

ISL/SS/SE/20/2021-2022
9th August, 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 August, 2021 has inter alia

1. Considered and approved the Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June, 2021 on the recommendation of the Audit Committee.
2. A copy of the Limited Review Report from the Auditors for the period ended 30th June, 2021.

It is further informed that the board meeting commenced at 01:00 PM and ended at 04:45 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

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 unaudited standalone financial results for the quarter ended 30 June 2021

(₹ in Lakhs)

S.No	Particulars	Standalone			
		Quarter ended			Year ended
		30 June 2021	31 March 2021	30 June 2020	31 March 2021
		(Unaudited)	(Audited) refer note 3	(Unaudited)	(Audited)
1	Revenue from operations	8,633	7,666	5,528	32,633
2	Other income	104	227	177	462
3	Total revenue (1+2)	8,737	7,893	5,705	33,095
4	Expenses				
	Cost of raw material consumed	1	6	46	70
	Purchases of stock-in-trade	3,751	2,559	936	11,988
	Changes in inventories of stock-in-trade and finished goods	(23)	(10)	(61)	88
	Employee benefits expense	2,299	2,302	2,127	8,927
	Impairment losses	97	140	102	373
	Other expenses	2,419	2,359	2,135	9,962
5	Total Expenses	8,544	7,356	5,285	31,408
6	Profit before finance cost, depreciation and amortization expenses (3-5)	193	537	420	1,687
	Finance costs	154	161	236	778
	Depreciation and amortization expense	138	177	159	669
7	(Loss) / Profit before tax	(99)	199	25	240
8	Tax expense:				
	Current tax	14	154	8	192
9	Loss / (Profit) for the period/year (7-8)	(113)	45	17	48
10	Other comprehensive income				
	<i>i) Items that will not be reclassified to profit or loss</i>				
	- Re-measurement (losses) / gains on defined benefit plans	(10)	43	11	(64)
	- Income tax relating to items that will not be reclassified to profit or loss	2	(5)	(2)	13
	<i>ii) Items that will be reclassified to profit or loss</i>				
	- Exchange difference on translation of foreign operations	(27)	5	(17)	(33)
	- Income tax relating on translation of foreign operations	5	-	3	7
11	Other comprehensive income for the period, net of tax	(30)	43	(5)	(77)
12	Total comprehensive income for the period / year (9+11)	(143)	88	12	(29)
13	Paid up equity share capital	3,962	3,962	3,962	3,962
14	Other equity				3,242
15	Earnings per equity share				
	Basic (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.29)	0.11	0.04	0.12
	Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.29)	0.11	0.04	0.12



M. Melita

Statement of unaudited consolidated financial results for the quarter ended 30 June 2021

(₹ in Lakhs)

S.No	Particulars	Consolidated			
		Quarter ended			Year ended
		30 June 2021	31 March 2021	30 June 2020	31 March 2021
		(Unaudited)	(Audited) refer note 3	(Unaudited)	(Audited)
1	Revenue from operations	9,956	9,289	7,551	40,370
2	Other income	98	266	186	542
3	Total revenue (1+2)	10,054	9,555	7,737	40,912
4	Expenses				
	Cost of raw material consumed	1	6	46	70
	Purchases of stock-in-trade	3,779	2,692	1,345	13,035
	Changes in inventories of stock-in-trade and finished goods	(23)	130	(64)	369
	Employee benefits expense	3,153	3,158	2,964	12,541
	Impairment losses	97	(111)	102	155
	Other expenses	2,962	2,952	3,137	13,070
5	Total Expenses	9,969	8,827	7,530	39,240
6	Profit before finance cost, depreciation and amortization expenses (3-5)	85	728	207	1,672
	Finance costs	240	217	307	1,073
	Depreciation and amortization expense	138	191	162	693
7	(Loss) / Profit before tax	(293)	320	(262)	(94)
8	Tax expense:				
	Current tax	14	154	8	192
9	Loss / (Profit) for the period/year (7-8)	(307)	166	(270)	(286)
10	Other comprehensive income				
	<i>i) Items that will not be reclassified to profit or loss</i>				
	- Re-measurement (losses) / gains on defined benefit plans	(10)	43	11	(64)
	- Income tax relating to items that will not be reclassified to profit or loss	2	(5)	(2)	13
	<i>ii) Items that will be reclassified to profit or loss</i>				
	- Exchange difference on translation of foreign subsidiaries and operations	(111)	65	(60)	94
	- Exchange difference on translation of foreign operations	5	-	3	7
11	Other comprehensive income for the period, net of tax	(114)	103	(48)	50
12	Total comprehensive income for the period / year (9+11)	(421)	269	(318)	(236)
13	Profit attributable to:				
	Owners of the company	(307)	166	(270)	(286)
	Non-controlling interest	-	-	-	-
14	Other comprehensive income attributable to:				
	Owners of the company	(114)	103	(48)	50
	Non-controlling interest	-	-	-	-
14	Total comprehensive income attributable to:				
	Owners of the company	(421)	269	(318)	(236)
	Non-controlling interest	-	-	-	-
15	Paid up equity share capital	3,962	3,962	3,962	3,962
16	Other equity				(2,434)
17	Earnings per equity share				
	Basic (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.77)	0.42	(0.68)	(0.72)
	Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.77)	0.42	(0.68)	(0.72)



Note

- 1 The above financials results was reviewed by the Audit Committee and approved by the Board at its meeting held on 09 August 2021.
- 2 The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. This 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 June 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. The Company is following the Government protocols on workplace safety, work-from-home and back-to-office guidelines.
- 3 With respect to standalone and consolidated financial results, the figure for the quarter ended 31 March 2021 and 31 March 2020 represents the difference between the audited figure in respect of full financial year and published figure for the nine months ended 31 December 2021 and 31 December 2020 respectively.
- 4 The Company has a trade receivable of ₹ 3,330 Lakhs as on 30 June 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 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 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 review report for the quarter ended 30 June 2020 and audit report for the quarter and year ended 31 March 2021 and in the consolidated review report for the quarter and year ended 31 March 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 June 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: Chennai
 Date: 09 August 2021

for Inspirisys Solutions Limited

M. Mehta.

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

Consolidated Segment Information:

(₹ in Lakhs)

Particulars	Consolidated			
	Quarter ended			Year ended
	30 June 2021	31 March 2021	30 June 2020	31 March 2021
	(Unaudited)	(Audited) refer note 3	(Unaudited)	(Audited)
1. Segment Revenue				
Systems Integration	3,936	2,912	1,558	13,964
Services	5,795	5,889	5,871	24,883
Warranty Management Services	225	488	122	1,523
Training	-	-	-	-
Revenue from Operations (Net)	9,956	9,289	7,551	40,370
2. Segment result				
Systems Integration	24	33	37	(161)
Services	553	648	569	2,890
Warranty Management Services	(137)	(65)	(332)	(548)
Training	-	(3)	-	1
Total	440	613	274	2,182
(i) Finance costs	(240)	(217)	(307)	(1,073)
(ii) Other unallocable expenses	(591)	(342)	(415)	(1,745)
Other income	98	266	186	542
Total (Loss) / Profit Before Tax	(293)	320	(262)	(94)
3. Segment Assets				
Systems Integration	5,580	6,096	4,337	6,096
Services	14,619	11,549	18,691	11,549
Warranty Management Services	491	879	505	879
Training	35	35	42	35
Unallocated	5,809	6,187	6,098	6,187
Total Assets	26,534	24,746	29,673	24,746
3. Segment Liabilities				
Systems Integration	6,295	6,396	3,859	6,396
Services	9,961	9,071	12,926	9,071
Warranty Management Services	563	582	609	582
Training	-	3	8	3
Unallocated	8,608	7,166	10,825	7,166
Total Liabilities	25,427	23,218	28,227	23,218

M. Mehta.



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

To the Board of Directors of 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 June 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.



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

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4. As detailed in Note 4 to the accompanying Statement, the Company has reported an amount of ₹ 3,330 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 30 June 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 June 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 2020 and audit opinion on the standalone financial results for the quarter and the year ended 31 March 2021 has been qualified in the regard.

5. Based on our review conducted as above, except for the possible effects 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.

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



Mehulkumar Sharadkumar Janani
Partner
Membership No. 118617
UDIN: 21118617AAAACG5073

Place: Hyderabad
Date: 09 August 2021

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Walker Chandiook & Co LLP

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

To the Board of Directors of 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 June 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.
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.



Chartered Accountants

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4. As detailed in Note 4 to the accompanying Statement, the holding company has reported an amount of ₹ 3,330 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 30 June 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 evidences, we are unable to comment upon the impact of 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 audit opinion on the consolidated financial results for the quarter and 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 and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, except for the possible effects 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 of financial results of the entities included in the Group, whose financial information reflects total revenues of ₹1,586 Lakhs, total net loss after tax of ₹ 194 Lakhs, total comprehensive loss of ₹ 194 Lakhs, for the quarter ended on 30 June 2021, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports has 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 this 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 information of one subsidiary, which have not been reviewed by their auditors, whose interim financial information reflects total revenues of Nil, net loss after tax of Nil, total comprehensive loss of Nil for the quarter ended 30 June 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 the subsidiary, are based solely on such unaudited financial information. According to the information and explanations given to us by the management, the interim financial information are not material to the Group.

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

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



Mehulkumar Sharadkumar Janani
Partner
Membership No. 118617
UDIN: 21118617AAAACH6134



Place: Hyderabad
Date: 09 August 2021

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Annexure 1

List of Subsidiaries 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

