

Dated: June 09, 2022

To

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051

Dear Sir/Madam,

Sub.: Clarification for Financial results - AXISCADES

Ref: Your email dated June 07, 2022

This is with respect to the quick results for financial year ended 31st March 2022 submitted by the Company to the Exchange on 25-May-2022. The Exchange has sought clarification on below

1. Financial results not submitted as per Indian Accounting Standard.-Date and place of signature is not mentioned in Financial Results.
2. Financial results not submitted within 30 minutes from end of board meeting.

We hereby submit that the Company has inadvertently omitted to mention the date and place in the financial results. The duly dated financial results along with place as per Indian Accounting Standard have been enclosed with this letter for your consideration.

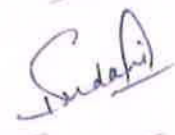
Further, the Board Meeting held on 24th May 2022 ended at 21:22 hours and the Company had submitted the financial results within the stipulated time of 30 minutes at 21:47:08 hours on the Digital Exchange Portal of the NSE under Regulation 30 of Announcements - Outcome of Board Meeting as prescribed in SEBI(LODR) Regulations 2015. The acknowledgement of the same has been enclosed herewith. Subsequently, the Company was communicated by the Exchange on 25-May-2022 that the Results need to be submitted on NEAPS portal. Accordingly, the Company had immediately uploaded the results on the NEAPS portal.

We hope the above clarification is in order.

Thanking You,

Yours faithfully,

For **AXISCADES Technologies Limited**


Sonal Dudani
Company Secretary & Compliance Officer



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 | www.axiscades.com



National Stock Exchange Of India Limited

Date 24-MAY-22

[NSE Acknowledgement](#)

Symbol: AXISCADES

.....
Name of the company: AXISCADES Technologies Limited

.....
Subject: Outcome of Board Meeting

.....
Date of Submissions: 24-May-2022 21:47:08

.....
Application No. 2022052057526

.....
We hereby acknowledge receipt of your submission. Please note that the content and information provided is pending to be verified by National Stock Exchange of India Limited.

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

To
The Board of Directors of
AXISCADES Technologies Limited (Formerly AXISCADES Engineering Technologies Limited)

Report on the audit of the Consolidated Financial Results**Opinion**

We have audited the accompanying Statement of quarterly and year to date consolidated financial results of AXISCADES Technologies Limited (Formerly AXISCADES Engineering Technologies Limited) ("Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries and associate, the Statement:

- i. includes the results of the entities as stated in Note 11 of the Statement;
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

- i. We draw attention to Note 6 to the Statement in respect of dispute between the Company and the Shareholders of Mistral Solutions Private Limited in relation to the implementation of the Share Purchase Agreement ('SPA') dated December 01, 2017. The matter is pending before the Arbitral Tribunal and the final outcome of the matter is not known currently. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associate in accordance with the applicable accounting standards prescribed under Section 133 of the Act 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 respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

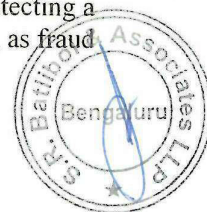
The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud



may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

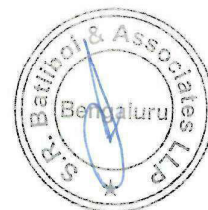
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results and financial information of the entities within the Group and its associate of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

The accompanying Statement includes the audited financial results and other financial information, in respect of:



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Eleven subsidiaries, whose financial results include total assets of Rs. 40,336.71 Lakhs as at March 31, 2022, total revenues of Rs. 9,733.10 Lakhs and Rs. 27,255.80 Lakhs, total net profit after tax of Rs. 1,368.53 Lakhs and Rs. 2,739.58 Lakhs, total comprehensive income of Rs. 1,338.38 Lakhs and Rs. 2,732.49 Lakhs, for the quarter and the year ended on that date respectively, and net cash inflows of Rs. 1,783.45 for the year ended March 31, 2022, as considered in the Statement which have been audited by their respective independent auditors.
- One associate, whose financial result include Group's share of net loss of Rs. 35.22 Lakhs and Rs. 45.82 Lakhs and Group's share of total comprehensive loss of Rs. 35.22 Lakhs and Rs. 45.82 Lakhs for the quarter and for the year ended March 31, 2022 respectively, as considered in the Statement whose financial result, other financial information have been audited by their independent auditor.

The independent auditor's report on the financial results of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar

Partner

Membership No.: 104315



UDIN: 22104315AJNUYM5008

Place: Bengaluru

Date: May 24, 2022

AXISCADES Technologies Limited (formerly 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)			
Audited consolidated statement of assets and liabilities			
SI No	Particulars	As at	
		March 31, 2022	March 31, 2021
		(Audited)	(Audited)
	Assets		
A	Non-current assets		
	Property, plant and equipment	5,780.73	5,200.05
	Right of use assets	8,745.61	9,618.67
	Goodwill on consolidation	11,157.93	10,470.79
	Other intangible assets	2,698.23	3,524.99
	Investment in an associate	187.41	233.23
	Financial assets		
	Investments	203.81	697.39
	Other financial assets	925.31	1,691.94
	Deferred tax assets, net	2,802.94	2,806.34
	Non-current tax asset, net	1,462.77	1,464.76
	Other non-current assets	2,034.58	2,109.97
	Total non-current assets	36,199.32	37,818.13
B	Current assets		
	Inventories	5,157.70	2,330.30
	Financial assets		
	Investments	1,526.59	4,059.06
	Trade receivables	14,516.65	12,754.68
	Cash and cash equivalents	7,109.49	5,269.93
	Bank balances other than cash and cash equivalents	3,427.40	3,208.31
	Other financial assets	7,595.35	5,676.01
	Other current assets	3,907.70	3,119.62
	Total current assets	43,240.88	36,417.91
	Total assets (A+B)	79,440.20	74,236.04
	Equity and liabilities		
C	Equity		
	Equity share capital	1,897.23	1,889.51
	Other equity	31,229.08	27,971.44
	Non controlling interests	534.76	490.17
	Total equity	33,661.07	30,351.12
D	Non-current liabilities		
	Financial liabilities		
	Borrowings	45.32	2,082.74
	Lease Liabilities	1,109.87	2,094.36
	Other financial liabilities		4,707.52
	Provisions	1,055.56	985.26
	Total non-current liabilities	2,210.75	9,869.88
E	Current liabilities		
	Financial liabilities		
	Borrowings	4,835.79	5,194.87
	Lease Liabilities	1,214.67	1,038.40
	Trade payables		
	(a) Total outstanding dues of micro and small enterprises	218.16	119.52
	(b) Total outstanding dues of creditors other than micro and small enterprises	6,735.00	4,941.98
	Other financial liabilities	22,966.01	17,302.85
	Provisions	1,310.60	961.86
	Current tax liability, net	161.10	106.67
	Other current liabilities	6,127.05	4,348.89
	Total current liabilities	43,568.38	34,015.04
	Total equity and liabilities (C+D+E)	79,440.20	74,236.04

For **AXISCADES Technologies Limited**

Arun Krishnamoorthy

Director

(₹ In lakhs)

Statement of audited consolidated financial results for the quarter and year ended March 31, 2022

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	(Refer Note 10)		(Refer Note 10)		
I. Revenue					
(a) Revenue from contracts with customers	19,188.07	16,931.46	14,611.47	60,840.77	51,738.61
(b) Other operating income	83.39	60.38	278.22	189.82	646.05
(c) Other income	284.17	28.19	309.88	909.43	1,446.07
Total Income	19,555.63	17,020.03	15,199.57	61,940.02	53,830.73
II. Expenses					
(a) Cost of materials consumed	5,153.36	3,979.95	3,228.88	11,666.82	9,849.61
(b) Employee benefits expense	8,245.21	8,126.12	7,006.58	31,214.39	26,661.40
(c) Finance costs	408.32	359.08	470.19	1,575.41	2,250.40
(d) Depreciation, amortisation and impairment loss	720.94	613.58	611.50	2,506.06	2,598.58
(e) Other expenses	2,983.18	2,901.88	2,651.84	11,085.78	9,473.64
Total expenses	17,511.01	15,980.61	13,968.99	58,048.46	50,833.63
III. Profit before non-controlling interest / share in net profit / (loss) of associate / Exceptional items (I-II)	2,044.62	1,039.42	1,230.58	3,891.56	2,997.10
IV. Share in net profit/(loss) of associate	(35.22)	(12.05)	1.86	(45.82)	44.76
V. Profit before non- controlling interest / Exceptional items and after share in net profit / (loss) of associate (III+IV)	2,009.40	1,027.37	1,232.44	3,845.74	3,041.86
VI. Exceptional items, net (refer note 7)	(169.34)	-	(1,982.34)	(169.34)	(4,079.80)
VII. Profit / (Loss) before tax and non controlling Interest	1,840.06	1,027.37	(749.90)	3,676.40	(1,037.94)
VIII. Tax expense:					
- Current tax	864.48	206.47	349.87	1,360.14	951.19
- Deferred tax charge/(credit)	(89.12)	28.29	(49.14)	48.35	131.42
IX. Profit / (Loss) after tax	1,064.70	792.61	(1,050.63)	2,267.91	(2,120.55)
X. Other Comprehensive Income, net of tax [(loss) / profit]					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
a) Remeasurement gain/(losses) in defined benefit plans	17.66	(11.12)	17.60	(15.67)	(30.68)
Income tax effect	(5.51)	2.83	(4.44)	3.03	7.60
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
a) Gain/(loss) on cash flow hedges	(45.52)	75.25	(14.85)	53.39	318.35
Income tax effect	10.94	(19.47)	3.27	(14.87)	(82.08)
b) Exchange differences on translation of foreign operations	230.67	(37.17)	77.80	298.08	160.29
Income tax effect	-	-	-	-	-
XI. Total comprehensive income / (loss) for the period/year	1,272.94	802.93	(971.25)	2,591.87	(1,747.07)
Total profit / (loss) attributable to					
Owners of the Company	1,053.58	781.33	(1,062.57)	2,223.32	(2,166.39)
Non controlling interest	11.12	11.28	11.94	44.59	45.84
Total comprehensive income / (loss) attributable to					
Owners of the Company	1,261.82	791.65	(983.19)	2,547.28	(1,792.91)
Non controlling interest	11.12	11.28	11.94	44.59	45.84
XII. Paid up equity share capital (₹ 5/- each)	1,897.23	1,889.51	1,889.51	1,897.23	1,889.51
XIII. Other equity				31,229.08	27,971.44
XIV. Earnings/(loss) per share ('EPS') (of ₹ 5 each) (not annualised for quarters)					
Basic EPS (in ₹)	2.78	2.07	(2.81)	5.86	(5.74)
Diluted EPS (in ₹) (refer note 9)	2.68	2.02	(2.81)	5.76	(5.74)

For **AXISCADES Technologies Limited**

(Signature)

Director

(₹ in lakhs)

Statement of audited consolidated financial results for the quarter and year ended March 31, 2022

Notes

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid Statement of audited consolidated financial results for the quarter and year ended March 31, 2022 of the AXISCADES Technologies Limited (formerly AXISCADES Engineering Technologies Limited) (the "Holding Company" or the "Company"), 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 May 24, 2022. The aforesaid consolidated financial results for the quarter and year ended March 31, 2022 have been audited by the statutory auditors of the Company.

2. The audited 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 Group's operations and financial results have been impacted by the outbreak of COVID-19 pandemic. The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these financial results. The Group will continue to closely monitor any material changes to future economic conditions.

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

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Total revenue (including other income)	5,175.85	5,267.38	3,277.92	18,402.64	13,516.58
Profit / (Loss) before tax	809.11	211.13	(3,840.08)	355.40	(6,415.81)
Profit / (Loss) after tax	792.07	199.57	(3,798.21)	307.88	(6,324.81)
Total Comprehensive Profit / (Loss) for the period / year ended	811.63	214.10	(3,833.82)	346.58	(6,197.89)

5. 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

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. Segment revenue					
(a) Technology Services and Solutions	11,604.01	12,121.03	9,666.42	45,273.09	36,737.47
(b) Strategic technology solutions	7,667.45	4,870.81	5,223.27	15,757.50	15,647.19
Total	19,271.46	16,991.84	14,889.69	61,030.59	52,384.66
Less: inter segment revenue	-	-	-	-	-
Net sales/income from operations	19,271.46	16,991.84	14,889.69	61,030.59	52,384.66
2. Segment results					
(Profit / (Loss) before tax, interest and other income from each segment)					
(a) Technology Services and Solutions	959.98	1,560.04	512.58	4,660.11	1,834.84
(b) Strategic technology solutions	1,504.35	92.30	1,129.75	996.15	2,962.04
Total	2,464.33	1,652.34	1,642.33	5,656.26	4,796.88
Less: i) Interest expenses	(408.32)	(359.08)	(470.19)	(1,575.41)	(2,250.40)
ii) Share in net profit/(loss) of associate	(35.22)	(12.05)	1.86	(45.82)	44.76
iii) Exceptional items (refer note 7)	(169.34)	-	(1,982.34)	(169.34)	(4,079.80)
iv) Other unallocable expenditure	(295.56)	(282.03)	(251.44)	(1,098.72)	(995.45)
Add: i) Other income	284.17	28.19	309.88	909.43	1,446.07
Total Profit / (Loss) before tax	1,840.06	1,027.37	(749.90)	3,676.40	(1,037.94)

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
3. Segment assets					
(a) Technology Services and Solutions	29,186.41	29,642.32	28,140.22	29,186.41	28,140.22
(b) Strategic technology solutions	30,720.03	26,694.17	25,858.96	30,720.03	25,858.96
(c) Unallocable assets	19,533.76	19,738.20	20,236.86	19,533.76	20,236.86
Total	79,440.20	76,074.69	74,236.04	79,440.20	74,236.04
4. Segment liabilities					
(a) Technology Services and Solutions	12,510.13	13,196.94	13,573.11	12,510.13	13,573.11
(b) Strategic technology solutions	32,013.35	29,447.17	29,151.64	32,013.35	29,151.64
(c) Unallocable liabilities	1,255.65	1,270.52	1,160.17	1,255.65	1,160.17
Total	45,779.13	43,914.63	43,884.92	45,779.13	43,884.92

For **AXISCADES Technologies Limited**



Director

(₹ In lakhs)

Statement of audited consolidated financial results for the quarter and year ended March 31, 2022

6. 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 15th May, 2018, with NCLT, Mumbai for approval. Pending necessary approval from NCLT Mumbai Bench, no effect is given to aforesaid scheme of amalgamation.

During the quarter ended June 30, 2020, the shareholders of MSPL have demanded for discharge of purchase consideration of Phase II of SPA aggregating Rs 7,213 lakhs as the scheme of merger has not yet been approved. The shareholders have also demanded an interest of Rs 1,431 lakhs at the rate of 12% per annum on account of delay in payment of the aforesaid purchase consideration. 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 has initiated arbitration proceedings against shareholders of MSPL and MSPL and the Arbitral Tribunal vide its interim order dated August 28, 2020 has asked to maintain the status quo with respect to shareholding in MSPL and has ordered shareholders of Mistral not to seek dismissal or rejection of abovementioned application for merger till further orders are issued by the Arbitral Tribunal. Additionally, both the parties are ordered to maintain status quo with respect to the existing constitution of the Board of Directors of MSPL. During the year, the Arbitral Tribunal has further conducted hearings on the aforesaid matter and the matter is pending before the Arbitral Tribunal. The final outcome of the matter is not known currently.

The revenues (including other income) and profit of MSPL included in the consolidated results for the quarter ended March 31, 2022 aggregates to Rs. 7,996.67 lakhs and Rs. 1,394.02 lakhs and for the year ended March 31, 2022 aggregates to Rs.20,169.09 lakhs and Rs.2,580.63, respectively.

The Company has also obtained a legal opinion to validate that the Company is entitled to all rights and obligations as laid out in the SPA and continues to exercise control on MSPL. Pending the final outcome of the matter, the Company believes there is no effect on the Company and no adjustment is required in the financial results.

7. Exceptional item comprises of the following:

(₹ In lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Impairment (reversal) / loss on goodwill	(616.04)	-	1,856.34	(616.04)	6,254.35
Fair value change in contingent purchase consideration payable	785.38	-	126.00	785.38	(2,174.55)
Total, net	169.34	-	1,982.34	169.34	4,079.80

The Group has reversed an impairment loss on goodwill amounting to Rs. 616.04 lakhs for the quarter and year ended March 31, 2022. The Group has also recognised a net fair value expense of Rs. 785.38 lakhs for the quarter and year ended March 31, 2022, on re-estimation of the contingent purchase consideration payable as per the terms of the Share Purchase Agreement ('SPA').

During the previous year, the Group has recognised an impairment loss on goodwill amounting to Rs. 1,856.34 lakhs and Rs. 6,254.35 lakhs for the quarter and year ended March 31, 2021, respectively. The Group also recognised a net fair value loss of Rs. 126.00 lakhs and net fair value gain of Rs. 2,174.55 lakhs for the quarter and year ended March 31, 2021, respectively, on re-estimation of the contingent purchase consideration payable as per the terms of the Share Purchase Agreement ('SPA').

8. The comparative figures have been regrouped / reclassified, where necessary, to conform to this quarter's/year's classification as per the amendment in Schedule III of the Companies Act 2013.

9. For the purpose of computation of diluted EPS for the quarter and year ended March 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.

10. The figures of the last quarter ended March 31, 2022 / 2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 / 2021 and the unaudited published year to-date figures up to December 31, 2021 / 2020, being the date of the end of the third quarter of the respective financial year, which were subjected to limited review.

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

- a. AXISCADES Technologies Limited (formerly 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 (Dissolved during the year)
- o. Enertec Controls Limited
- p. ASSYSTEM AXISCADES Engineering Private Limited (Associate)

12. The above audited 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**



Director

(₹ in lakhs)

Audited consolidated statement of cash flows for the year ended March 31, 2022

	Year ended	
	March 31, 2022	March 31, 2021
	Audited	Audited
A. Cash flow from operating activities		
Profit / (loss) before tax	3,676.40	(1,037.94)
Exceptional Item, net (refer note 7)	169.34	4,079.80
Depreciation and amortization expense	2,506.06	2,598.58
Interest income (including fair value change in financial instruments)	(334.15)	(420.13)
Net gain on financial asset measured at fair value through profit and loss	(136.45)	(431.34)
Dividend income from mutual funds	(17.89)	(10.29)
Interest expense (including fair value change in financial instruments)	1,575.41	2,250.40
Provision / liabilities no longer required written back	(62.39)	(140.99)
Lease rental concession	(137.04)	-
Share of (profit)/loss of an associate	45.82	(44.76)
Bad debts and advance written off	37.88	115.45
Share based payment expense	636.33	140.89
Provision for doubtful debts and advances	96.47	52.88
(Profit) / loss on sale of property, plant and equipment	22.81	(6.55)
Net Foreign exchange (gain)/loss	127.60	(230.70)
Operating profit before working capital changes	8,206.20	6,915.30
Movements in working capital		
(Increase)/Decrease in trade receivables	(2,659.92)	3,751.01
(Increase) in inventories	(2,827.40)	(368.87)
(Increase)/Decrease in other assets including financial assets	(2,857.31)	2,975.58
Increase/(Decrease) in trade payables, other liabilities and financial liabilities	4,234.31	(1,196.20)
Increase in provisions	325.63	55.09
Cash generated from operating activities	4,421.51	12,131.91
Direct taxes (paid)/refund, net	(1,303.72)	80.31
Net cash generated from operating activities (A)	3,117.79	12,212.22
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment and intangible assets	(1,361.69)	(566.61)
Proceeds from sale of property, plant and equipment	2.20	6.55
Interest received	364.71	339.14
Redemption / (Investment) in mutual funds, other funds and equity shares of other companies	3,171.34	(1,031.79)
Redemption / (Investment) in fixed deposits, net	763.57	(934.78)
Dividend received	17.89	10.29
Net cash from / (used in) investment activities (B)	2,958.02	(2,177.20)
C. Cash flow from financing activities		
(Repayment) of principal portion and interest portion of lease liabilities	(1,325.38)	(1,287.64)
(Repayment) of short term borrowings	(364.17)	(5,146.92)
(Repayment) of long term borrowings	(2,037.42)	(1,609.12)
Proceeds from issue of equity shares	81.56	-
Interest paid	(584.72)	(1,250.10)
Net cash used in financing activities (C)	(4,230.13)	(9,293.78)
Net increase in cash and cash equivalents (A+B+C)	1,845.68	741.24
Effect of exchange rate changes, net	(6.12)	51.00
Cash and cash equivalents as at beginning of the year	5,269.93	4,477.69
Cash and cash equivalents at the end of the year	7,109.49	5,269.93

Date: 24th May, 2022

Place: Bengaluru

For **AXISCADES Technologies Limited**



Director

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

To
The Board of Directors of
AXISCADES Technologies Limited (Formerly AXISCADES Engineering Technologies Limited)

Report on the audit of the Standalone Financial Results**Opinion**

We have audited the accompanying Statement of quarterly and year to date standalone financial results of AXISCADES Technologies Limited (Formerly AXISCADES Engineering Technologies Limited) (the "Company") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

- i. We draw attention to Note 5 to the Statement in respect of dispute between the Company and the Shareholders of Mistral Solutions Private Limited in relation to the implementation of the Share Purchase Agreement ('SPA') dated 1 December 2017. The matter is pending before the Arbitral Tribunal and the final outcome of the matter is not known currently. Our opinion is not modified in respect of this matter.



Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

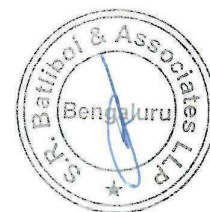
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sunil Gaggar
Partner

Membership No.: 104315



UDIN: 22104315AJNUWW3672

Place: Bengaluru

Date: May 24, 2022.

AXISCADES Technologies Limited (formerly 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)

Audited Standalone Statement of Assets and Liabilities as at March 31, 2022

SI No	Particulars	As at	
		March 31, 2022 (Audited)	March 31, 2021 (Audited)
	Assets		
A	Non-current assets		
	Property, plant and equipment	447.50	282.07
	Other intangible assets	144.38	288.56
	Right of use assets	1,797.15	2,291.89
	Financial assets		
	Investments	33,557.23	32,021.43
	Other financial assets	403.44	710.42
	Deferred tax assets, net	837.84	759.82
	Non-current tax asset, net	699.77	409.73
	Other non-current assets	11.36	-
	Total non-current assets	37,898.67	36,763.92
B	Current assets		
	Financial assets		
	Trade receivables	3,844.45	2,819.74
	Cash and cash equivalents	642.42	1,615.44
	Bank balances other than cash and cash equivalents	239.44	20.73
	Other financial assets	2,614.37	2,504.46
	Other current assets	1,491.42	1,760.88
	Total current assets	8,832.10	8,721.25
	Total assets (A+B)	46,730.77	45,485.17
	Equity and liabilities		
C	Equity		
	Equity share capital	1,897.23	1,889.51
	Other equity	14,729.98	13,959.80
	Total equity	16,627.21	15,849.31
D	Non-current liabilities		
	Financial liabilities		
	Borrowings	250.00	1,087.96
	Lease liabilities	471.06	1,019.98
	Other financial liabilities	-	4,707.52
	Provisions	610.26	610.93
	Non-current liabilities	1,331.32	7,426.39
E	Current liabilities		
	Financial liabilities		
	Borrowings	3,582.19	3,924.09
	Lease liabilities	724.61	611.31
	Trade payables		
	(a) Total outstanding dues of micro and small enterprises	26.56	4.30
	(b) Total outstanding dues of creditors other than micro and small enterprises	1,311.53	1,171.02
	Other financial liabilities	22,126.12	15,838.24
	Provisions	446.83	425.59
	Other current liabilities	554.40	234.92
	Total current liabilities	28,772.24	22,209.47
	Total equity and liabilities (C+D+E)	46,730.77	45,485.17

For **AXISCADES Technologies Limited**

Atul Kulkarni

Director

(₹ in lakhs)

Statement of audited standalone financial results for the quarter and year ended March 31, 2022

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited) (Refer Note 9)	(Unaudited)	(Audited) (Refer Note 9)	(Audited)	(Audited)
I. Income					
(a) Revenue from contracts with customers	5,161.97	5,211.60	3,145.55	18,198.07	12,931.60
(b) Other income	13.88	55.78	132.37	204.57	584.98
Total Income	5,175.85	5,267.38	3,277.92	18,402.64	13,516.58
II. Expenses					
(a) Employee benefits expense	3,093.18	2,976.46	2,315.99	11,403.96	8,751.14
(b) Finance costs	256.39	303.64	327.95	1,171.56	1,500.77
(c) Depreciation and amortisation expense	255.71	237.87	259.28	950.96	1,202.59
(d) Other expenses	1,511.88	1,538.28	940.45	5,271.18	3,832.79
Total expenses	5,117.16	5,056.25	3,843.67	18,797.66	15,287.29
III. Profit/(Loss) before exceptional items and tax (I-II)	58.69	211.13	(565.75)	(395.02)	(1,770.71)
IV. Exceptional items, net (refer note 6)	750.42	-	(3,274.33)	750.42	(4,645.10)
V. Profit/(Loss) before tax (III+IV)	809.11	211.13	(3,840.08)	355.40	(6,415.81)
VI. Tax expense					
Current tax	109.97	11.56	42.36	140.45	96.74
Deferred tax credit	(92.93)	-	(84.23)	(92.93)	(187.74)
VII. Profit/(Loss) for the period / year (V - VI)	792.07	199.57	(3,798.21)	307.88	(6,324.81)
VIII. Other comprehensive income, net of tax [(loss)/profit]					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Remeasurement gain/(losses) in defined benefit plans	76.11	(13.86)	(20.22)	34.54	(53.57)
Income tax effect	(20.05)	3.47	5.11	(9.61)	13.48
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Gain/(losses) on cash flow hedges	(48.09)	33.30	(27.39)	19.08	223.19
Income tax effect	11.59	(8.38)	6.89	(5.31)	(56.18)
IX. Total comprehensive income/(loss) for the period / year (VII+VIII)	811.63	214.10	(3,833.82)	346.58	(6,197.89)
X. Paid-up equity share capital (₹ 5/- each)	1,897.23	1,889.51	1,889.51	1,897.23	1,889.51
XI. Other equity				14,729.98	13,959.80
XII. Earning/(Loss) per share ("EPS") (of ₹ 5/- Each) (not annualised for quarters):					
Basic EPS (₹)	2.09	0.53	(10.06)	0.81	(16.75)
Diluted EPS (₹) (refer note 7)	2.02	0.52	(10.06)	0.80	(16.75)

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid Statement of audited standalone financial results for the quarter and year ended March 31, 2022 of the AXISCADES Technologies Limited (formerly AXISCADES Engineering 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 May 24, 2022. The aforesaid audited standalone financial results for the quarter and year ended March 31, 2022 have been audited by 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's operations and financial results have been impacted by the outbreak of COVID-19 pandemic. The full impact of COVID-19 still remains uncertain and could be different from the estimates considered while preparing these financial results. The Company will continue to closely monitor any material changes to future economic conditions.

4. 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.

For **AXISCADES Technologies Limited**



Director

(₹ in lakhs)

Audited standalone statement of cash flows for Year ended the 31 March, 2022

	Year ended	
	31 March, 2022	March 31, 2021
	(Audited)	(Audited)
A. Cash flow from operating activities		
Profit/(loss) before tax	355.40	(6,415.81)
Exceptional items, net (refer note: 6)	(750.42)	4,645.10
Depreciation and amortization expense	950.96	1,202.59
Interest income (including fair value change in financial instruments)	(86.34)	(121.07)
Interest expense (including fair value change in financial instruments)	1,171.56	1,500.77
Provision no longer required written back	-	(72.24)
Provision for doubtful debts and advances	44.10	-
Share based payment expense	245.63	127.54
Gain on sale of property, plant and equipment	(0.26)	(4.75)
Lease rental concession	(58.59)	-
Net unrealised foreign exchange (gain) / loss	60.09	(236.97)
Operating profit before working capital changes	1,932.13	625.16
Movements in working capital		
(Increase)/Decrease in trade receivables	(1,022.15)	2,775.31
(Increase)/Decrease in other assets including financial assets	(143.49)	1,338.29
Increase/(Decrease) in trade payables, other liabilities and financial liabilities	756.15	(689.72)
(Decrease)/Increase in provisions	(13.21)	19.09
Cash generated from operating activities	1,509.43	4,068.13
Direct taxes refund/ (paid), net	(430.49)	1,214.54
Net cash generated from operating activities (A)	1,078.94	5,282.67
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(354.98)	(182.73)
Receipt of Intercompany deposit	-	210.00
Proceeds from sale of property, plant and equipment	0.26	4.75
Interest received	47.12	77.86
Investments in bank deposits, net	451.58	(18.64)
Net cash from investing activities (B)	143.98	91.24
C. Cash flow from financing activities		
Repayment of principal and interest portion of lease liabilities	(716.25)	(885.84)
Repayment of long-term borrowings	(880.13)	(473.64)
Repayment of working capital loans	(341.90)	(2,461.61)
Proceeds from issue of equity shares	81.57	-
Interest paid	(333.12)	(642.90)
Net cash generated used in financing activities (C)	(2,189.83)	(4,463.99)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(966.91)	909.92
Effect of exchange rate changes, net	(6.11)	51.00
Cash and cash equivalents at the beginning of the year	1,615.44	654.52
Cash and cash equivalents at the end of the year	642.42	1,615.44

For **AXISCADES Technologies Limited**



Director

(₹ in lakhs)

Statement of audited standalone financial results for the quarter and year ended March 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 15th May, 2018, with NCLT, Mumbai for approval. Pending necessary approval from NCLT Mumbai Bench, no effect is given to aforesaid scheme of amalgamation.

During the quarter ended June 30, 2020, the shareholders of MSPL have demanded for discharge of purchase consideration of Phase II of SPA aggregating Rs 7,213 lakhs as the scheme of merger has not yet been approved. The shareholders have also demanded an interest of Rs 1,431 lakhs at the rate of 12% per annum on account of delay in payment of the aforesaid purchase consideration. 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 has initiated arbitration proceedings against shareholders of MSPL and MSPL and the Arbitral Tribunal vide its interim order dated August 28, 2020 has asked to maintain the status quo with respect to shareholding in MSPL and has ordered shareholders of Mistral not to seek dismissal or rejection of abovementioned application for merger till further orders are issued by the Arbitral Tribunal. Additionally, both the parties are ordered to maintain status quo with respect to the existing constitution of the Board of Directors of MSPL. During the year, the Arbitral Tribunal has further conducted hearings on the aforesaid matter and the matter is pending before the Arbitral Tribunal. The final outcome of the matter is not known currently.

The revenues (including other income) and profit of MSPL included in the consolidated results for the quarter ended March 31, 2022 aggregates to Rs. 7,996.67 lakhs and Rs. 1,394.02 lakhs and for the year ended March 31, 2022 aggregates to Rs.20,169.09 lakhs and Rs.2,580.63, respectively.

The Company has also obtained a legal opinion to validate that the Company is entitled to all rights and obligations as laid out in the SPA and continues to exercise control on MSPL. Pending the final outcome of the matter, the Company believes there is no effect on the Company and no adjustment is required in the financial results.

6. Exceptional item comprises of the following:

(₹ in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Impairment (reversal)/loss	(1,535.80)	-	3,148.33	(1,535.80)	6,819.65
Fair value change in contingent purchase consideration payable	785.38	-	126.00	785.38	(2,174.55)
Total, net	(750.42)	-	3,274.33	(750.42)	4,645.10

As at March 31, 2022, the Company carried an impairment assessment of its investment in the subsidiary company i.e MSPL. As the recoverable amount is more than its carrying value, the Company has reversed impairment loss of Rs. 1,535.80 lakhs for the quarter and year ended March 31, 2022. In FY 21, the Company had recognised impairment loss of Rs. 3,093.33 lakhs and Rs. 6,609.66 lakhs for the quarter and year ended March 31, 2021, respectively, on its investment in MSPL.

The Company has also recognised a net fair value expense of Rs. 785.38 lakhs for the quarter and year ended March 31, 2022 and in FY 21, net fair value loss of Rs. 126.00 lakhs and a net fair value gain of Rs. 2,174.55 lakhs for the quarter and year ended March 31, 2021, respectively, on re-estimation of the contingent purchase consideration payable as per the terms of the Share Purchase Agreement ('SPA').

In respect of AXISCADES China, the impairment loss on investment is Rs. 42.68 lakhs for the year ended March 31, 2021. The Company has also created a provision for doubtful trade receivables of Rs. 55 lakhs and Rs.167.31 lakhs from Axiscades China for the quarter and year ended March 31, 2021, respectively.

7. For the purpose of computation of diluted EPS for the quarter and year ended March 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.

8. The comparative figures have been regrouped / reclassified, where necessary, to conform to this quarter's/year's classification as per the amendment in Schedule III of the Companies Act 2013.

9. The figures of the last quarter ended March 31, 2022 / 2021 are the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 / 2021 and the unaudited published year-to-date figures up to December 31, 2021 / 2020, being the date of the end of the third quarter of the respective financial year, which were subjected to limited review.

10. The above audited 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.

Date : 24th May, 2022

Place: Bengaluru

For **AXISCADES Technologies Limited**


Director