

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
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 September 30, 2023 and year to date from April 1, 2023 to September 30, 2023 (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

per 
Sunil Gaggar
Partner
Membership No.: 104315



UDIN: 23104315BGXPZR3525

Place: Bengaluru
Date: November 08, 2023

(₹ in lakhs)

Unaudited standalone Balance Sheet as at September 30, 2023

Sl No	Particulars	As at	
		September 30, 2023 (Unaudited)	March 31, 2023 (Audited)
	Assets		
A	Non-current assets		
	Property, plant and equipment	731.25	577.29
	Capital work in progress	35.87	-
	Intangible assets	277.47	273.96
	Right-of-use assets	3,658.81	2,984.61
	Financial assets		
	Investments	38,403.70	38,083.91
	Other financial assets	1,199.36	599.13
	Deferred tax assets, net	883.80	533.60
	Non-current tax asset, net	1,262.59	1,214.61
	Other non-current assets	43.15	6.51
	Total non-current assets	46,496.00	44,273.62
B	Current assets		
	Financial assets		
	Loans	11.50	10.00
	Trade receivables	6,496.44	5,188.34
	Cash and cash equivalent	917.61	1,665.01
	Bank balances other than cash and cash equivalent	226.99	228.35
	Other financial assets	4,053.75	3,418.39
	Other current assets	1,203.52	1,366.70
	Total current assets	12,909.81	11,876.79
	Total assets (A+B)	59,405.81	56,150.41
	Equity and liabilities		
C	Equity		
	Equity share capital	1,924.38	1,911.50
	Other equity	13,264.56	13,700.24
	Total equity	15,188.94	15,611.74
D	Non-current liabilities		
	Financial liabilities		
	Borrowings	26,704.92	17,555.83
	Lease liabilities	2,127.32	1,794.18
	Provisions	835.35	593.27
	Total non-current liabilities	29,667.59	19,943.28
E	Current liabilities		
	Financial liabilities		
	Borrowings	8,284.95	13,679.98
	Lease liabilities	914.13	573.90
	Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	49.46	106.49
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,506.62	1,684.61
	Other financial liabilities	672.28	2,588.16
	Provisions	737.92	582.67
	Other current liabilities	2,383.92	1,379.58
	Total current liabilities	14,549.28	20,595.39
F	Total liabilities (D+E)	44,216.87	40,538.67
	Total equity and liabilities (C+F)	59,405.81	56,150.41

For AXISCADES Technologies Limited



Arun Krishnamurthi

Arun Krishnamurthi
CEO & Managing Director

Place : Bengaluru
Date : November 08, 2023



Statement of unaudited standalone financial results for the quarter and half year ended September 30, 2023

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023 (Unaudited)	June 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	March 31, 2023 (Audited)
I. Income						
(a) Revenue from contracts with customers	8,247.55	8,106.89	6,740.12	16,354.44	12,861.47	28,314.85
(b) Other income	55.10	23.00	73.56	78.10	88.94	155.13
Total Income	8,302.65	8,129.89	6,813.68	16,432.54	12,950.41	28,469.98
II. Expenses						
(a) Employee benefits expense	5,864.66	5,255.68	3,933.45	11,120.34	7,616.98	17,293.09
(b) Finance costs (refer note 5)	1,089.54	2,001.50	803.09	3,091.04	934.62	3,342.48
(c) Depreciation and amortisation expense	367.59	340.29	291.31	707.88	527.74	1,093.65
(d) Other expenses	989.64	1,631.21	1,472.55	2,620.85	2,832.40	6,941.91
Total expenses	8,311.43	9,228.68	6,500.40	17,540.11	11,911.74	28,671.13
III. Profit/(loss) before exceptional items and tax (I-II)	(8.78)	(1,098.79)	313.28	(1,107.57)	1,038.67	(201.15)
IV. Exceptional Items, net (refer note 4)	-	-	-	-	(4,444.98)	(1,664.87)
V. Profit/(loss) before tax (III+IV)	(8.78)	(1,098.79)	313.28	(1,107.57)	(3,406.31)	(1,866.02)
VI. Tax expense						
-Current tax	-	-	17.17	-	75.63	146.21
-Adjustment of current tax relating to earlier year	-	-	-	-	-	(340.79)
-Deferred tax charge/(credit)	-	(300.54)	23.88	(300.54)	170.76	311.43
Income Tax expense	-	(300.54)	41.05	(300.54)	246.39	116.85
VII. Profit/(loss) for the period/year (V - VI)	(8.78)	(798.25)	272.23	(807.03)	(3,652.70)	(1,982.87)
VIII. Other comprehensive income						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Income tax effect	(218.96)	(4.88)	(46.83)	(223.84)	(38.19)	3.52
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	(158.14)	(3.52)	(33.80)	(161.66)	(27.56)	2.54
Other comprehensive income to be reclassified to profit or loss in subsequent periods:						
Gains/(losses) on cash flow hedges	(11.50)	61.44	(104.84)	49.94	(171.72)	(29.38)
Income tax effect	3.20	(15.72)	29.15	(12.52)	47.74	8.17
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	(8.30)	45.72	(75.69)	37.42	(123.98)	(21.21)
Other comprehensive income for the period/year, net of tax	(166.44)	42.20	(109.49)	(124.24)	(151.54)	(18.67)
IX. Total comprehensive income/(loss) for the period/year (VII+VIII)	(175.22)	(756.05)	162.74	(931.27)	(3,804.24)	(2,001.54)
X. Paid-up equity share capital (₹ 5/- each)	1,924.38	1,911.50	1,901.68	1,924.38	1,901.68	1,911.50
XI. Other equity						13,700.24
XII. Earnings/(loss) per share ("EPS") (of ₹ 5/- Each)*						
Basic EPS (₹)	(0.02)	(2.09)	0.72	(2.11)	(9.62)	(5.21)
Diluted EPS (₹) (refer note 7)	(0.02)	(2.09)	0.68	(2.11)	(9.62)	(5.21)

* 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 half year ended September 30, 2023 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 November 08, 2023. The aforesaid unaudited standalone financial results for the quarter and half year ended September 30, 2023 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.

Arun Keshavnath



Statement of unaudited standalone financial results for the quarter and half year ended September 30, 2023

4. Exceptional item comprises of the following:

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Interest and additional purchase consideration (refer note (i) below)	-	-	-	-	(4,444.98)	(6,738.84)
Reversal of impairment allowance on investment (refer note (ii) below)	-	-	-	-	-	5,073.97
Total, net	-	-	-	-	(4,444.98)	(1,664.87)

(i) During the half year ended September 30, 2022 and year ended March 31, 2023, the Company had received an Interim and Final Arbitration Award ("Arbitration Awards") from the Arbitral Tribunal relating to the arbitration proceedings between the Company and the shareholders of Mistral Solutions Private Limited ("MSPL") and MSPL for discharge of purchase consideration payable towards acquisition of Mistral. In accordance with the Arbitration Awards, the Company had completed acquisition of MSPL and recorded an additional charge of ₹ 4,444.98 lakhs and ₹ 6,738.84 lakhs during the half year ended September 30, 2022 and year ended March 31, 2023, respectively, as an exceptional item.

(ii) Based on the impairment assessment of investment in subsidiary i.e., MSPL, the Company has reversed an Impairment loss aggregating ₹ 5,073.97 lakhs during the year ended March 31, 2023.

5. During the previous year, the Company had issued Unrated, Unlisted, Secured Non-Convertible Debentures ("NCDs") aggregating ₹ 14,500 lakhs to a financial institution ("Investor") repayable over three years. The interest rate is 15.75% - 16.00% per annum on the NCDs payable quarterly. The Company had also entered into an Investment Agreement with the aforesaid Investor and provided a Right to Invest ("Share Warrants") in the Compulsorily Convertible Preference Shares ("CCPS") of the subsidiary, MSPL, at an agreed value and mutually agreed terms and conditions. Share Warrants are classified as Derivative Liability carried at Fair Value through Profit and Loss. The Company had recorded a Share Warrants expense of ₹ 565.18 lakhs in the Statement of Profit and Loss and reduced the equivalent amount of Investment in equity shares of MSPL in the Balance Sheet.

During the quarter ended June 30, 2023, the aforementioned NCDs together with other borrowings aggregating ₹ 21,000 lakhs has been refinanced at a lower interest rate of 12.75% per annum through the issuance of Unlisted Unrated Secured Redeemable Non-Convertible Debentures. The Company has recorded a one-time expense of ₹ 667.40 lakhs relating to an unamortised portion of borrowing costs and prepayment charges on the aforesaid refinancing. The same has been grouped under finance costs in the standalone financial results for the quarter ended June 30, 2023 and half year ended September 30, 2023.

During the quarter ended September 30, 2023, MSPL has entered into Amendment to Share Subscription cum Shareholders' Agreement dated July 22, 2023 on September 29, 2023, thereby amending the terms of right of investment by the Investor, wherein the Investor is entitled to invest only upon discretion and consent of MSPL. Consequent to the aforesaid amendment, the provision for dilution in Investment of MSPL aggregating ₹ 565.18 lakhs has been reversed through Statement of Profit and Loss.

6. On October 13, 2023, the Company entered into a Share Purchase Agreement ("Agreement") to acquire Epcogen Private Limited. As per the Agreement, a fixed consideration of ₹ 2,500.00 lakhs is payable on consummation of the closing conditions for acquisition of 99.99% of the shareholding of Epcogen Private Limited, along with an additional purchase consideration not exceeding ₹ 825.00 lakhs payable on the achievement of specified targets. The transaction is subject to satisfactory completion of the conditions precedent as stipulated in the Agreement.

7. For the purpose of computation of diluted EPS, except for the quarter ended September 30, 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.

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

9. The above unaudited standalone financial results of the Company are available on the Company's website (www.axiscades.com) and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.



For AXISCADES Technologies Limited

Arun Krishnamurthi

Arun Krishnamurthi
 CEO & Managing Director

Place : Bengaluru
 Date : November 08, 2023



AXISCADES Technologies Limited CIN NO: L72200KA1990PLC084435		
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(₹ in lakhs)		
Unaudited standalone statement of cash flows for the half year ended September 30, 2023		
	Half year ended	
	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
A. Cash flow from operating activities		
Loss before tax	(1,107.57)	(3,406.31)
Adjustments to reconcile loss before tax to net cash flows:		
Exceptional items, net (refer note 4)	-	4,444.98
Depreciation and amortization expense	707.88	527.74
Interest income (including fair value change in financial instruments)	(52.68)	(78.06)
Gain on sale of investment in mutual funds	(4.65)	-
Finance costs	3,091.04	934.62
Recovery of bad debts	(0.97)	-
Provision no longer required written back	-	(1.87)
Loss on sale of investment in associate	-	4.95
Gain on fair valuation of Derivative (refer note 5)	(565.18)	-
Share based payment expense	354.14	311.19
Property, plant and equipment written off	3.00	-
Gain on sale of property, plant and equipment	-	(3.45)
Gain on lease modification	-	(4.30)
Loss on export incentive receivable	-	15.17
Net unrealised foreign exchange loss	12.53	163.39
Operating profit before working capital changes	2,437.54	2,908.05
Movements in working capital		
(Increase) in trade receivables	(1,289.86)	(1,598.61)
(Increase) in other assets including financial assets	(452.38)	(426.65)
(Decrease)/increase in trade payables, other liabilities and financial liabilities	(1,038.29)	2,942.20
Increase in provisions	133.11	64.46
Cash (used in)/generated from operating activities	(209.88)	3,889.45
Direct taxes paid, net	(47.98)	(329.01)
Net cash (used in)/generated from operating activities (A)	(257.86)	3,560.44
B. Cash flow from investing activities		
Purchase of property, plant and equipment, capital work in progress and intangible assets	(387.07)	(222.50)
Proceeds from sale of property, plant and equipment	-	6.63
Payment of deferred purchase consideration	(66.92)	(13,220.82)
Proceeds from sale of investment in mutual funds	250.04	-
Loan to subsidiary	(1.50)	-
Proceeds from disposal of stake in associate	-	222.55
Interest received	25.55	40.57
Redemption of fixed deposits (net)	(665.14)	(4,489.04)
Net cash used in investing activities (B)	(845.04)	(17,662.61)
C. Cash flow from financing activities		
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	(595.92)	(387.51)
Proceeds from long-term borrowings	22,427.25	10,021.59
Repayment of long-term borrowings	(20,839.65)	-
Proceeds from of short term borrowings, net	1,776.26	5,345.95
Proceeds from issue of equity shares	135.84	46.86
Interest paid	(2,542.70)	(1,223.38)
Net cash generated from financing activities (C)	361.08	13,803.51
Net decrease in cash and cash equivalent (A+B+C)	(741.82)	(298.66)
Effect of exchange rate changes, net	(5.58)	23.52
Cash and cash equivalent at the beginning of the period	1,665.01	642.42
Cash and cash equivalent at the end of the period	917.61	367.28



For AXISCADES Technologies Limited
Arun Krishnamurthi

Arun Krishnamurthi
CEO & Managing Director

Place : Bengaluru
Date : November 08, 2023

