

ISL/SS/SE/11/2020-2021
11th June, 2020

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: Disclosure of material impact of CoVID 19 pandemic under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

Pursuant to regulation 30 of LODR and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, please find enclosed herewith the disclosure of material impact of CoVID 19 pandemic on Inspirisys Solutions Limited (Formerly Accel Frontline Limited). We request you to kindly take the aforesaid information on record.

Thanking you.

Yours faithfully,

For Inspirisys Solutions Limited
(Formerly Accel Frontline Limited)



S. Sundaramurthy
Company Secretary & Compliance Officer



Encl: as above

Pursuant to regulation 30 of LODR and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/84 dated May 20, 2020, we wish to inform you the following;

1. Impact of the CoVID-19 pandemic on the business

Inspirisys Solutions Limited ("**Company**") comes under the IT and ITES classification of industry and the Company was not brought under the essential services category in order to continue to operate during the lock down period announced by the Central/ State Governments. The nation-wide lock down announced from March 25, 2020 has impacted the business operations of the Company significantly. The impact on business performance includes India and its wholly owned subsidiary companies Inspirisys Solutions DMCC, Dubai, Inspirisys Solutions North America Inc, USA, Inspirisys Solutions Europe Ltd, UK and Inspirisys Solutions Japan KK, Japan where the Company has its operations. We are hoping the situation improves once the lock down is withdrawn and we hope normalcy is restored over the next 3 quarters. The Company's segments include system integration, IT Services including infra managed services and warranty management services. As part of the IT services the Company services clients in the banking and Government/ PSU companies who come under the essential category classification of the Ministry of Home Affairs.

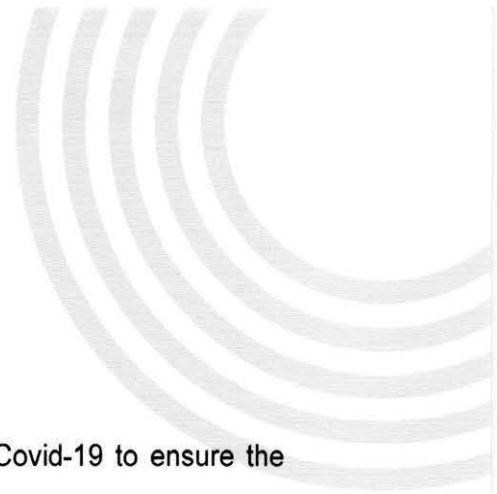
2. Ability to maintain operations including the factories/units/office spaces functioning and closed down

In line with the business operations of the Company which requires staff in the services division to provide support to customers coming under essential category classification, the Company has taken a conscious decision for uninterrupted operations for such services. Further, the Government vide its various notifications / circulars allowed up to 10% of the employee strength to work from office for all IT and ITES companies which helped us to ensure critical staff are reporting to work at their respective office locations. The Company has also made necessary arrangements to ensure that these staff are safe and comfortable at work within the Company premises. The staff in the software services division have been asked to work from home in the best possible manner though the efficiency is a challenge. The rest of the business division staff could not perform their duties which will impact the business performance of the Company.

3. Schedule, if any, for restarting the operations

As the Company's operations with respect to IT services and Infra services were fully functional during the lock down with work from home being made possible, this question does not arise. However, with respect to Warranty Management Services, the operations have restarted in a few centers from May 18th and the central service center has commenced from the week beginning May 25th.





4. Steps taken to ensure smooth functioning of operations

The Company has put in place strict monitoring process for Covid-19 to ensure the following:

- Employee self learning on the precautions to be taken before starting work at office and during work in office;
- Employee to undergo tests to ensure they have understood the process/ precautions;
- Employee self declaration including downloading and registering with Aarogya Sethu App;
- Thermal screening of all employees and visitors;
- Sanitizing the premises and vehicles on a regular basis;
- Maintenance of social distancing at all work places;
- Enforcing wearing of masks and regular cleaning of hands;
- Regular update of the health of all the employees and their families; and
- Virtual meetings are conducted to discuss operations of the Company.

During the lock down, whenever required, the Company provided food and commuting facilities to the concerned employees in order to carry on their work without any interruption. The Company's human resource department has been conducting awareness programs/ updates for all its employees.

5. Estimation of the future impact of CoVID-19 on its operations

As explained above, the business operations of the Company has been impacted significantly so far since the lock down. The exact quantum of impact is not readily quantifiable at present and will be disclosed when the financial results are published from time to time.

6. Details of impact of CoVID-19 on listed entity's

• Capital and Financial resources

The Company has no plans to raise any capital in the near future. Further, the Company does not foresee a need for going in for any additional / new debt facility as the existing unutilised facilities from Banks will meet the requirements of the Company in the near term.

• Profitability

The quantum of impact on the profitability will be disclosed when the financial results are published from time to time.

• Liquidity position

Collections from debtors has been impacted marginally on account of total lock down. Under the present circumstances we expect a period of 3 quarters after the lock down is lifted for normalcy to be restored in this matter. The Company has been meeting all its financial obligations so far.



- **Ability to service debt and other financing arrangements**
The Company has not availed any moratorium for any of the loan or the interest that is due and payable during this lock down period. The Company does not see any issue meeting future obligations.
- **Assets**
None of the assets of the Company have been impacted or impaired on account of Covid-19.
- **Internal financial reporting and control**
The Company has a stable ERP system in place and all its locations are well networked. Even during the lockdown with a combination of critical staff working from locations and all others working from home, all reporting systems worked.
- **Supply chain**
There has been a major disruption in the supply chain including courier services which has led to complete halt in all purchase and sale of products which is related to the system integration business segment and warranty management. As regards Infra services, our safety stock levels came in handy to support any critical breakdown and support that was required at customer premises so far.
- **Demand for its products/services**
The lock down on account of Covid19 added to the already prevailing sluggish market conditions over the last one year and has brought down the demand for products and services. Long term forecast is unpredictable at this point of time and we hope situation will improve in the near short term.

7. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business

The Company is able to honour its contracts and agreements with customers and vendors. However, any non-fulfilment of the obligations by the customers and/ or by vendors, partners could lead to an impact on the business performance of the Company. We are hopeful such an issue will not arise.

8. Other relevant material updates about the listed entity's business

The above evaluation is based on the present situation of the Company and prevailing conditions. However, any further information including impact on account of Covid19 pandemic resulting in any material development on the business performance will suitably be disclosed in the financial statements from time to time.

