

February 12, 2023

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 and nine months ended December 31, 2022**

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 and nine months ended December 31, 2022.

The Board of Directors at their meeting held today i.e. February 12, 2023 have inter alia, approved the unaudited financial results (IND-AS) of the Company for the quarter and nine months ended December 31, 2022. The meeting of Board of Directors commenced at 5:30 pm and concluded at 7:10 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 and nine months ended December 31, 2022 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 Technologies Limited**

**Sonal Dudani**  
**Company Secretary & Compliance Officer**

Encl.: A/a

**AXISCADES Technologies Limited**

(Formerly AXISCADES Engineering Technologies Limited)

CIN No.: L72200KA1990PLC084435

Reg. Office: Block C, Second Floor, Kirloskar Business Park, Bengaluru - 60024, Karnataka, INDIA  
Ph: +91 80 4193 9000 | Fax: +91 80 4193 9099 | Email: [info@axiscades.com](mailto:info@axiscades.com) | [www.axiscades.com](http://www.axiscades.com)

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated 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 Technologies Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of AXISCADES Technologies Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate for the quarter ended December 31, 2022 and year to date from April 1, 2022 to December 31, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. 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 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 No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of entities as stated in Note 9 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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') 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 Listing Regulations, 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. The accompanying Statement includes the unaudited interim financial results and other unaudited financial information, in respect of ten subsidiaries, whose unaudited interim financial results reflect total revenues of Rs. 10,049.04 lakhs and Rs. 25,495.93 lakhs, total net profit after tax of Rs. 1,002.20 lakhs and Rs. 1,538.13 lakhs and total comprehensive income of Rs. 1,010.94 lakhs and Rs. 1,588.65 lakhs, for the quarter ended December 31, 2022 and the period ended on that date respectively, as considered in the Statement which have been reviewed by their respective independent auditors.

The independent auditor's reports on the unaudited interim financial results of these entities 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 such auditors and the procedures performed by us as stated in paragraph 3 above.

7. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:
- one subsidiary (effective December 22, 2022), whose unaudited interim financial results and other unaudited financial information reflect total revenues of Rs. Nil lakhs, total net loss after tax of Rs. 13.72 lakhs and total comprehensive loss of Rs. 13.72 lakhs, for the period from December 22, 2022 to December 31, 2022, as considered in the Statement;
  - one associate (upto July 11, 2022), whose unaudited interim financial results includes the Group's share of net loss of Rs. 4.41 lakhs and Group's share of total comprehensive loss of Rs. 4.41 lakhs for the period April 01, 2022 to July 11, 2022, as considered in the Statement.


The unaudited interim financial results and other unaudited financial information of the subsidiary and associate have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of the subsidiary and associate, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these unaudited interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in paragraphs 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**

Sunil Gaggar  Digitally signed  
by Sunil Gaggar  
Date: 2023.02.12  
19:08:54 +05'30'

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per Sunil Gaggar

Partner

Membership No.: 104315

UDIN: 23104315BGXPYC5380

Place: Bengaluru

Date: February 12, 2023

(₹ In lakhs)

**Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2022**

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I. Income</b>						
(a) Revenue from contracts with customers	21,342.57	19,366.01	16,931.46	59,036.52	41,652.70	60,840.77
(b) Other operating income	224.72	205.13	60.38	526.50	106.43	189.82
(c) Other income	183.05	423.20	28.19	488.03	625.26	909.43
<b>Total Income</b>	<b>21,750.34</b>	<b>19,994.34</b>	<b>17,020.03</b>	<b>60,051.05</b>	<b>42,384.39</b>	<b>61,940.02</b>
<b>II. Expenses</b>						
(a) Cost of materials consumed	5,051.33	3,355.71	3,979.95	12,705.13	6,513.46	11,666.82
(b) Employee benefits expense	9,778.33	8,988.55	8,126.12	27,549.57	22,969.18	31,214.39
(c) Finance costs	1,150.60	846.62	359.08	2,176.48	1,167.09	1,575.41
(d) Depreciation and amortisation expense	634.44	709.64	613.58	1,981.01	1,785.12	2,506.06
(e) Other expenses	3,552.25	3,284.66	2,901.88	9,426.73	8,102.60	11,085.78
<b>Total expenses</b>	<b>20,166.95</b>	<b>17,185.18</b>	<b>15,980.61</b>	<b>53,838.92</b>	<b>40,537.45</b>	<b>58,048.46</b>
<b>III. Profit before non-controlling interest / share in net loss of associate / Exceptional items (I-II)</b>	<b>1,583.39</b>	<b>2,809.16</b>	<b>1,039.42</b>	<b>6,212.13</b>	<b>1,846.94</b>	<b>3,891.56</b>
IV. Share in net loss of associate	-	-	(12.05)	(4.41)	(10.60)	(45.82)
<b>V. Profit before non-controlling interest / Exceptional items and after share in net loss of associate (III+IV)</b>	<b>1,583.39</b>	<b>2,809.16</b>	<b>1,027.37</b>	<b>6,207.72</b>	<b>1,836.34</b>	<b>3,845.74</b>
VI. Exceptional items, net (refer note 6)	(2,358.76)	-	-	(6,803.74)	-	(169.34)
<b>VII. Profit / (Loss) before tax and non-controlling interest</b>	<b>(775.37)</b>	<b>2,809.16</b>	<b>1,027.37</b>	<b>(596.02)</b>	<b>1,836.34</b>	<b>3,676.40</b>
VIII. Tax expense:						
- Current tax	584.14	566.13	109.01	1,462.30	530.31	1,297.33
- Tax for earlier period / years	(342.66)	3.14	97.46	(315.62)	(34.65)	62.81
- Deferred tax charge	6.50	131.69	28.29	341.44	137.47	48.35
<b>IX. Profit / (Loss) after tax</b>	<b>(1,023.35)</b>	<b>2,108.20</b>	<b>792.61</b>	<b>(2,084.14)</b>	<b>1,203.21</b>	<b>2,267.91</b>
<b>X. Other Comprehensive Income, net of tax [(loss) / profit]</b>						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
a) Remeasurement losses in defined benefit plans	(30.25)	(56.98)	(11.12)	(89.74)	(33.33)	(15.67)
Income tax effect	8.12	15.54	2.83	24.07	8.54	3.03
Other comprehensive income to be reclassified to profit or loss in subsequent periods:						
a) Gain / (losses) on cash flow hedges	48.91	(98.03)	75.25	(122.81)	98.91	53.39
Income tax effect	(13.57)	27.44	(19.47)	34.17	(25.81)	(14.87)
b) Exchange differences on translation of foreign operations	261.56	45.57	(37.17)	549.72	67.41	298.08
Income tax effect	-	-	-	-	-	-
<b>XI. Total comprehensive income / (loss) for the period / year</b>	<b>(748.58)</b>	<b>2,041.74</b>	<b>802.93</b>	<b>(1,688.73)</b>	<b>1,318.93</b>	<b>2,591.87</b>
<b>Total profit / (loss) attributable to</b>						
Owners of the Company	(1,034.89)	2,097.95	781.33	(2,116.99)	1,169.74	2,223.32
Non-controlling interest	11.54	10.25	11.28	32.85	33.47	44.59
<b>Total comprehensive income / (loss) attributable to</b>						
Owners of the Company	(760.12)	2,031.49	791.65	(1,721.58)	1,285.46	2,547.28
Non-controlling interest	11.54	10.25	11.28	32.85	33.47	44.59
<b>XII. Paid up equity share capital (₹ 5/- each)</b>	<b>1,911.50</b>	<b>1,901.68</b>	<b>1,889.51</b>	<b>1,911.50</b>	<b>1,889.51</b>	<b>1,897.23</b>
<b>XIII. Other equity</b>						<b>31,229.08</b>
<b>XIV. Earnings / (loss) per share ("EPS") (of ₹ 5 each)*</b>						
Basic EPS (in ₹)	(2.72)	5.52	2.07	(5.57)	3.10	5.86
Diluted EPS (in ₹) (refer note 8)	(2.72)	5.26	2.02	(5.57)	3.05	5.76

\* EPS is not annualised for interim periods.

for AXISCADES Technologies Limited

*Arun Krishnamurthi*



Place : Bengaluru  
 Date : February 12, 2023

Arun Krishnamurthi  
 CEO & Managing Director

**Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2022**

**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 and nine months ended December 31, 2022 of the AXISCADES Technologies Limited (the "Holding Company" or the "Company") and its subsidiaries (the Holding Company and its subsidiaries together hereinafter referred to as "the Group") and its associate has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 12, 2023. The aforesaid unaudited consolidated financial results for the quarter and nine months ended December 31, 2022 have been subjected to limited review by the statutory auditors of the Company.

2. The unaudited consolidated 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. The financial results of the Company on standalone basis is as follows:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022 (Unaudited)	September 30, 2022 (Unaudited)	December 31, 2021 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2021 (Unaudited)	March 31, 2022 (Audited)
Total revenue (including other income)	7,612.32	6,813.68	5,267.38	20,562.73	13,226.79	18,402.64
Profit / (Loss) before tax	3,024.12	313.28	211.13	(382.19)	(453.71)	355.40
Profit / (Loss) after tax	3,128.55	272.23	199.57	(524.15)	(484.19)	307.88
Total Comprehensive Profit / (Loss) for the period / year ended	3,150.10	162.74	214.10	(654.14)	(465.05)	346.58

4. 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) "Technology Services and Solutions" and (b) "Strategic Technology Solutions".

**Segment wise revenue, results, assets and liabilities**

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022 (Unaudited)	September 30, 2022 (Unaudited)	December 31, 2021 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2021 (Unaudited)	March 31, 2022 (Audited)
<b>1. Segment revenue</b>						
(a) Technology Services and Solutions	15,268.29	14,549.10	12,121.03	43,126.87	33,669.08	45,273.09
(b) Strategic technology solutions	6,299.00	5,022.04	4,870.81	16,436.15	8,090.05	15,757.50
<b>Total</b>	<b>21,567.29</b>	<b>19,571.14</b>	<b>16,991.84</b>	<b>59,563.02</b>	<b>41,759.13</b>	<b>61,030.59</b>
Less: inter segment revenue	-	-	-	-	-	-
<b>Net sales / income from operations</b>	<b>21,567.29</b>	<b>19,571.14</b>	<b>16,991.84</b>	<b>59,563.02</b>	<b>41,759.13</b>	<b>61,030.59</b>
<b>2. Segment results</b> (Profit before tax, interest and other income from each segment)						
(a) Technology Services and Solutions	2,920.74	2,590.10	1,560.04	7,592.13	3,700.13	4,660.11
(b) Strategic technology solutions	311.43	925.33	92.30	1,177.21	(508.20)	996.15
<b>Total</b>	<b>3,232.17</b>	<b>3,515.43</b>	<b>1,652.34</b>	<b>8,769.34</b>	<b>3,191.93</b>	<b>5,656.26</b>
Less: i) Finance costs	(1,150.60)	(846.62)	(359.08)	(2,176.48)	(1,167.09)	(1,575.41)
ii) Share in net loss of associate	-	-	(12.05)	(4.41)	(10.60)	(45.82)
iii) Exceptional items (refer note 6)	(2,358.76)	-	-	(6,803.74)	-	(169.34)
iv) Other unallocable expenditure	(681.23)	(282.85)	(282.03)	(868.76)	(803.16)	(1,098.72)
Add: i) Other income	183.05	423.20	28.19	488.03	625.26	909.43
<b>Total Profit / (Loss) before tax</b>	<b>(775.37)</b>	<b>2,809.16</b>	<b>1,027.37</b>	<b>(596.02)</b>	<b>1,836.34</b>	<b>3,676.40</b>
<b>3. Segment assets</b>						
(a) Technology Services and Solutions	35,274.95	33,317.45	29,642.32	35,274.95	29,642.32	29,186.41
(b) Strategic technology solutions	35,856.09	35,830.78	26,694.17	35,856.09	26,694.17	30,720.03
(c) Unallocable assets	17,573.16	17,688.77	19,738.20	17,573.16	19,738.20	19,533.76
<b>Total</b>	<b>88,704.20</b>	<b>86,837.00</b>	<b>76,074.69</b>	<b>88,704.20</b>	<b>76,074.69</b>	<b>79,440.20</b>
<b>4. Segment liabilities</b>						
(a) Technology Services and Solutions	13,998.46	15,805.80	13,196.94	13,998.46	13,196.94	12,510.13
(b) Strategic technology solutions	40,918.02	36,832.76	29,447.17	40,918.02	29,447.17	32,013.35
(c) Unallocable liabilities	1,417.70	1,360.01	1,270.52	1,417.70	1,270.52	1,255.65
<b>Total</b>	<b>56,334.18</b>	<b>53,998.57</b>	<b>43,914.63</b>	<b>56,334.18</b>	<b>43,914.63</b>	<b>45,779.13</b>

Place : Bengaluru  
Date : February 12, 2023



for AXISCADES Technologies Limited

*Arun Krishnamurthi*

Arun Krishnamurthi  
CEO & Managing Director

Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2022

5. The Company entered into a Share Purchase Agreement ('SPA') on December 1, 2017, 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 on MSPL effective December 01, 2017.

Pursuant to the requirements of SPA, 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, a shareholder of MSPL ('Explosoft') 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 ('Scheme'). As the registered office of the Explosoft is situated in the state of Maharashtra, the Scheme has also been filed by Explosoft on May 15, 2018, with NCLT, Mumbai for approval. Pending necessary approval from NCLT Mumbai Bench, no effect of the aforesaid scheme of amalgamation was given in the financial results.

During the quarter ended June 30, 2020, the shareholders of MSPL have demanded for discharge of purchase consideration of Phase II of SPA along with interest as the scheme of merger has not yet been approved. The Company believes that Explosoft did not take steps that were required by Explosoft to diligently prosecute the application for merger before the NCLT Mumbai so as to bring it to completion and accordingly the claim for interest by Explosoft is not tenable. The Company, thereafter initiated arbitration proceedings against the shareholders of MSPL and MSPL contesting the aforesaid claims and seeking Arbitral Tribunal to direct for the completion of acquisition in accordance with the SPA.

The Company has received the Interim Arbitration Award ('Interim Award') on May 26, 2022, dated May 21, 2022, from the Arbitral Tribunal, directing all parties for specific performance of their obligations under the SPA and other definitive agreements, to ensure completion of acquisition of 100% of shares of MSPL by the Company. In accordance with the Interim Award –

- The Company has discharged the purchase consideration for all the phases including Phase II and has filed an application to withdraw the Scheme of amalgamation;
- The Company has recorded an additional charge of Rs. 4,444.98 lakhs (including interest of Rs. 2,944.84 lakhs and additional consideration of Rs. 1,500 lakhs) during the quarter ended June 30, 2022 and nine months ended December 31, 2022 as an exceptional item; and
- during the quarter and nine months ended December 31, 2022, consequent to non-approval of the abovementioned Scheme, the Company has acquired 100% shares of Explosoft in cash (including accrued interest of Rs. 2,293.86 lakhs) and the difference of net assets and investment as on the acquisition date of Rs. 64.90 lakhs is recognised as an exceptional item.

The Arbitral Tribunal has issued the Final Arbitration Award dated January 13, 2023, stating that all the parties have discharged their obligations in accordance with the Interim Award and accordingly, terminated the Arbitration proceedings.

6. Exceptional item comprises of the following:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Interest and additional purchase consideration (refer note 5 above)	(2,358.76)	-	-	(6,803.74)	-	-
Net fair value adjustments in contingent purchase consideration payable	-	-	-	-	-	(169.34)
<b>Total, net</b>	<b>(2,358.76)</b>	<b>-</b>	<b>-</b>	<b>(6,803.74)</b>	<b>-</b>	<b>(169.34)</b>

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

8. For the purpose of computation of diluted EPS for the quarter and nine months ended December 31, 2022; the effect of stock options granted under ESOP scheme have not been considered as the effect of these potentially diluted equity shares are anti-dilutive. Hence basic and diluted EPS are same.

9. These quarterly unaudited consolidated financial results as well as the year to date results includes the results of the following entities:

- AXISCADES Technologies Limited
- AXISCADES, Inc
- Cades Studec Technologies (India) Private Limited
- AXISCADES Aerospace & Technologies Private Limited
- AXISCADES UK Limited
- AXISCADES Technology Canada Inc.
- Axis Mechanical Engineering Design (Wuxi) Co., Ltd.,
- AXISCADES GmbH
- AXISCADES Aerospace & Infrastructure Private Limited
- Mistral Solutions Private Limited
- Mistral Solutions Inc.
- Aero Electronics Private Limited
- Mistral Technologies Private Limited
- Enertec Controls Limited
- ASSYSTEM AXISCADES Engineering Private Limited (Associate upto July 11, 2022)
- Explosoft Tech Solutions Private Limited (Subsidiary with effect from December 22, 2022)

10. The above unaudited consolidated financial results of the Group 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 Technologies Limited



Arun Krishnamurthi  
CEO & Managing Director

Place : Bengaluru  
Date : February 12, 2023



**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone 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 Technologies Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of AXISCADES Technologies Limited (the "Company") for the quarter ended December 31, 2022 and year to date from April 1, 2022 to December 31, 2022 (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, as amended (the "Listing Regulations").
2. The Company's Management is responsible for 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 and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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 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.
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 aforesaid Indian Accounting Standards ("Ind AS") 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 Listing Regulations, 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**

**Sunil**  
**Gaggar**

Digitally signed  
by Sunil Gaggar  
Date: 2023.02.12  
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per Sunil Gaggar  
Partner  
Membership No.: 104315

UDIN: 23104315BGXPYB8791

Place: Bengaluru  
Date: February 12, 2023

(₹ in lakhs)

**Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2022**

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I. Income</b>						
(a) Revenue from contracts with customers	7,579.68	6,740.12	5,211.60	20,441.15	13,036.10	18,198.07
(b) Other income	32.64	73.56	55.78	121.58	190.69	204.57
<b>Total Income</b>	<b>7,612.32</b>	<b>6,813.68</b>	<b>5,267.38</b>	<b>20,562.73</b>	<b>13,226.79</b>	<b>18,402.64</b>
<b>II. Expenses</b>						
(a) Employee benefits expense	4,387.00	3,933.45	2,976.46	12,003.98	8,310.78	11,403.96
(b) Finance costs	1,081.42	803.09	303.64	2,016.04	915.17	1,171.56
(c) Depreciation and amortisation expense	261.49	291.31	237.87	789.23	695.25	950.96
(d) Other expenses	1,638.40	1,472.55	1,538.28	4,470.80	3,759.30	5,271.18
<b>Total expenses</b>	<b>7,368.31</b>	<b>6,500.40</b>	<b>5,056.25</b>	<b>19,280.05</b>	<b>13,680.50</b>	<b>18,797.66</b>
<b>III. Profit / (Loss) before exceptional items and tax (I-II)</b>	<b>244.01</b>	<b>313.28</b>	<b>211.13</b>	<b>1,282.68</b>	<b>(453.71)</b>	<b>(395.02)</b>
<b>IV. Exceptional items, net (refer note 5)</b>	<b>2,780.11</b>	<b>-</b>	<b>-</b>	<b>(1,664.87)</b>	<b>-</b>	<b>750.42</b>
<b>V. Profit / (Loss) before tax (III+IV)</b>	<b>3,024.12</b>	<b>313.28</b>	<b>211.13</b>	<b>(382.19)</b>	<b>(453.71)</b>	<b>355.40</b>
<b>VI. Tax expense</b>						
Current tax	185.78	15.28	11.56	259.52	30.48	114.41
Tax expense/(credit) of prior period/year	(342.68)	1.89	-	(340.79)	-	26.04
Deferred tax charge / (credit)	52.47	23.88	-	223.23	-	(92.93)
<b>VII. Profit / (Loss) for the period / year (V - VI)</b>	<b>3,128.55</b>	<b>272.23</b>	<b>199.57</b>	<b>(524.15)</b>	<b>(484.19)</b>	<b>307.88</b>
<b>VIII. Other comprehensive income, net of tax [(loss) / profit]</b>						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Remeasurement gain / (losses) in defined benefit plans	(19.10)	(46.83)	(13.86)	(57.29)	(41.57)	34.54
Income tax effect	5.31	13.03	3.47	15.94	10.44	(9.61)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:						
Gain / (losses) on cash flow hedges	48.91	(104.84)	33.30	(122.81)	67.17	19.08
Income tax effect	(13.57)	29.15	(8.38)	34.17	(16.90)	(5.31)
<b>IX. Total comprehensive income / (loss) for the period / year (VII+VIII)</b>	<b>3,150.10</b>	<b>162.74</b>	<b>214.10</b>	<b>(654.14)</b>	<b>(465.05)</b>	<b>346.58</b>
<b>X. Paid-up equity share capital ( ₹ 5/- each)</b>	<b>1,911.50</b>	<b>1,901.68</b>	<b>1,889.51</b>	<b>1,911.50</b>	<b>1,889.51</b>	<b>1,897.23</b>
<b>XI. Other equity</b>						<b>14,729.98</b>
<b>XII. Earnings / (Loss) per share ("EPS") (of ₹ 5/- Each)*</b>						
Basic EPS (₹)	8.22	0.72	0.53	(1.38)	(1.28)	0.81
Diluted EPS (₹) (refer note 6)	7.54	0.68	0.52	(1.38)	(1.28)	0.80

\* EPS is not annualised for interim periods.

**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 and nine months ended December 31, 2022 of the AXISCADES Technologies Limited (hereinafter referred to as the "Company") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 12, 2023. The aforesaid unaudited standalone financial results for the quarter and nine months ended December 31, 2022 have been subjected to 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 from time to time.

3. The Company is engaged in the business of "Technology Services and Solutions". 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.

Place : Bengaluru  
Date : February 12, 2023



for AXISCADES Technologies Limited

*Arun Krishnamurthi*

Arun Krishnamurthi  
CEO & Managing Director



**Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2022**

4. The Company entered into a Share Purchase Agreement ('SPA') on December 1, 2017, 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 on MSPL effective December 01, 2017.

Pursuant to the requirements of SPA, 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, a shareholder of MSPL ('Explosoft') 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 ('Scheme'). As the registered office of the Explosoft is situated in the state of Maharashtra, the Scheme has also been filed by Explosoft on May 15, 2018, with NCLT, Mumbai for approval. Pending necessary approval from NCLT Mumbai Bench, no effect of the aforesaid scheme of amalgamation was given in the financial results.

During the quarter ended June 30, 2020, the shareholders of MSPL have demanded for discharge of purchase consideration of Phase II of SPA along with interest as the scheme of merger has not yet been approved. The Company believes that Explosoft did not take steps that were required by Explosoft to diligently prosecute the application for merger before the NCLT Mumbai so as to bring it to completion and accordingly the claim for interest by Explosoft is not tenable. The Company, thereafter initiated arbitration proceedings against the shareholders of MSPL and MSPL contesting the aforesaid claims and seeking Arbitral Tribunal to direct for the completion of acquisition in accordance with the SPA.

The Company has received the Interim Arbitration Award ('Interim Award') on May 26, 2022, dated May 21, 2022, from the Arbitral Tribunal, directing all parties for specific performance of their obligations under the SPA and other definitive agreements, to ensure completion of acquisition of 100% of shares of MSPL by the Company. In accordance with the Interim Award –

- i) the Company has discharged the purchase consideration for all the phases including Phase II and has filed an application to withdraw the Scheme of amalgamation;
- ii) the Company has recorded an additional charge of Rs. 4,444.98 lakhs (including interest of Rs. 2,944.84 lakhs and additional consideration of Rs. 1,500 lakhs) during the quarter ended June 30, 2022 and nine months ended December 31, 2022 as an exceptional item; and
- iii) during the quarter and nine months ended December 31, 2022, consequent to non-approval of the abovementioned Scheme, the Company has acquired 100% shares of Explosoft in cash (including accrued interest of Rs. 2,293.86 lakhs).

The Arbitral Tribunal has issued the Final Arbitration Award dated January 13, 2023, stating that all the parties have discharged their obligations in accordance with the Interim Award and accordingly, terminated the Arbitration proceedings.

5. Exceptional item comprises of the following:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Interest and additional purchase consideration (refer note 4 above)	(2,293.86)	-	-	(6,738.84)	-	-
Reversal of impairment allowance on investment/ fair value change in contingent purchase consideration payable	5,073.97	-	-	5,073.97	-	750.42
<b>Total, net</b>	<b>2,780.11</b>	<b>-</b>	<b>-</b>	<b>(1,664.87)</b>	<b>-</b>	<b>750.42</b>

As at December 31, 2022, the Company has carried out assessment of carrying value of investment in the subsidiary company i.e. MSPL. Based on the assessment the recoverable amount is more than its carrying value, accordingly, the Company has reversed impairment loss of Rs. 5,073.97 lakhs for the quarter and period ended December 31, 2022 on its investments in MSPL. In the previous year March 31, 2022, the Company had reversed impairment loss of Rs. 1,535.80 lakhs on its investments in MSPL. The Company had also recognised a net fair value expense of Rs. 785.38 lakhs for the year ended March 31, 2022 on re-estimation of the contingent purchase consideration payable as per the terms of the Share Purchase Agreement ('SPA').

6. For the purpose of computation of diluted EPS for the nine months ended December 31, 2022 and December 31, 2021, the effect of stock options granted under ESOP scheme have not been considered as the effect of these potentially diluted equity shares are anti-dilutive. Hence basic and diluted EPS are same.

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

8. 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.

Place : Bengaluru  
Date : February 12, 2023



for AXISCADES Technologies Limited

*Arun Krishnamurthi*

Arun Krishnamurthi  
CEO & Managing Director