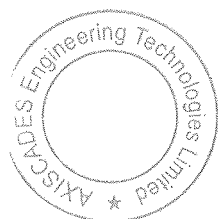
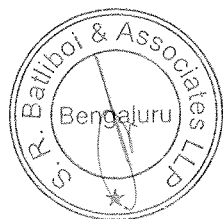
8. The figures for the quarter ended March 31, 2019 are the derived balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto third quarter of the financial year. Also, the figures upto the end of the third quarter were only 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.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