

ISL/SS/SE/36/2021-2022
9th November, 2021

The National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex
Bandra East
Mumbai 400 051

BSE Ltd.
P.J. Towers
Dalal Street
Mumbai 400 001

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 9th November, 2021 has inter alia

1. Considered and approved the Standalone and Consolidated Unaudited Financial Results for the quarter and year to date ended 30th September, 2021 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, 2021.

It is further informed that the board meeting commenced at 12:10 PM and ended at 02:45 PM.

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 year to date period ended and quarter ended 30 September 2021

₹ in Lakhs

S.No	Particulars	Standalone					
		Quarter ended		Year to date period ended		Year ended	
		30 September 2021 (Unaudited)	30 June 2021 (Unaudited)	30 September 2020 (Unaudited)	30 September 2021 (Unaudited)	30 September 2020 (Unaudited)	31 March 2021 (Audited)
1	Revenue from operations	7,317	8,633	8,377	15,950	13,905	32,633
2	Other income	31	104	34	135	211	462
3	Total revenue (1+2)	7,348	8,737	8,411	16,085	14,116	33,095
4	Expenses						
	Cost of raw material consumed	19	1	14	20	60	70
	Purchases of stock-in-trade	1,933	3,751	2,900	5,684	3,836	11,988
	Changes in inventories of stock-in-trade and finished goods	51	(23)	118	28	57	88
	Employee benefits expense	2,330	2,299	2,150	4,629	4,277	8,927
	Impairment losses	490	97	48	587	150	373
	Other expenses	2,584	2,419	2,943	5,003	5,078	9,962
5	Total expenses	7,407	8,544	8,173	15,951	13,458	31,408
6	Profit before finance cost, depreciation and amortization expenses (3-5)	(59)	193	238	134	658	1,687
	Finance costs	143	154	237	297	473	778
	Depreciation and amortization expenses	137	138	163	275	322	669
7	(Loss) / profit before tax	(339)	(99)	(162)	(438)	(137)	240
8	Tax expense	34	14	(8)	48	-	192
9	Loss / (profit) for the period / year (7-8)	(373)	(113)	(154)	(486)	(137)	48
10	Other comprehensive income						
	<i>ij) Items that will not be reclassified to profit or loss</i>						
	- Re-measurement loss on defined benefit plans	(17)	(10)	(103)	(27)	(92)	(64)
	- Income tax relating to items that will not be reclassified to profit or loss	3	2	2	5	-	13
	<i>ii) Items that will be reclassified to profit or loss</i>						
	- Exchange difference on translation of foreign operations	-	(27)	(14)	(27)	(31)	(33)
	- Income tax relating on translation of foreign operations	-	5	(3)	5	-	7
11	Other comprehensive income for the period / year, net of tax	(14)	(30)	(118)	(44)	(123)	(77)
12	Total comprehensive income for the period / year (9+11)	(387)	(143)	(272)	(530)	(260)	(29)
13	Paid up equity share capital	3,962	3,962	3,962	3,962	3,962	3,962
14	Other equity						
15	(Loss) / earnings per equity share						
	Basic (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.94)	(0.29)	(0.39)	(1.23)	(0.35)	0.12
	Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.94)	(0.29)	(0.39)	(1.23)	(0.35)	0.12

Statement of unaudited consolidated financial results for the year to date period ended and quarter ended 30 September 2021

₹ in Lakhs

S.No	Particulars	Consolidated					
		Quarter ended		Year to date period ended		Year ended	
		30 September 2021 (Unaudited)	30 June 2021 (Unaudited)	30 September 2020 (Unaudited)	30 September 2021 (Unaudited)	30 September 2020 (Unaudited)	31 March 2021 (Audited)
1	Revenue from operations	8,413	9,956	10,320	18,369	17,871	40,370
2	Other income	98	98	59	196	245	542
3	Total revenue (1+2)	8,511	10,054	10,379	18,565	18,116	40,912
4	Expenses						
	Cost of raw material consumed	19	1	14	20	60	70
	Purchases of stock-in-trade	1,933	3,779	3,300	5,712	4,645	13,035
	Changes in inventories of stock-in-trade and finished goods	51	(23)	125	28	61	369
	Employee benefits expense	3,145	3,153	3,007	6,298	5,971	12,541
	Impairment losses	251	97	48	348	150	155
	Other expenses	3,139	2,962	3,637	6,101	6,775	13,070
5	Total expenses	8,538	9,969	10,131	18,507	17,662	39,240
6	Profit before finance cost, depreciation and amortization expenses (3-5)	(27)	85	248	58	454	1,672
	Finance costs	198	240	327	438	633	1,073
	Depreciation and amortization expenses	138	138	167	276	329	693
7	(Loss) before tax	(363)	(293)	(246)	(656)	(508)	(94)
8	Tax expense	34	14	(8)	48	-	192
	Current tax	(397)	(307)	(238)	(704)	(508)	(286)
9	Loss for the period / year (7-8)						
10	Other comprehensive income						
	<i>ij) Items that will not be reclassified to profit or loss</i>						
	- Re-measurement loss on defined benefit plans	(17)	(10)	(103)	(27)	(92)	(64)
	- Income tax relating to items that will not be reclassified to profit or loss	3	2	2	5	-	13
	<i>ij) Items that will be reclassified to profit or loss</i>						
	- Exchange difference on translation of foreign operations	15	(111)	86	(96)	26	94
	- Income tax relating to translation of foreign operations	-	5	(3)	5	-	7
11	Other comprehensive income for the period / year, net of tax	1	(114)	(18)	(113)	(66)	50
12	Total comprehensive income for the period / year (9+11)	(396)	(421)	(256)	(817)	(574)	(236)
13	Profit attributable to:						
	Owners of the company	(397)	(307)	(238)	(704)	(508)	(286)
	Non-controlling interest	-	-	-	-	-	-
14	Other comprehensive income attributable to:						
	Owners of the company	1	(114)	(18)	(113)	(66)	50
	Non-controlling interest	-	-	-	-	-	-
14	Total comprehensive income attributable to:						
	Owners of the company	(396)	(421)	(256)	(817)	(574)	(236)
	Non-controlling interest	-	-	-	-	-	-
15	Paid up equity share capital	3,962	3,962	3,962	3,962	3,962	3,962
16	Other equity						
17	Loss per equity share	(1.01)	(0.77)	(0.60)	(1.78)	(1.28)	(0.72)
	Basic (in ₹) (Face value of ₹ 10 each) (Not annualised)	(1.01)	(0.77)	(0.60)	(1.78)	(1.28)	(0.72)
	Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)						

Note

- 1 The above financials results was reviewed by the Audit Committee and approved by the Board at its meeting held on 09 November 2021.
- 2 The novel coronavirus (COVID-19) pandemic has impacted the economic activity and has disrupted businesses across all sectors. Overall operations of the Company both in India and other geographies where the Company operates has been curtailed considerably. This is reflected in the business performance across all geographies. The continuing impact of COVID-19 on the Company's operations and financial performance is dependent on how the situation evolves, which under the current circumstances is highly uncertain. The Company has, to the extent possible, considered the likely effects due to the COVID-19 pandemic in the preparation of these interim standalone and consolidated financial results for the quarter ended 30 September 2021. As per the Company's assessment which is based on the use of internal and external sources of information, the Company does not expect any significant impact on carrying amounts of financial and non-financial assets. The Company will continue to monitor changes in future economic conditions and take appropriate actions. The impact of COVID-19 on the financial results may differ from that estimated as at the date of approval of these financial results owing to the nature and duration of COVID-19.
- 3 The Company has a trade receivable of ₹ 3,417 Lakhs as on 30 September 2021 from one of its subsidiary company Inspirisys Solutions North America, Inc (ISNA). The balance reflects accumulation of receivables since financial year 2016-17. 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 onsite 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 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 trade receivables 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. This is subject matter of qualification in the standalone and consolidated review report for the quarter and for the year to date period ended 30 September 2021 and 30 September 2020, for the quarter ended 30 June 2021 and audit report for the year ended 31 March 2021.
- 4 The Company has an investment of ₹ 120 Lakhs in a wholly owned subsidiary named Inspirisys Solutions DMCC, Dubai (ISDMCC) and has further advanced loans (including accumulated interest) amounting to ₹ 275 Lakhs to this subsidiary as at 30 September 2021. ISDMCC has accumulated losses and the net-worth is negative as at 30 September 2021. ISDMCC has been working with customers and have been engaging them for onsite business in the Middle East and offshore business for ISL India. The company continues to have onsite employees placed on various customer projects and have continuing contracts for onsite and offshore work. The Company in accordance with Ind AS 36 - "Impairment of Assets" and Ind AS 109 - "Financial instruments", carried out impairment assessment of its investment and loans in ISDMCC. Considering the impairment indicators due to COVID uncertainties and basis the detailed budgets and forecast calculations which are prepared for ISDMCC as at 30 September 2021, the Company, has recognised the impairment of investment of ₹ 120 lakhs and loan of ₹ 275 Lakhs in accordance with Ind AS 36 and Ind AS 109 in the Standalone financial results for the quarter and year to date period ended 30 September 2021.
- 5 The Indian Parliament has approved the Code on Social Security, 2020 which inter alia, deals with the employee benefits during the employment and post employment. The Code has been published in the Gazette of India. The effective date of the code yet to notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the changes, if any, will be assessed and recognised post notification of the relevant provisions.
- 6 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 2021.
- 7 The consolidated financial results comprises the financial results of the company and its subsidiaries.
- 8 Figures for the previous year have been regrouped/rearranged wherever necessary.

Place: Mumbai

Date: 09 November 2021

For Inspirisys Solutions Limited

MALCOLM
FARROKH
MEHTA

Digitally signed by
MALCOLM FARROKH
MEHTA

Date: 2021.11.09
14:00:54 +05'30'

Malcolm F.Mehta

Chairman 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

Statement of financial position as at 30 September 2021

₹ in Lakhs

Particulars	Standalone		Consolidation	
	As at	As at	As at	As at
	30 September 2021	31 March 2021	30 September 2021	31 March 2021
ASSETS				
Non-current assets				
Property, plant and equipment				
- Tangible assets	539	551	550	562
- Intangible assets	465	54	465	54
Goodwill	542	542	542	542
Intangible assets under development	-	426	-	426
Right of use asset	366	525	366	525
Financial assets				
- Investments	-	120	-	-
- Trade receivables	30	38	30	38
- Bank balances	604	772	604	772
- Other financial assets	319	351	340	374
Income tax assets (net)	3,362	3,644	3,362	3,644
Other non-current assets	500	485	535	520
	6,727	7,508	6,794	7,457
Current assets				
Inventories	557	597	557	597
Financial assets				
- Trade receivables	11,720	10,859	9,517	9,376
- Cash and cash equivalents	1,686	2,697	1,975	3,082
- Loans	-	259	-	-
- Other financial assets	386	483	390	496
Other current assets	3,147	2,669	4,810	3,738
	17,496	17,564	17,249	17,289
Total Assets	24,223	25,072	24,043	24,746
EQUITY AND LIABILITIES				
Equity				
Equity share capital	3,962	3,962	3,962	3,962
Other equity	2,712	3,242	(3,251)	(2,434)
Total equity	6,674	7,204	711	1,528
Liabilities				
Non-current liabilities				
Financial liabilities				
- Borrowings	38	47	520	286
- Lease liability	205	379	205	379
Provisions	602	640	827	838
	845	1,066	1,552	1,503
Current liabilities				
Financial liabilities				
- Borrowings	1,600	2,800	3,453	3,309
- Lease liability	187	225	187	225
- Trade payables				
Total outstanding dues of micro and small enterprises	241	710	241	710
Total outstanding dues of creditors other than micro and small enterprises	4,159	4,732	5,048	5,225
- Other financial liabilities	6,882	5,924	8,383	8,126
Other current liabilities	3,363	2,262	4,076	3,853
Provisions	272	149	392	267
	16,704	16,802	21,780	21,715
Total liabilities	17,549	17,868	23,332	23,218
Total equity and liabilities	24,223	25,072	24,043	24,746

Inspirisys Solutions Limited (Formerly known as Accel Frontline Limited)

Regd Office : First Floor, Dowlath 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 2021

Particular	<i>Standalone</i>	<i>Consolidated</i>
	Year to date period ended 30 September 2021	Year to date period ended 30 September 2021
A. Cash flow from operating activities		
Loss before tax	(438)	(656)
Adjustments for:		
Depreciation and amortization expense	275	276
Interest expense (including changes in financial instruments)	178	319
Interest Income	(47)	(37)
Impairment losses	587	348
Provision for inventory obsolescence and slow moving stock	39	39
Provision for gratuity and compensated absences	93	126
Net unrealised foreign exchange loss / (gain)	19	(5)
Provision for warranty	37	37
Liabilities no longer required written back	-	(78)
Interest on income tax refund	(10)	(10)
Operating profit before working capital changes	733	359
Decrease in inventories	1	1
Increase in trade receivables	(1,029)	(1,055)
Decrease in other financial assets	129	149
Increase in other non-current assets	(15)	(16)
(Increase) / decrease in other current assets	(478)	(1,189)
(Decrease) / increase in trade payables	(1,042)	(40)
Increase in other financial liabilities	926	637
(Decrease) in provisions	(45)	(54)
Increase / (decrease) in other current liabilities	1,101	205
Cash generated from / (used in) operating activities	281	(1,003)
Direct taxes refund, net	234	234
Net cash generated from / (used in) operating activities	515	(769)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(140)	(140)
Interest received	10	10
Net movement in bank deposits	196	196
Net cash generated from / (used in) investing activities	66	66
C. Cash flow from financing activities		
Repayment of long term borrowings, net	(9)	(9)
(Repayment of) / proceed from short term borrowings, net	(1,200)	134
Payment of lease liabilities (including interest)	(201)	(201)
Interest paid	(190)	(341)
Net cash used in financing activities	(1,600)	(417)
D. Net change in cash and cash equivalents	(1,019)	(1,120)
E. Cash and cash equivalents at the beginning	2,697	3,082
Effects of foreign currency translation	8	13
F. Cash and cash equivalents at the end	1,686	1,975
Cash and cash equivalents include		
Cash on hand	6	8
Balances with banks in current accounts	1,680	1,967
Cash and cash equivalents	1,686	1,975

Inspirsys Solutions Limited

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

CIN No: L30006TN1995PLCO31736

Consolidated Segment Information:

(₹ in Lakhs)

Particulars	Consolidated					
	Quarter ended			Year to date period ended		Year ended
	30 September 2021 (Unaudited)	30 June 2021 (Unaudited)	30 September 2020 (Unaudited)	30 September 2021 (Unaudited)	30 September 2020 (Unaudited)	31 March 2021 (Audited)
1. Segment revenue						
Systems Integration	1,853	3,936	3,350	5,789	4,908	13,964
Services	6,124	5,795	6,517	11,919	12,388	24,883
Warranty Management Services	436	225	453	661	575	1,523
Training	-	-	-	-	-	-
Revenue from operations (Net)	8,413	9,956	10,320	18,369	17,871	40,370
2. Segment result						
Systems Integration	(374)	24	(192)	(350)	(155)	(161)
Services	527	553	729	1,080	1,298	2,890
Warranty Management Services	18	(137)	(72)	(119)	(404)	(548)
Training	-	-	-	-	-	1
Total	171	440	465	611	739	2,182
(i) Finance costs	(198)	(240)	(305)	(438)	(633)	(1,073)
(ii) Other unallocable expenses	(434)	(591)	(465)	(1,025)	(859)	(1,745)
Other income	98	98	59	196	245	542
Total loss before tax	(363)	(293)	(246)	(656)	(508)	(94)
3. Segment assets						
Systems Integration	4,324	5,580	4,945	4,324	4,945	6,096
Services	13,147	14,619	17,042	13,147	17,042	11,549
Warranty Management Services	721	491	949	721	949	879
Training	35	35	42	35	42	35
Unallocated	5,816	5,809	6,780	5,816	6,780	6,187
Total assets	24,043	26,534	29,758	24,043	29,758	24,746
3. Segment liabilities						
Systems Integration	4,680	6,295	6,712	4,680	6,712	6,396
Services	7,813	9,961	12,146	7,813	12,146	9,071
Warranty Management Services	528	563	783	528	783	582
Training	3	-	8	3	8	3
Unallocated	10,308	8,608	8,919	10,308	8,919	7,166
Total liabilities	23,332	25,427	28,568	23,332	28,568	23,218

Walker Chandiok & Co LLP

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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 2021 and the year to date results for the period 01 April 2021 to 30 September 2021 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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.

Walker Chandiok & Co LLP

- As detailed in Note 3 to the accompanying Statement, the Company has reported an amount of ₹ 3,417 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 30 September 2021 which are significantly over-due. Further, due to non-realization of aforesaid trade receivables within the prescribed time limit in accordance with sub rule 1 of 96A of CGST rules, the Company is liable to pay Goods and Service Tax (GST) liability along with interest and penalty on such export sales. 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 2021 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 Statement.

Our review report on unaudited standalone financial results for the quarter ended 30 June 2021, for the quarter and for the year to date period ended 30 September 2020 and audit opinion on the standalone financial results for the year ended 31 March 2021 has been qualified in the regard.

- Based on our review conducted as above and the consideration of the review report of the branch auditor referred to in paragraph 6 below, 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.
- We did not review the interim financial results of one branch included in the Statement, where such interim financial results reflects total assets of ₹ 1,442 Lakhs as at 30 September 2021, and total revenues of ₹ 107 Lakhs and ₹ 192 Lakhs, total net profit after tax of ₹ 14 Lakhs and ₹ 15 Lakhs and total comprehensive income of ₹ 14 Lakhs and ₹ 15 Lakhs for the quarter and year to date period ended on 30 September 2021, respectively, and net cash inflow of ₹ 11 Lakhs for the year to date period ended 30 September 2021, as considered in the Statement. Such interim financial results have been reviewed by the branch auditor, whose 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 this branch, is based solely on the review report of such branch auditor.

Our conclusion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the branch auditor.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

eSigned using Cloud DSC
(Leegality.com - qTgSE91)
Mehulkumar Sharadkumar Janani

Date: Tue Nov 09 13:24:31 IST
2021

Mehulkumar Sharadkumar Janani

Partner

Membership No. 118617

UDIN : 21118617AAAADE4789

Place: Ahmedabad

Date: 09 November 2021

Walker ChandioK & Co LLP

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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 in the Statement) for the quarter ended 30 September 2021 and the consolidated year to date results for the period 01 April 2021 to 30 September 2021 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), including relevant circulars issued by the SEBI from time to time.
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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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.

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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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. As detailed in Note 3 to the accompanying Statement, the Holding Company has reported an amount of ₹ 3,417 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 30 September 2021. Due to non-realization of aforesaid trade receivables within the prescribed time limit in accordance with sub rule 1 of 96A of CGST rules, the holding company is liable to pay Goods and Service Tax (GST) along with interest and penalty on such export sales, for which no liability has been recognized in the accompanying Statement basis management's assessment of realization of the aforesaid outstanding receivable balances. However, in the absence of sufficient appropriate audit evidence we are unable to comment upon 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 Statement.

Our review report on unaudited consolidated financial results for the quarter ended 30 June 2021, for the quarter and for the year to date period ended 30 September 2020 and audit opinion on the consolidated financial results for the year ended 31 March 2021 has been qualified in the regard.

5. Based on our review conducted and procedures performed as stated in paragraph 3 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.
6. We did not review the interim financial results of five subsidiaries included in the Statement and one branch included in the unaudited interim standalone financial results of the entities included in the Group, whose financial information reflects total assets of ₹ 6,670 Lakhs as at 30 September 2021, total revenues of ₹ 1,600 Lakhs and ₹ 3,325 Lakhs, total net loss after tax of ₹ 403 Lakhs and ₹ 596 Lakhs, total comprehensive loss of ₹ 403 Lakhs and ₹ 596 Lakhs, for the quarter and year to date period ended on 30 September 2021, respectively, and net cash outflow of ₹ 90 Lakhs for the year to date period ended 30 September 2021, 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 2021, and total revenues of Nil, total net profit after tax of Nil, total comprehensive income of Nil for the quarter and year to date period ended 30 September 2021, cash flow (net) of Nil for the year to date period ended 30 September 2021 as considered in the Statement, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, are 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 with respect 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

eSigned using Cloud DSC
(Leegality.com - vG77Sek)
Mehulkumar Sharadkumar Janani

Date: Tue Nov 09 13:30:17 IST
2021

Mehulkumar Sharadkumar Janani

Partner

Membership No. 118617

UDIN : 21118617AAAADF7720

Place : Ahmedabad

Date : 09 November 2021

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Annexure 1

List of entities included in the Statement

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