



ISL/SS/SE/46/2023-2024
07th November, 2023

The National Stock Exchange of India Ltd. Exchange Plaza Bandra-Kurla Complex Bandra East Mumbai 400 051 Symbol: INSPIRISYS	BSE Ltd. P.J. Towers Dalal Street Mumbai 400 001 Scrip Code: 532774
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Dear Sir / Madam,

Sub: Outcome of the Board Meeting.

With reference to the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we wish to inform you that, as required in terms of Regulation 30, 33 and other applicable provisions of Listing Regulations, the Board of Directors of Inspirisys Solutions Limited at its meeting held on 07th November, 2023 has inter alia

1. Considered and approved the Standalone and Consolidated Unaudited Financial Results for the quarter and year to date ended 30th September, 2023 along with the statement of Assets and Liabilities and Cash Flow Statement on the Recommendation of the Audit Committee.
2. A copy of the Limited Review Report from the Auditors for the period ended 30th September, 2023.

It is further informed that the Board Meeting commenced at 12:00 P.M and ended at 6:00 P.M.

Kindly take the same on record and disseminate the said information to the public.

For Inspirisys Solutions Limited

S.Sundaramurthy
Company Secretary & Compliance Officer *



Encl: as above

Statement of unaudited standalone financial results for the quarter ended and year to date period ended 30 September 2023

(₹ in Lakhs)

S.No	Particulars	Standalone					
		Quarter ended		Year to date period ended		Year ended	
		30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
1	Revenue from operations	18,087	8,207	9,755	26,294	17,656	35,521
2	Other income	62	24	166	86	282	480
3	Total income	18,149	8,231	9,921	26,380	17,938	36,001
4	Expenses						
	Cost of materials consumed	-	-	3	-	4	4
	Purchases of stock-in-trade	11,110	2,106	3,693	13,216	5,837	10,881
	Changes in inventories of stock in trade and finished goods	(415)	(186)	60	(601)	(7)	68
	Employee benefits expense	2,823	2,594	2,597	5,417	4,978	9,905
	Impairment losses	91	80	10	171	128	140
	Other expenses	3,364	2,819	2,875	6,183	5,678	11,589
5	Total expenses	16,973	7,413	9,238	24,386	16,618	32,587
6	Profit before tax, finance cost, depreciation and amortization expenses	1,176	818	683	1,994	1,320	3,414
	Finance costs	257	152	197	409	372	650
	Depreciation and amortization expenses	137	130	154	267	257	558
7	Profit before tax	782	536	332	1,318	691	2,206
8	Tax expense:						
	Current tax	167	118	66	285	149	411
	Deferred tax	-	-	-	-	-	-
9	Profit for the period / year	615	418	266	1,033	542	1,795
10	Other comprehensive income						
	i) Items that will not be reclassified to profit or loss						
	- Re-measurements (losses) / gains on defined benefit plans	-	(5)	(21)	(5)	(16)	(78)
	- Income tax relating to items that will not be reclassified to profit or loss	-	1	6	1	5	22
	ii) Items that will be reclassified to profit or loss						
	- Exchange difference on translation of foreign operations	4	-	25	4	55	64
	- Income tax relating on translation of foreign operations	(1)	-	(7)	(1)	(16)	(18)
11	Other comprehensive income / (loss) for the period / year, net of tax	3	(4)	3	(1)	28	(10)
12	Total comprehensive income for the period / year	618	414	269	1,032	570	1,785
13	Paid up equity share capital	3,962	3,962	3,962	3,962	3,962	3,962
14	Other equity						5,033
15	Earnings per equity share						
	Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	1.55	1.05	0.67	2.61	1.37	4.53

Statement of unaudited consolidated financial results for the quarter ended and year to date period ended 30 September 2023

(₹ in Lakhs)

S.No	Particulars	Consolidated					
		Quarter ended			Year to date period ended		Year ended
		30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
1	Revenue from operations	18,414	8,613	10,087	27,027	18,519	37,167
2	Other income	46	25	168	71	282	487
3	Total income	18,460	8,638	10,255	27,098	18,801	37,654
4	Expenses						
	Cost of materials consumed	-	1	3	1	4	4
	Purchases of stock-in-trade	11,110	2,106	3,693	13,216	5,837	10,881
	Changes in inventories of stock in trade and finished goods	(415)	(186)	60	(601)	(7)	68
	Employee benefits expense	3,170	3,005	2,938	6,175	5,753	11,371
	Impairment losses	91	80	10	171	128	140
	Other expenses	3,289	2,906	2,931	6,195	5,892	11,809
5	Total expenses	17,245	7,912	9,635	25,157	17,607	34,273
6	Profit before tax, finance cost, depreciation and amortization expenses	1,215	726	620	1,941	1,194	3,381
	Finance costs	340	213	228	553	418	778
	Depreciation and amortization expenses	137	130	154	267	257	557
7	Profit before tax from continuing operations	738	383	238	1,121	519	2,046
8	Total tax expense:						
	Current tax	167	118	66	285	149	411
	Deferred tax	-	-	-	-	-	-
9	Profit after tax for the period/year from continuing operations	571	265	172	836	370	1,635
10	Loss before tax for the period/ year from discontinued operations	(615)	(583)	(288)	(1,198)	(750)	(1,889)
	Less: Tax Expense of discontinued operations	-	-	-	-	-	-
	Loss after tax for the period/ year from discontinued operations	(615)	(583)	(288)	(1,198)	(750)	(1,889)
	Total Loss after tax for the period/ year	(44)	(318)	(116)	(362)	(380)	(254)
11	Other comprehensive income						
	<i>i) Items that will not be reclassified to profit or loss</i>						
	- Re-measurement gains / (losses) on defined benefit plans	-	(5)	(21)	(5)	(16)	(84)
	- Income tax relating to items that will not be reclassified to profit or loss	-	1	6	1	5	22
	<i>ii) Items that will be reclassified to profit or loss</i>						
	- Exchange difference on translation of continuing operations	231	107	(9)	338	18	(1,018)
	- Exchange difference on translation of discontinued operations	(49)	44	(159)	(5)	(346)	436
	- Income tax relating on translation of foreign subsidiaries and foreign operations	(1)	-	(7)	(1)	(16)	(18)
12	Other comprehensive income / (losses) for the period / year, net of tax	181	147	(190)	328	(355)	(662)
13	Total comprehensive income / (losses) for the period / year	137	(171)	(306)	(34)	(735)	(916)
14	Profit / (Loss) from continuing operations attributable to:						
	Owners of the company	571	265	172	836	370	1,635
	Non-controlling interest	-	-	-	-	-	-
15	Profit / (Loss) from discontinued operations attributable to:						
	Owners of the company	(615)	(583)	(288)	(1,198)	(750)	(1,889)
	Non-controlling interest	-	-	-	-	-	-
16	Total Profit / (Loss) from continuing and discontinued operations attributable to:						
	Owners of the company	(44)	(318)	(116)	(362)	(380)	(254)
	Non-controlling interest						



17	Other comprehensive income attributable to:						
	Owners of the company	181	147	(190)	328	(355)	(662)
	Non-controlling interest	-	-	-	-	-	-
18	Total comprehensive income attributable to:						
	Owners of the company	137	(171)	(306)	(34)	(735)	(916)
	Non-controlling interest	-	-	-	-	-	-
19	Paid up equity share capital	3,962	3,962	3,962	3,962	3,962	3,962
20	Other equity						(4,799)
21	Earnings per equity share for continuing operations						
	Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	1.44	0.67	0.43	2.11	0.93	4.13
22	Earnings per equity share for discontinued operations						
	Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	(1.55)	(1.47)	(0.73)	(3.02)	(1.89)	(4.77)
23	Earnings per equity share for continuing and discontinued operations						
	Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.11)	(0.80)	(0.29)	(0.91)	(0.96)	(0.64)

Note

- The above financials results was reviewed by the Audit Committee and approved by the Board at its meeting held on 07 November 2023. The Standalone and consolidated financial results are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IndAS) 34, Interim Financial Reporting, as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and in terms of regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended.
- The Company has a trade receivable of ₹ 4,219 Lakhs as on 30 September 2023 from one of its subsidiary company Inspirisys Solutions North America, Inc (ISNA). The aforesaid balance reflects accumulation of receivables since 2016-17 and comprises of foreign currency receivable pending for settlement beyond the stipulated period as permitted under the Foreign Exchange Management, Act 1999 (as amended). ISNA the wholly owned subsidiary of Inspirisys Solutions Limited (ISL), India is the marketing arm for the offshore services offered and delivered to the US customers of ISNA from ISL India. ISNA has been working with customers in North America and have been engaging them for on site business in the US and offshore business for ISL India. The trade receivables in the books of ISL India represents services performed and billed on ISNA over the years in respect of offshore services for the clients of ISNA. The Management is working on turning around the business performance of ISNA and are hopeful of generating profits to pay ISL India against the trade receivables and to this effect have drawn up business plans for the subsidiary for the next few years. In view of the above, the Management considers not making any provision towards any expected credit loss against these accounts receivable from ISNA including GST liability if any on such export receivables together with interest thereon as we are hopeful of collecting the dues from ISNA. The impact of non-compliance with Clause C.20 of the Master Direction - Export of Goods and Services (Updated as on November 22, 2022) for non-realization of export proceeds within stipulated timeline has been determined to be immaterial to the financial results.
- During the year 2021-22, the Company / Holding Company had received a show cause notice from SEBI under sections 11(1), 11(4), 11(4A), 11 B(1) and 11 B(2) read with 15HA and 15HB of the Securities Exchange Board of India Act, 1992 ('SEBI Act'), and Rule 4(1) of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and Sections 12A(1), 12A(2) read with 23E and 23H of the Securities Contracts (Regulation) Act, 1956 ('SCRA') and Rule 4(1) of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 in the matter of alleged mis-representation of financials / manipulation of books of accounts of Inspirisys Solutions Limited, in relation to FY 2012-13 to FY 2015-16 which was duly corrected and reported in earlier years. In this regard, SEBI has issued a Final Order dated September 20, 2023 and imposed a penalty amount of Rs.10 Lacs on the Company under Section 15HB of the SEBI Act and Section 23E of SCRA, which was paid by the Company / Holding Company.
- The Group has recorded a loss after tax for quarter and year to date ended 30 September 2023 of ₹ 44 Lakhs and ₹ 362 lakhs respectively. Further the Group has accumulated losses amounting to ₹ 16,508 Lakhs which has resulted in erosion of net worth and the current liabilities exceed the current assets by ₹ 5,762 Lakhs as at 30 September 2023. However, the current liabilities are predominantly current maturities of long term debt from Ultimate Holding Company and the Group has undrawn facility of ₹ 12,426 in lakhs out of which ₹ 9,187 in lakhs is the facility guaranteed by the CAC Holding Corporation. Basis future business plans and the above mentioned undrawn facility the Management is of the view that preparation of the consolidated financial results using going concern basis of accounting is appropriate.
- The Company publishes standalone financial results along with the consolidated financial results. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the interim consolidated financial results. Accordingly, the segment information is given in the consolidated financial results of the company and its subsidiaries for the quarter ended 30 September 2023.
- Inspirisys Solutions DMCC (ISDMCC), a company registered under the laws of Dubai Multi Commodities Centre Authority (DMCC) is a wholly owned subsidiary of the company. ISDMCC has incurred continuous losses over the last several years particularly during and after Covid Pandemic. The Board in their meeting held on 28th September 2023 decided to voluntarily windup and liquidate ISDMCC in the best interest of the company.
- The consolidated financial results comprises the financial results of the company and its subsidiaries. The financial results of DMCC is presented in the financials as discontinued operations in accordance with Ind AS 105 - Non current assets held for sale and Discontinued operations. Figures to the extent of discontinued operations have been re-presented for all periods presented.
- Earning per share is not annualised for the quarter ended 30 September 2023, 30 June 2023 and 30 September 2022, Year to date period ended 30 September 2023 and 30 September 2022.
- Figures for the previous year have been regrouped/rearranged wherever necessary.

Place: Chennai
Date: 07 November 2023

For Inspirisys Solutions Limited

Murali Gopalakrishnan
Executive Director and Chief Executive Officer



Inspirisys Solutions Limited

Regd Office : First Floor, Dowlath Towers, New Door Nos 57, 59, 61 & 63, Taylors Road, Kilpauk, Chennai 600 010.

CIN No: L30006TN1995PLCO31736

Segment-wise Revenue, Result, Assets and Liabilities

(₹ in Lakhs)

Particulars	Consolidated					
	Quarter ended			Year to date period ended		Year ended
	30 September 2023 (Unaudited)	30 June 2023 (Unaudited)	30 September 2022 (Unaudited)	30 September 2023 (Unaudited)	30 September 2022 (Unaudited)	31 March 2023 (Audited)
1. Segment Revenue *						
Systems Integration	11,528	2,224	3,776	13,752	6,079	12,117
Services	6,719	6,592	6,271	13,311	12,567	25,644
Warranty Management Services	300	296	334	596	650	1,274
Revenue from Operations	18,547	9,112	10,381	27,659	19,296	39,035
2. Segment Result *						
Systems Integration	534	30	105	564	31	560
Services	339	691	635	1,030	1,250	2,603
Warranty Management Services	(13)	(18)	26	(31)	61	105
Total	860	703	766	1,563	1,342	3,268
(i)Interest expenses	(78)	(290)	(305)	(368)	(569)	(1,078)
(ii)Other unallocable expenses	(701)	(642)	(679)	(1,343)	(1,286)	(2,520)
Other income	42	29	168	71	282	487
Total (Loss)/Profit Before Tax	123	(200)	(50)	(77)	(231)	157
3. Segment Assets						
Systems Integration	16,442	1,864	6,327	16,442	6,327	3,636
Services #	15,450	10,663	12,114	15,450	12,114	9,729
Warranty Management Services	919	980	604	919	604	783
Training	35	35	35	35	35	35
Unallocated	5,955	8,367	7,128	5,955	7,128	7,020
Total Assets	38,801	21,909	26,208	38,801	26,208	21,203
3. Segment Liabilities						
Systems Integration	15,594	2,147	6,368	15,594	6,368	3,370
Services ^	17,758	7,768	7,121	17,758	7,121	7,614
Warranty Management Services	368	365	418	368	418	370
Training	3	3	3	3	3	3
Unallocated	5,949	12,634	12,954	5,949	12,954	10,683
Total Liabilities	39,672	22,917	26,864	39,672	26,864	22,040

* Including discontinued operations related revenue from operations and segment results

Including discontinued operations - Assets held for sale under Services ₹ 320 lakhs as on 30 September 2023.

^ Including discontinued operations - Liabilities related to Assets held for sale under Services ₹ 3,620 lakhs as on 30 September 2023.



Statement of Financial position as at 30 September 2023

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)	As at 30 September 2023 (Unaudited)	As at 31 March 2023 (Audited)
Assets				
Non current assets				
Property plant and equipment	439	442	439	450
Goodwill	542	542	542	542
Other intangible assets	345	363	345	363
Intangible assets under development	91	42	91	42
Right to use asset	113	204	113	204
Financial assets				
- Trade receivables	39	39	39	39
- Bank balances	121	122	121	122
- Other financial assets	141	176	144	198
Deferred tax assets, net	-	-	-	-
Income tax assets (net)	3,363	3,199	3,363	3,199
Other non-current assets	706	607	741	741
Total	5,900	5,736	5,938	5,900
Current assets				
Inventories	965	364	965	364
Financial assets				
- Trade receivables	26,823	11,750	23,337	8,348
- Cash and cash equivalents	3,119	2,908	3,584	3,081
- Other financial assets	432	692	432	697
Other current assets	4,369	2,044	4,478	2,813
Discontinued operations - Assets held for sale	-	-	67	-
Total Assets	35,708	17,758	32,863	15,303
Equity and liabilities	41,608	23,494	38,801	21,203
Equity				
Equity share capital	3,962	3,962	3,962	3,962
Other equity	6,065	5,033	(4,833)	(4,799)
Total equity	10,027	8,995	(871)	(837)
Liabilities				
Non - current liabilities				
Financial Liabilities				
- Borrowings	13	19	283	553
- Lease liability	54	77	54	77
Provisions	710	674	710	921
Total	777	770	1,047	1,551
Current liabilities				
Financial liabilities				
- Borrowings	4,489	4,224	8,482	9,715
- Lease liability	85	159	85	159
- Trade payables				
a) Dues to micro and small enterprises	352	166	352	166
b) Total outstanding dues of creditors other than micro and small enterprises	16,383	4,386	16,311	4,623
- Other financial liabilities	2,475	2,124	2,722	2,837
Other current liabilities	6,755	2,478	6,788	2,703
Provisions	265	192	265	286
Discontinued operations -Liabilities related to assets held for sale	-	-	3,620	-
Total	30,804	13,729	38,625	20,489
Total liabilities	31,581	14,499	39,672	22,040
Total equity and liabilities	41,608	23,494	38,801	21,203



Inspirisys Solutions Limited

Regd Office : First Floor, Dowlat Towers, New Door Nos 57, 59, 61 & 63, Taylors Road, Kilpauk, Chennai 600 010

CIN No: L30006TN1995PLCO31736

Statement of Cash Flows for the Half year ended 30 September 2023

(₹ in Lakhs)

Particular	Standalone		Consolidated	
	As at 30 September 2023	As at 31 March 2023	As at 30 September 2023	As at 31 March 2023
A. Cash flow from operating activities				
Profit before tax	1,318	2,206	1,121	2,046
Adjustments for:				
Depreciation and amortization expense	267	558	267	557
Income on reversal of lease liabilities	-	(28)	-	(28)
Interest expense (including changes in financial instruments)	409	650	553	664
Impairment losses	171	140	171	408
Liquidated damages	-	101	-	101
Provision for inventory obsolescence	-	(9)	-	(9)
Provision for gratuity and compensated absences	36	(125)	36	(125)
Net unrealised foreign exchange loss / (gain)	(15)	(160)	30	(147)
Bad debts (recovered) / written off	-	20	-	20
Interest Income	(71)	(64)	(71)	(64)
Accrual / reversal of provision for warranty	73	95	73	95
Liabilities no longer required written back	-	(135)	(1,654)	(135)
Interest on income tax refund	-	(44)	-	(44)
Profit on sale of property, plant and equipment	-	(3)	-	(3)
Operating profit before working capital changes	2,188	3,202	526	3,336
Decrease/ (Increase) in inventories	(601)	80	(601)	80
Decrease in trade receivables	(15,244)	(2,574)	(15,120)	(3,255)
Decrease in financial assets	295	(376)	295	(278)
Decrease in other non-current assets	(99)	(139)	(99)	(139)
(Increase)/ Decrease in other current assets	(2,339)	1,061	(2,288)	1,109
(Decrease)/ Increase in trade payables	12,198	2,034	12,424	2,642
Increase/ (Decrease) in other financial liabilities	351	476	428	(767)
Increase/ (Decrease) in other current liabilities	4277	(344)	4,277	(367)
Cash generated from / (used in) operating activities	1,026	3,420	(158)	2,361
Direct taxes refund (paid)/ received, net	(449)	174	(449)	174
Net cash generated from / (used in) operating activities from continuing operations	577	3,594	(607)	2,535
Net cash generated from / (used in) operating activities from discontinued operations	-	-	232	(716)
B. Cash flow from investing activities				
Purchase of property, plant and equipment	(190)	(254)	(190)	(254)
Proceeds from sale of property, plant and equipment	-	3	-	3
Interest received	71	64	71	64
Net movement in bank deposits	1	216	1	216
Net cash generated from/ (used in) investing activities from continuing operations	(118)	29	(118)	29
Net cash generated from / (used in) investing activities from discontinued operations	-	-	-	-
C. Cash flow from financing activities				
Repayment of long term borrowings	(6)	(3)	1,654	(414)
Proceeds / (repayment) from short term borrowings	265	(1,565)	(6)	359
Payment of lease liabilities	(104)	(271)	(105)	(271)
Interest paid	(409)	(629)	(553)	(758)
Net cash generated from / (used) in financing activities from continuing operations	(254)	(2,468)	990	(1,084)
Net cash generated from / (used) in financing activities from discontinued operations	-	-	-	-
D. Net change in cash and cash equivalents	205	1,156	497	764
E. Cash and cash equivalents at the beginning	2,908	1,675	3,081	2,183
Effects of foreign currency translation	6	77	6	134
F. Cash and cash equivalents at the end	3,119	2,908	3,584	3,081
Cash and cash equivalents include				
Cash on hand	5	4	5	4
Balances with banks in current accounts	3,114	2,904	3,579	3,077
Cash and cash equivalents	3,119	2,908	3,584	3,081



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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date 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 Inspirisys Solutions Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Inspirisys Solutions Limited ('the Company') for the quarter ended 30 September 2023 and the year to date results for the period 1 April 2023 to 30 September 2023, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations')
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, 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.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker ChandioK & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41 Connaught Circus, Outer Circle, New Delhi, 110001, India

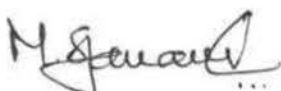
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4. As detailed in Note 2 to the standalone financial results, the Company has reported an amount of Rs. 4,219 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 30 September 2023 which are significantly over-due. Further, due to non-realization of aforesaid trade receivables within the prescribed time limit, the Company is in non-compliance with Clause C.20 of the Master Direction - Export of Goods and Services (Updated as on November 22, 2022) ("Master Direction") and is liable to pay Goods and Service Tax (GST) liability along with interest and penalty on such export sales in accordance with sub rule 1 of 96A of CGST rules. The impact of non-compliance with the Master Direction for non-realization of export proceeds within the stipulated timeline has been determined by the Management to be immaterial to the standalone financial results. The management is confident of recovering the aforesaid receivables from the subsidiary based on the business plans as detailed out in the management note and accordingly, no expected credit loss provision has been made against such long outstanding receivables under Ind AS 109, Financial Instruments and no provision is recognized towards aforesaid GST liability including interest and penalty. However, in the absence of sufficient appropriate audit evidence regarding the timing and extent of cash flows that will be available with the subsidiary to settle these dues, we are unable to comment upon the recoverability of the carrying value of the said trade receivables as at 30 September 2023 and impact on Goods and Service Tax liability, including penalty and Interest that may be levied, and the consequential impact thereof, if any, on the accompanying standalone financial results.

Our review report on the standalone unaudited financial results for the quarter ended 30 June 2023, for the quarter and for the year-to-date period ended 30 September 2022 and audit opinion on the standalone financial results for the year ended 31 March 2023 has been qualified in the regard.

5. Based on our review conducted as above, except for the possible effects of the matter described in paragraph 4 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 Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Walker ChandioK & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013



Mehulkumar Sharadkumar Janani
Partner
Membership No. 118617
UDIN: 23118617BGTFUA9277



Place: Chennai
Date: 07 November 2023

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date 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 Inspirisys Solutions Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Inspirisys Solutions Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2023 and the consolidated year to date results for the period 1 April 2023 to 30 September 2023, 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) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, 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 SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.



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4. As detailed in Note 2 to the consolidated financial results, the Holding Company has reported an amount of ₹ 4,219 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 30 September 2023 which are significantly over-due. Further due to non-realization of aforesaid trade receivables within the prescribed time limits, the Holding Company is in non-compliance with Clause C.20 of the Master Direction – Export of Goods and Services (Updated as on November 22, 2022) (“Master Direction”) and is liable to pay Goods and Service Tax (GST) liability along with interest and penalty on such export sales in accordance with sub rule 1 of 96A of CGST rules. The impact of non-compliance with the Master Direction for non-realization of export proceeds within stipulated timeline has been determined by the Management to be immaterial to the consolidated financial results. The management is confident of recovering the aforesaid receivables from the subsidiary based on the business plans as detailed out in the management note and accordingly, no provision is recognized towards aforesaid GST liability including interest and penalty. However, in the absence of sufficient appropriate audit evidences regarding the timing and extent of cash flows that will be available with the subsidiary to settle these dues, we are unable to comment upon the impact on Goods and Service Tax liability, including penalty and interest that may be levied and the consequential impact thereof, if any, on the accompanying consolidated financial results.

Our review report on the consolidated unaudited financial results for the quarter ended 30 June 2023, for the quarter and year to date period ended 30 September 2022 and audit opinion on the consolidated financial statement for the year ended 31 March 2023 has been qualified in the regard.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, except for the possible effect of the matter described in previous section, 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 Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of five subsidiaries included in the Statement whose financial information reflects total assets of ₹ 2,724 Lakhs as at 30 September 2023, and total revenues of ₹ 856 Lakhs and ₹ 2,153 Lakhs, total net loss after tax of ₹ 27 Lakhs and ₹ 763 Lakhs, total comprehensive loss of ₹ 27 Lakhs and ₹ 763 Lakhs, for the quarter and six month period ended on 30 September 2023 respectively, and cash inflows (net) of ₹ 292 Lakhs for the period ended 30 September 2023, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

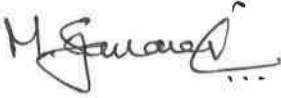


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7. The Statement includes the interim financial results of one subsidiary, which have not been reviewed by its auditor whose interim financial results reflects total assets of ₹ 35 lakhs as at 30 September 2023, and total revenues of Nil and Nil, net profit after tax of Nil and Nil, total comprehensive income of Nil and Nil for the quarter and six month period ended 30 September 2023 respectively, cash flow (net) of Nil for the period ended 30 September 2023 as considered in the Statement. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unreviewed interim financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of this matter to our reliance on the financial results certified by the Board of Directors.

For **Walker ChandioK & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013



Mehulkumar Sharadkumar Janani
Partner
Membership No. 118617
UDIN: 23118617BGTFUB1453



Place: Chennai
Date: 07 November 2023

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Annexure 1

List of entities included in the Statement

1. Inspirisys Solutions DMCC, UAE
2. Inspirisys Solutions Japan Kabushiki Kaisha, Japan
3. Network Programs (USA) Inc., USA
4. Inspirisys Solutions North America Inc., USA
5. Inspirisys Solutions IT Resources Limited, India
6. Inspirisys Solutions Europe Limited, UK

