

ISL/SS/SE/16/2024-2025

10<sup>th</sup> May, 2024

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

**Sub: Outcome of the Board Meeting – Regulation 30 & 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.**

1. The Board of Directors at their meeting held on 10<sup>th</sup> May, 2024 have approved the Audited Financial Results ("Financial Results") of the Company for the period ended 31<sup>st</sup> March, 2024.

We are enclosing herewith the following:

- a) Considered and approved the Standalone and Consolidated Audited Financial Results along with Statement of Assets & Liabilities for the period ended 31<sup>st</sup> March, 2024 on the recommendation of the Audit Committee.
  - b) Considered and approved the Audit Report.
  - c) Considered the Statement on Impact of Audit Qualification for the Financial Year ended 31<sup>st</sup> March, 2024 in respect to Standalone & Consolidated Audited Financial Statement
2. The tenure of the existing Statutory Auditors, M/s. Walker Chandio & Co LLP, shall expire on the conclusion of the ensuing Annual General Meeting of the Company. Accordingly, as recommended by the Audit Committee, the Board of Directors at their meeting held on 10<sup>th</sup> May, 2024 have proposed the appointment of M/s. MSKA & Associates, Chartered Accountants (FRN: 105047W) as Statutory Auditors of the Company, for the period of five years from the conclusion of the 29<sup>th</sup> Annual General Meeting till 34<sup>th</sup> Annual General Meeting, subject to the approval of the shareholders in the ensuing Annual General Meeting.

The details as required under SEBI circular no.: SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 is enclosed herewith as Annexure - A.

It is further informed that the Board Meeting commenced at 01.10 P.M and ended at 08.10 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



**Annexure – A**

**Disclosure under Regulation 30 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 as per SEBI Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11<sup>th</sup> July, 2023.**

| Si.No. | Particulars  | Details  |
|--------|--|--|
| 1.     | Name of the Statutory Auditors   | M/s. MSKA & Associates, Chartered Accountants (FRN: 105047W)   |
| 2.     | Reason for change viz. appointment, resignation, removal, death or otherwise | Appointment of M/s. MSKA & Associates, Chartered Accountants (FRN: 105047W) as Statutory Auditors of the Company. The term of current Statutory Auditors M/s. Walker Chandiook & Co LLP will be expiring at the conclusion of the ensuing 29 <sup>th</sup> Annual General Meeting. Hence, it is proposed to appoint M/s. MSKA & Associates, as Statutory Auditors of the Company in the place of the retiring auditors.  |
| 3.     | Date of appointment / cessation & term of appointment                        | Date: 10-05-2024, subject to approval of shareholders in the ensuing AGM.<br>Term: 5 years (Subject to approval of shareholders).  |
| 4.     | Brief Profile  | M/s. M S K A & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W) Established in 1978, M S K A & Associates is an Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and the US Public Company Accountancy Oversight Board (PCAOB) having offices across 12 cities in India at Mumbai, Gurugram, Chandigarh, Kolkata, Ahmedabad, Chennai, Goa, Pune, Bengaluru, Kochi, Hyderabad and Coimbatore. The audit firm has a valid peer review certificate. The Firm primarily provides Audit & Assurance services, tax and advisory services, to its clients. The Firm's Audit & Assurance practice has significant experience across various industries, markets and geographies. |
| 5.     | Disclosure of relationships between directors                                | Not Applicable   |



**Statement of standalone financial results for the quarter ended and year ended 31 March 2024**

(₹ in Lakhs)

| S.No | Particulars  | Standalone                              |                                 |   |                            |                            |
|------|--|---|---------------------------------|---|----------------------------|----------------------------|
|      |  | Quarter ended                           |                                 |   | Year ended                 |                            |
|      |  | 31 March 2024<br>(Audited refer note 8) | 31 December 2023<br>(Unaudited) | 31 March 2023<br>(Audited refer note 8) | 31 March 2024<br>(Audited) | 31 March 2023<br>(Audited) |
|      | <b>Income</b>  |   |                                 |   |                            |                            |
| 1    | Revenue from operations  | 9,597                                   | 11,892                          | 9,708                                   | 47,783                     | 35,521                     |
| 2    | Other income   | 226                                     | 55                              | 152                                     | 367                        | 480                        |
| 3    | <b>Total income</b>  | <b>9,823</b>                            | <b>11,947</b>                   | <b>9,860</b>                            | <b>48,150</b>              | <b>36,001</b>              |
| 4    | <b>Expenses</b>  |   |                                 |   |                            |                            |
|      | Cost of materials consumed   | -                                       | -                               | -                                       | -                          | 4                          |
|      | Purchases of stock-in-trade  | 1,093                                   | 5,169                           | 2,963                                   | 19,478                     | 10,881                     |
|      | Changes in inventories of stock in trade and finished goods                    | 1,162                                   | (583)                           | 42                                      | (22)                       | 68                         |
|      | Employee benefits expense  | 2,554                                   | 2,880                           | 2,463                                   | 10,851                     | 9,905                      |
|      | Impairment losses  | 146                                     | (48)                            | (15)                                    | 269                        | 140                        |
|      | Other expenses   | 3,895                                   | 3,633                           | 2,979                                   | 13,711                     | 11,589                     |
| 5    | <b>Total expenses</b>  | <b>8,850</b>                            | <b>11,051</b>                   | <b>8,432</b>                            | <b>44,287</b>              | <b>32,587</b>              |
| 6    | <b>Profit before tax, finance cost, depreciation and</b>                       | <b>973</b>                              | <b>896</b>                      | <b>1,428</b>                            | <b>3,863</b>               | <b>3,414</b>               |
|      | Finance costs  | 174                                     | 165                             | 142                                     | 748                        | 650                        |
|      | Depreciation and amortization expenses   | 104                                     | 87                              | 174                                     | 458                        | 558                        |
| 7    | <b>Profit before tax</b>   | <b>695</b>                              | <b>644</b>                      | <b>1,112</b>                            | <b>2,657</b>               | <b>2,206</b>               |
| 8    | <b>Tax expense:</b>  |   |                                 |   |                            |                            |
|      | Current tax  | 97                                      | 115                             | 188                                     | 497                        | 411                        |
|      | Deferred tax   | -                                       | -                               | -                                       | -                          | -                          |
| 9    | <b>Profit for the period / year</b>  | <b>598</b>                              | <b>529</b>                      | <b>924</b>                              | <b>2,160</b>               | <b>1,795</b>               |
| 10   | <b>Other comprehensive income</b>  |   |                                 |   |                            |                            |
|      | <b>i) Items that will not be reclassified to profit or loss</b>                |   |                                 |   |                            |                            |
|      | - Re-measurements (losses) / gains on defined benefit                          | (64)                                    | -                               | (8)                                     | (69)                       | (78)                       |
|      | - Income tax relating to items that will not be reclassified to profit or loss | 19                                      | -                               | 2                                       | 20                         | 22                         |
|      | <b>ii) Items that will be reclassified to profit or loss</b>                   |   |                                 |   |                            |                            |
|      | - Exchange difference on translation of foreign operations                     | -                                       | 1                               | 9                                       | 5                          | 64                         |
|      | - Income tax relating on translation of foreign operations                     | -                                       | -                               | (2)                                     | (1)                        | (18)                       |
| 11   | <b>Other comprehensive income / (loss) for the period / year, net of tax</b>   | <b>(45)</b>                             | <b>1</b>                        | <b>1</b>                                | <b>(45)</b>                | <b>(10)</b>                |
| 12   | <b>Total comprehensive income for the period / year</b>                        | <b>553</b>                              | <b>530</b>                      | <b>925</b>                              | <b>2,115</b>               | <b>1,785</b>               |
| 13   | <b>Paid up equity share capital</b>  | <b>3,962</b>                            | <b>3,962</b>                    | <b>3,962</b>                            | <b>3,962</b>               | <b>3,962</b>               |
| 14   | <b>Other equity</b>  |   |                                 |   | <b>7,149</b>               | <b>5,033</b>               |
| 15   | <b>Earnings per equity share</b>   |   |                                 |   |                            |                            |
|      | Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)            | 1.51                                    | 1.34                            | 2.33                                    | 5.45                       | 4.53                       |



**Statement of consolidated financial results for the quarter ended and year ended 31 March 2024**

(₹ in Lakhs)

| S.No | Particulars   | Consolidated                            |                                 |   |                            |                            |
|------|---|---|---------------------------------|---|----------------------------|----------------------------|
|      |   | Quarter ended                           |                                 |   | Year ended                 |                            |
|      |   | 31 March 2024<br>(Audited refer note 8) | 31 December 2023<br>(Unaudited) | 31 March 2023<br>(Audited refer note 8) | 31 March 2024<br>(Audited) | 31 March 2023<br>(Audited) |
|      | <b>Income</b>   |   |                                 |   |                            |                            |
| 1    | Revenue from operations   | 9,865                                   | 12,157                          | 10,092                                  | 49,049                     | 37,167                     |
| 2    | Other income  | 224                                     | 78                              | 135                                     | 373                        | 487                        |
| 3    | <b>Total income</b>   | <b>10,089</b>                           | <b>12,235</b>                   | <b>10,227</b>                           | <b>49,422</b>              | <b>37,654</b>              |
| 4    | <b>Expenses</b>   |   |                                 |   |                            |                            |
|      | Cost of materials consumed  | -                                       | -                               | -                                       | -                          | 4                          |
|      | Purchases of stock-in-trade   | 1,093                                   | 5,169                           | 2,963                                   | 19,478                     | 10,881                     |
|      | Changes in inventories of stock in trade and finished goods                               | 1,162                                   | (583)                           | 42                                      | (22)                       | 68                         |
|      | Employee benefits expense   | 2,857                                   | 3,231                           | 2,828                                   | 12,264                     | 11,371                     |
|      | Impairment losses   | 170                                     | (48)                            | (15)                                    | 293                        | 140                        |
|      | Other expenses  | 3,999                                   | 3,656                           | 3,035                                   | 13,850                     | 11,809                     |
| 5    | <b>Total expenses</b>   | <b>9,281</b>                            | <b>11,425</b>                   | <b>8,853</b>                            | <b>45,863</b>              | <b>34,273</b>              |
| 6    | <b>Profit before tax, finance cost, depreciation and amortization expenses</b>            | <b>808</b>                              | <b>810</b>                      | <b>1,374</b>                            | <b>3,559</b>               | <b>3,381</b>               |
|      | Finance costs   | 256                                     | 249                             | 189                                     | 1,058                      | 778                        |
|      | Depreciation and amortization expenses  | 104                                     | 87                              | 171                                     | 458                        | 557                        |
| 7    | <b>Profit before tax from continuing operations</b>                                       | <b>448</b>                              | <b>474</b>                      | <b>1,014</b>                            | <b>2,043</b>               | <b>2,046</b>               |
| 8    | Total tax expense:  |   |                                 |   |                            |                            |
|      | Current tax   | 97                                      | 115                             | 188                                     | 497                        | 411                        |
|      | Deferred tax  | -                                       | -                               | -                                       | -                          | -                          |
| 9    | <b>Profit after tax for the period/year from continuing operations</b>                    | <b>351</b>                              | <b>359</b>                      | <b>826</b>                              | <b>1,546</b>               | <b>1,635</b>               |
| 10   | Loss before tax for the period/ year from discontinued operations                         | 23                                      | (4)                             | (770)                                   | (1,179)                    | (1,889)                    |
|      | Less: Tax Expense of discontinued operations  | -                                       | -                               | -                                       | -                          | -                          |
|      | <b>Profit / (Loss) after tax for the period/ year from discontinued operations</b>        | <b>23</b>                               | <b>(4)</b>                      | <b>(770)</b>                            | <b>(1,179)</b>             | <b>(1,889)</b>             |
|      | <b>Total Loss after tax for the period/ year</b>  | <b>374</b>                              | <b>355</b>                      | <b>56</b>                               | <b>367</b>                 | <b>(254)</b>               |
| 11   | <b>Other comprehensive income</b>   |   |                                 |   |                            |                            |
|      | <i>i) Items that will not be reclassified to profit or loss</i>                           |   |                                 |   |                            |                            |
|      | - Re-measurement gains / (losses) on defined benefit plans                                | (64)                                    | -                               | (14)                                    | (69)                       | (84)                       |
|      | - Income tax relating to items that will not be reclassified to profit or loss            | 19                                      | -                               | 2                                       | 20                         | 22                         |
|      | <i>ii) Items that will be reclassified to profit or loss</i>                              |   |                                 |   |                            |                            |
|      | - Exchange difference on translation of continuing operations                             | (274)                                   | 95                              | 40                                      | 105                        | (518)                      |
|      | - Exchange difference on translation of discontinued operations                           | 31                                      | (28)                            | (13)                                    | 52                         | (64)                       |
|      | - Income tax relating on translation of foreign subsidiaries and foreign operations       | -                                       | -                               | (2)                                     | (1)                        | (18)                       |
| 12   | <b>Other comprehensive income / (losses) for the period / year, net of tax</b>            | <b>(288)</b>                            | <b>67</b>                       | <b>13</b>                               | <b>107</b>                 | <b>(662)</b>               |
| 13   | <b>Total comprehensive income / (losses) for the period / year</b>                        | <b>86</b>                               | <b>422</b>                      | <b>69</b>                               | <b>474</b>                 | <b>(916)</b>               |
| 14   | <b>Profit / (Loss) from continuing operations attributable to:</b>                        |   |                                 |   |                            |                            |
|      | Owners of the company   | 351                                     | 359                             | 826                                     | 1,546                      | 1,635                      |
|      | Non-controlling interest  | -                                       | -                               | -                                       | -                          | -                          |
| 15   | <b>Profit / (Loss) from discontinued operations attributable to:</b>                      |   |                                 |   |                            |                            |
|      | Owners of the company   | 23                                      | (4)                             | (770)                                   | (1,179)                    | (1,889)                    |
|      | Non-controlling interest  | -                                       | -                               | -                                       | -                          | -                          |
| 16   | <b>Total Profit / (Loss) from continuing and discontinued operations attributable to:</b> |   |                                 |   |                            |                            |
|      | Owners of the company   | 374                                     | 355                             | 56                                      | 367                        | (254)                      |
|      | Non-controlling interest  | -                                       | -                               | -                                       | -                          | -                          |




|    |   |       |        |        |         |         |
|----|---|-------|--------|--------|---------|---------|
| 17 | <b>Other comprehensive income attributable to:</b>                          |       |        |        |         |         |
|    | Owners of the company   | (288) | 67     | 13     | 107     | (662)   |
|    | Non-controlling interest  | -     | -      | -      | -       | -       |
| 18 | <b>Total comprehensive income attributable to:</b>                          |       |        |        |         |         |
|    | Owners of the company   | 86    | 422    | 69     | 474     | (916)   |
|    | Non-controlling interest  | -     | -      | -      | -       | -       |
| 19 | <b>Paid up equity share capital</b>   | 3,962 | 3,962  | 3,962  | 3,962   | 3,962   |
| 20 | <b>Other equity</b>   |       |        |        | (1,033) | (4,799) |
| 21 | <b>Earnings per equity share for continuing operations</b>                  |       |        |        |         |         |
|    | Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)         | 0.89  | 0.91   | 2.08   | 3.90    | 4.13    |
| 22 | <b>Earnings per equity share for discontinued operations</b>                |       |        |        |         |         |
|    | Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)         | 0.06  | (0.01) | (1.94) | (2.98)  | (4.77)  |
| 23 | <b>Earnings per equity share for continuing and discontinued operations</b> |       |        |        |         |         |
|    | Basic and Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)         | 0.94  | 0.90   | 0.14   | 0.93    | (0.64)  |

**Note**

- The above financial results were reviewed by the Audit Committee and approved by the Board at its meeting held on 10 May 2024. The standalone and consolidated financial results are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IndAS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement(s), 2015 (as amended).
- The Company has a trade receivable of ₹ 4,049 Lakhs as on 31 March 2024 from one of its subsidiary companies Inspirisys Solutions North America, Inc (ISNA). The aforesaid balance reflects accumulation of receivables since 2018-19 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 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 accounts receivable from ISNA including GST liability if any in accordance with sub rule 1 of 96A of Central Goods and Service Tax (CGST) Rules, 2017 on such export receivables together with interest thereon as the management is 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.
- The Group has accumulated losses amounting to ₹ 15,779 lakhs and the current liabilities exceed the current assets by ₹ 2,253 lakhs as at 31 March 2024. However, the current liabilities are predominantly current maturities of long-term debt from Ultimate Holding Company and the Group has undrawn facility of ₹ 9,775 in Lakhs as at 31 March 2024. Basis future business plans and the above-mentioned undrawn facility, the Management is of the view that preparation of these 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 consolidated financial results. Accordingly, the segment information is given in the consolidated financial results of the company and its subsidiaries for the year ended 31 March 2024.
- 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 31 March 2024, 31 December 2023 and 31 March 2023.
- With respect to Standalone and Consolidated financial results, the figure for the quarter ended 31 March 2024 and 31 March 2023 represents the difference between the audited figure in respect of full financial year and published figure for the nine months ended 31 December 2023 and 31 December 2022 respectively.
- Figures for the previous year have been regrouped/rearranged wherever necessary.

Place: Chennai  
Date: 10 May 2024

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 &amp; 63, Taylors Road, Kilpauk, Chennai 600 010

CIN No: L30006TN1995PLCO31736

**Statement of Financial position as at 31 March 2024**

(₹ in Lakhs)

| Particulars   | Standalone    |               | Consolidated  |               |
|---|---------------|---------------|---------------|---------------|
|   | As at         | As at         | As at         | As at         |
|   | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
|   | (Audited)     | (Audited)     | (Audited)     | (Audited)     |
| <b>Assets</b>   |               |               |               |               |
| <b>Non current assets</b>   |               |               |               |               |
| Property plant and equipment  | 456           | 442           | 464           | 450           |
| Goodwill  | 542           | 542           | 542           | 542           |
| Other intangible assets   | 299           | 363           | 299           | 363           |
| Intangibles assets under development  | 81            | 42            | 81            | 42            |
| Right of use assets   | 59            | 204           | 59            | 204           |
| Financial assets  |               |               |               |               |
| - Trade receivables   | 73            | 39            | 73            | 39            |
| - Other financial assets  | 57            | 176           | 60            | 198           |
| Deferred tax assets, net  | -             | -             | -             | -             |
| Income tax assets   | 3,091         | 3,199         | 3,091         | 3,199         |
| Other non-current assets  | 1,199         | 607           | 1,199         | 741           |
| <b>Total non-current assets</b>   | <b>5,857</b>  | <b>5,614</b>  | <b>5,868</b>  | <b>5,778</b>  |
| <b>Current assets</b>   |               |               |               |               |
| Inventories   | 386           | 364           | 386           | 364           |
| Financial assets  |               |               |               |               |
| - Trade receivables   | 13,589        | 11,750        | 9,818         | 8,348         |
| - Cash and cash equivalents   | 4,559         | 2,908         | 4,773         | 3,081         |
| - Bank balances other than cash and cash equivalents                          | 1,137         | 122           | 1,137         | 122           |
| - Other financial assets  | 679           | 692           | 679           | 697           |
| Other current assets  | 3,492         | 2,044         | 3,573         | 2,813         |
| Discontinued operations - Assets held for sale                                | -             | -             | 59            | -             |
| <b>Total current assets</b>   | <b>23,842</b> | <b>17,880</b> | <b>20,425</b> | <b>15,425</b> |
| <b>Total Assets</b>   | <b>29,699</b> | <b>23,494</b> | <b>26,293</b> | <b>21,203</b> |
| <b>Equity and liabilities</b>   |               |               |               |               |
| <b>Equity</b>   |               |               |               |               |
| Equity share capital  | 3,962         | 3,962         | 3,962         | 3,962         |
| Other equity  | 7,149         | 5,033         | (1,033)       | (4,799)       |
| <b>Total equity</b>   | <b>11,111</b> | <b>8,995</b>  | <b>2,929</b>  | <b>(837)</b>  |
| <b>Liabilities</b>  |               |               |               |               |
| <b>Non - current liabilities</b>  |               |               |               |               |
| Financial Liabilities   |               |               |               |               |
| - Borrowings  | 44            | 19            | 584           | 553           |
| - Lease liabilities   | 15            | 77            | 15            | 77            |
| Provisions  | 87            | 674           | 87            | 921           |
| <b>Total non-current liabilities</b>  | <b>146</b>    | <b>770</b>    | <b>686</b>    | <b>1,551</b>  |
| <b>Current liabilities</b>  |               |               |               |               |
| Financial liabilities   |               |               |               |               |
| - Borrowings  | 4,405         | 4,224         | 8,135         | 9,715         |
| - Lease liabilities   | 54            | 159           | 54            | 159           |
| - Trade payables  |               |               |               |               |
| a) Dues to micro and small enterprises  | 186           | 166           | 186           | 166           |
| b) Total outstanding dues of creditors other than micro and small enterprises | 5,930         | 4,386         | 5,930         | 4,623         |
| - Other financial liabilities   | 2,995         | 2,124         | 3,368         | 2,837         |
| Other current liabilities   | 4,603         | 2,478         | 4,685         | 2,703         |
| Provisions  | 269           | 192           | 269           | 286           |
| Discontinued operations - Liabilities related to assets held for sale         | -             | -             | 51            | -             |
| <b>Total current liabilities</b>  | <b>18,442</b> | <b>13,729</b> | <b>22,678</b> | <b>20,489</b> |
| <b>Total liabilities</b>  | <b>18,588</b> | <b>14,499</b> | <b>23,364</b> | <b>22,040</b> |
| <b>Total equity and liabilities</b>   | <b>29,699</b> | <b>23,494</b> | <b>26,293</b> | <b>21,203</b> |



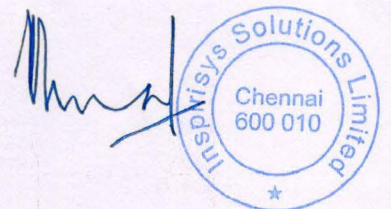
**Inspirisys Solutions Limited**

Regd Office : First Floor, Dowloth Towers, New Door Nos 57, 59, 61 & 63, Taylors Road, Kilpauk, Chennai 600 010  
CIN No: L30006TN1995PLCO31736

**Statement of Cash Flows for the year ended 31 March 2024**

(₹ in Lakhs)

| Particular   | Standalone             |                        | Consolidated           |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | As at<br>31 March 2024 | As at<br>31 March 2023 | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>A. Cash flow from operating activities</b>  |                        |                        |                        |                        |
| Profit before tax  | 2,657                  | 2,206                  | 2,043                  | 2,046                  |
| <b>Adjustments for:</b>  |                        |                        |                        |                        |
| Depreciation and amortization expense  | 458                    | 558                    | 458                    | 557                    |
| Income on reversal of lease liabilities  | -                      | (28)                   | -                      | (28)                   |
| Interest expense (including changes in financial instruments)                                | 748                    | 650                    | 1,058                  | 778                    |
| Impairment losses  | 269                    | 140                    | 293                    | 140                    |
| Liquidated damages   | 181                    | 101                    | 181                    | 101                    |
| Provision for inventory obsolescence   | (57)                   | (9)                    | (57)                   | (9)                    |
| Provision/(Reversal) for gratuity and compensated absences                                   | (649)                  | (125)                  | (649)                  | (125)                  |
| Net unrealised foreign exchange loss / (gain)  | (241)                  | (160)                  | (378)                  | (147)                  |
| Bad debts (recovered) / written off  | 20                     | 20                     | 20                     | 20                     |
| Interest Income  | (157)                  | (64)                   | (157)                  | (64)                   |
| Accrual / reversal of provision for warranty   | 70                     | 95                     | 70                     | 95                     |
| Liabilities no longer required written back  | -                      | (135)                  | -                      | (135)                  |
| Interest on income tax refund  | (30)                   | (44)                   | (30)                   | (44)                   |
| Profit on sale of property, plant and equipment  | -                      | (3)                    | -                      | (3)                    |
| <b>Operating profit before working capital changes</b>                                       | <b>3,269</b>           | <b>3,202</b>           | <b>2,852</b>           | <b>3,182</b>           |
| Decrease in inventories  | 35                     | 80                     | 35                     | 80                     |
| Increase in trade receivables  | (1,975)                | (2,574)                | (3,138)                | (3,255)                |
| Decrease/ (increase) in financial assets   | 132                    | (376)                  | 433                    | (278)                  |
| Increase in other non-current assets   | (592)                  | (139)                  | (591)                  | (139)                  |
| (Increase)/ Decrease in other current assets   | (1,448)                | 1,062                  | (1,333)                | 1,109                  |
| Increase in trade payables   | 1,564                  | 2,034                  | 2,351                  | 2,642                  |
| Increase/ (Decrease) in other financial liabilities  | 865                    | 476                    | 1,156                  | (767)                  |
| Increase/ (Decrease) in other current liabilities  | 2,127                  | (344)                  | 1,206                  | (367)                  |
| <b>Cash generated from operating activities</b>  | <b>3,977</b>           | <b>3,421</b>           | <b>2,971</b>           | <b>2,207</b>           |
| Direct taxes refund (paid)/ received, net  | (341)                  | 174                    | (341)                  | 174                    |
| <b>Net cash generated from / (used in) operating activities from continuing operations</b>   | <b>3,636</b>           | <b>3,595</b>           | <b>2,630</b>           | <b>2,381</b>           |
| <b>Net cash generated from / (used in) operating activities from discontinued operations</b> | <b>-</b>               | <b>-</b>               | <b>247</b>             | <b>(562)</b>           |
| <b>B. Cash flow from investing activities</b>  |                        |                        |                        |                        |
| Purchase of property, plant and equipment  | (394)                  | (254)                  | (396)                  | (254)                  |
| Proceeds from sale of property, plant and equipment  | -                      | 3                      | -                      | 3                      |
| Interest received  | 157                    | 64                     | 157                    | 64                     |
| Net movement in bank deposits  | (1,015)                | 216                    | (1,015)                | 216                    |
| <b>Net cash generated/ (used in) investing activities from continuing operations</b>         | <b>(1,252)</b>         | <b>29</b>              | <b>(1,254)</b>         | <b>29</b>              |
| <b>Net cash generated/ (used in) investing activities from discontinued operations</b>       | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>-</b>               |
| <b>C. Cash flow from financing activities</b>  |                        |                        |                        |                        |
| Repayment of long term borrowings  | (26)                   | (3)                    | (26)                   | (414)                  |
| Proceeds from long term borrowings   | 45                     | -                      | 1,440                  | -                      |
| Proceeds / (repayment) from short term borrowings, net                                       | 157                    | (1,565)                | 157                    | 359                    |
| Payment of lease liabilities   | (168)                  | (271)                  | (168)                  | (271)                  |
| Interest paid  | (748)                  | (629)                  | (1,058)                | (758)                  |
| <b>Net cash (used) in financing activities from continuing operations</b>                    | <b>(740)</b>           | <b>(2,468)</b>         | <b>345</b>             | <b>(1,084)</b>         |
| <b>Net cash (used) in financing activities from discontinued operations</b>                  | <b>-</b>               | <b>-</b>               | <b>(248)</b>           | <b>-</b>               |
| <b>D. Net change in cash and cash equivalents</b>  | <b>1,644</b>           | <b>1,156</b>           | <b>1,720</b>           | <b>764</b>             |
| <b>E. Cash and cash equivalents at the beginning</b>   | <b>2,908</b>           | <b>1,675</b>           | <b>3,081</b>           | <b>2,183</b>           |
| Effects of foreign currency translation  | 7                      | 77                     | (28)                   | 134                    |
| <b>F. Cash and cash equivalents at the end</b>   | <b>4,559</b>           | <b>2,908</b>           | <b>4,773</b>           | <b>3,081</b>           |



**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-wise Revenue, Result, Assets and Liabilities**

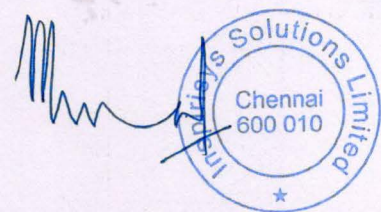
(₹ In Lakhs)

| Particulars                           | Consolidated               |                                 |                            |                            |                            |
|---------------------------------------|----------------------------|---------------------------------|----------------------------|----------------------------|----------------------------|
|                                       | Quarter ended              |                                 |                            | Year ended                 |                            |
|                                       | 31 March 2024<br>(Audited) | 31 December 2023<br>(Unaudited) | 31 March 2023<br>(Audited) | 31 March 2024<br>(Audited) | 31 March 2023<br>(Audited) |
| <b>1. Segment Revenue *</b>           |                            |                                 |                            |                            |                            |
| Systems Integration                   | 2,371                      | 5,214                           | 3,412                      | 21,337                     | 12,117                     |
| Services                              | 7,227                      | 6,623                           | 6,788                      | 27,161                     | 25,644                     |
| Warranty Management Services          | 267                        | 323                             | 302                        | 1,186                      | 1,274                      |
| <b>Revenue from Operations</b>        | <b>9,865</b>               | <b>12,160</b>                   | <b>10,502</b>              | <b>49,684</b>              | <b>39,035</b>              |
| <b>2. Segment Result *</b>            |                            |                                 |                            |                            |                            |
| Systems Integration                   | (13)                       | 705                             | 461                        | 1,256                      | 560                        |
| Services                              | 1,022                      | 611                             | 470                        | 2,663                      | 2,603                      |
| Warranty Management Services          | 40                         | 18                              | 11                         | 27                         | 105                        |
| <b>Total</b>                          | <b>1,049</b>               | <b>1,334</b>                    | <b>942</b>                 | <b>3,946</b>               | <b>3,268</b>               |
| (i) Interest expenses                 | (257)                      | (649)                           | (261)                      | (1,274)                    | (1,078)                    |
| (ii) Other unallocable expenses       | (684)                      | (372)                           | (572)                      | (2,399)                    | (2,520)                    |
| Other income                          | 363                        | 157                             | 135                        | 591                        | 487                        |
| <b>Total (Loss)/Profit Before Tax</b> | <b>471</b>                 | <b>470</b>                      | <b>244</b>                 | <b>864</b>                 | <b>157</b>                 |
| <b>3. Segment Assets</b>              |                            |                                 |                            |                            |                            |
| Systems Integration                   | 3,709                      | 11,827                          | 3,636                      | 3,709                      | 3,636                      |
| Services #                            | 13,974                     | 13,471                          | 9,729                      | 13,974                     | 9,729                      |
| Warranty Management Services          | 810                        | 624                             | 783                        | 810                        | 783                        |
| Training                              | -                          | 35                              | 35                         | 0                          | 35                         |
| Unallocated                           | 7,795                      | 7,329                           | 7,020                      | 7,795                      | 7,020                      |
| <b>Total Assets</b>                   | <b>26,288</b>              | <b>33,286</b>                   | <b>21,203</b>              | <b>26,288</b>              | <b>21,203</b>              |
| <b>3. Segment Liabilities</b>         |                            |                                 |                            |                            |                            |
| Systems Integration                   | 4,566                      | 11,575                          | 3,370                      | 4,566                      | 3,370                      |
| Services ^                            | 12,532                     | 12,253                          | 7,614                      | 12,532                     | 7,614                      |
| Warranty Management Services          | 346                        | 362                             | 370                        | 346                        | 370                        |
| Training                              | -                          | 3                               | 3                          | 0                          | 3                          |
| Unallocated                           | 5,915                      | 6,250                           | 10,683                     | 5,915                      | 10,683                     |
| <b>Total Liabilities</b>              | <b>23,359</b>              | <b>30,443</b>                   | <b>22,040</b>              | <b>23,359</b>              | <b>22,040</b>              |

\* Including discontinued operations related revenue from operations and segment results

# Including discontinued operations - Assets held for sale under Services ₹ 59 lakhs as on 31 March 2024 (₹ 97 lakhs as on 31 December 2023).

^ Including discontinued operations - Liabilities related to Assets held for sale under Services ₹ 51 lakhs as on 31 March 2024 (₹ 108 lakhs as on 31 December 2023).





# Walker Chandiok & Co LLP

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**Walker Chandiok & Co LLP**  
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## **Independent Auditor's Report on Standalone Annual 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**


### **Qualified Opinion**

1. We have audited the accompanying standalone annual financial results ('the Statement') of Inspirisys Solutions Limited ('the Company') for the year ended 31 March 2024, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the possible effects of the matter described in paragraph 3 below; and
  - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2024, except for the possible effects of the matter described in paragraph 3 below.

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Chartered Accountants

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



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## Basis for Qualified Opinion

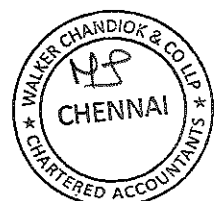
3. As detailed in Note 2 to the standalone financial results, the Company has reported an amount of ₹ 4,049 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 31 March 2024 which are significantly over-due. Further, due to non-realization 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 Central Goods and Service Tax (CGST) Rules, 2017. 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 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 31 March 2024 and impact on GST liability, including penalty and interest that may be levied, and the consequential impact thereof, if any, on the accompanying standalone financial results.

Our report on audited standalone financial results for the year ended 31 March 2023 and review report on unaudited standalone financial results for the quarter ended 31 December 2023 has been qualified in this regard.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

## Responsibilities of Management and Those Charged with Governance for the Statement

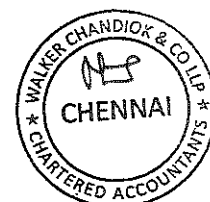
5. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



6. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Statement**

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



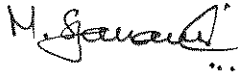
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11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

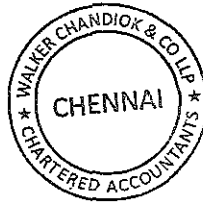
## Other Matter

12. The Statement includes the financial results for the quarter ended 31 March 2024, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

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



**Mehulkumar Sharadkumar Janani**  
Partner  
Membership No. 118617  
UDIN: 24118617BKBFFQ7696



**Place:** Chennai  
**Date:** 10 May 2024

# Walker Chandiook & Co LLP

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**Walker Chandiook & Co LLP**  
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471, Anna Salai, Mylapore Division,  
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## **Independent Auditor's Report on Consolidated Annual 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**

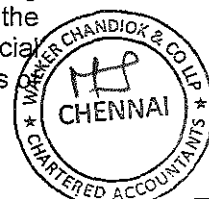
### **Qualified Opinion**

1. We have audited the accompanying consolidated annual 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'), for the year ended 31 March 2024, attached herewith, 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. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, as referred to in paragraph 13 below, the Statement:
  - (i) includes the annual financial results of the following entities;
    - a. Inspirisys Solutions DMCC, UAE
    - b. Inspirisys Solutions Europe Limited, UK
    - c. Inspirisys Solutions IT Resources Limited, India
    - d. Inspirisys Solutions Japan Kabushiki Kaisha, Japan
    - e. Inspirisys Solutions North America Inc., USA
    - f. Network Programs (USA) Inc., USA
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the possible effects of the matter described in paragraph 3 below; and
  - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group for the year ended 31 March 2024, except for the possible effects of the matter described in paragraph 3 below.

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Chartered Accountants

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



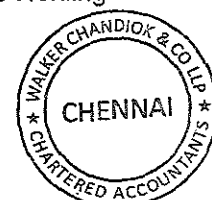
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## Basis for Qualified Opinion

3. As detailed in Note 2 to the consolidated financial results, the Holding Company has reported an amount of ₹ 4,049 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 31 March 2024 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 Central Goods and Service Tax (CGST) Rules, 2017. 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 GST liability, including penalty and interest that may be levied and the consequential impact thereof, if any, on the accompanying consolidated financial results. Our report on audited consolidated financial results for the year ended 31 March 2023 and review report on unaudited consolidated financial results for the quarter ended 31 December 2023 has been qualified in this regard.
4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor’s Responsibilities for the Audit of the Statement* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 13 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

## Responsibilities of Management and Those Charged with Governance for the Statement

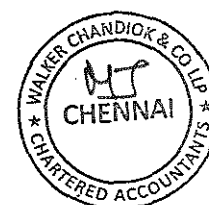
5. The Statement, which is the responsibility of the Holding Company’s management and has been approved by the Holding Company’s Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company’s Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Group in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company’s Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.



6. In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

## **Auditor's Responsibilities for the Audit of the Statement**

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
  - Conclude on the appropriateness of Board of Directors's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation; and



# Walker Chandiook & Co LLP

- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  12. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

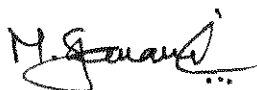
## Other Matters

13. We did not audit the annual financial results of six subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 2,202 lakhs as at 31 March 2024, total revenues of ₹ 8,157 lakhs, total net loss after tax of ₹ 1,051 lakhs, total comprehensive loss of ₹ 1,051 lakhs, and cash flows (net) of ₹ 62 lakhs for the year ended on that date, as considered in the respective audited separate annual financial statements of the entities included in the Group. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors and the procedures performed by us as stated in paragraph 12 above.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

14. The Statement includes the consolidated financial results for the quarter ended 31 March 2024, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

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



**Mehuikumar Sharadkumar Janani**  
Partner  
Membership No. 118617  
UDIN: 24118617BKBFFR5565



Place: Chennai  
Date: 10 May 2024



# Inspirisys Solutions Limited

## Annexure I

### Statement on Impact of Audit Qualifications

(For audit report with modified opinion) submitted along-with Annual Audited Financial Results-Standalone for Financial Year March 31, 2024.

(Rs. In lacs except earnings per share)

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024<br>( see Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016) |         |   |  |   |
|---|---------|---|--|---|
| I.  | Sl. No. | Particulars   | Audited Figures<br>(as reported before<br>adjusting for<br>qualifications) | Audited Figures<br>(audited figures<br>after adjusting for<br>qualifications) |
|   | 1.      | Turnover / Total Income   | 48,150   | 48,150  |
|   | 2.      | Total Expenditure   | 45,990   | 45,990  |
|   | 3.      | Net profit after tax  | 2,160  | 2,160   |
|   | 4.      | Earnings Per Share  | 5.45   | 5.45  |
|   | 5.      | Total Assets  | 29,699   | 29,699  |
|   | 6.      | Total Liabilities   | 18,588   | 18,588  |
|   | 7.      | Net Worth   | 11,111   | 11,111  |
|   | 8.      | Any other financial item(s) (as felt appropriate<br>by the management)  | -  | -   |
| II. Audit Qualification   |         |   |  |   |
|   |         | (a) Details of Audit Qualification:   | (b) Type of Audit<br>Qualification:  | (c) Frequency of<br>Qualification   |
|   | (i)     | As detailed in Note 2 to the standalone financial results, the Company has reported an amount of ₹ 4,049 Lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 31 March 2024 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 Central Goods and Service Tax (CGST) Rules, 2017. 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 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, | Qualified Opinion  | Continuing  |



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|  | 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 31 March 2024 and impact on GST liability, including penalty and interest that may be levied, and the consequential impact thereof, if any, on the accompanying standalone financial results |  |  |
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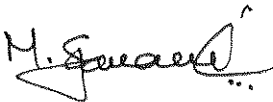
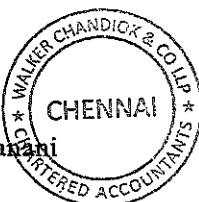

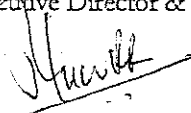


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| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's views: | Not applicable   |  |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor:                 | Not Applicable   |  |
|    | (i) Management's estimation on the impact of audit qualification:                             | Not applicable   |  |
|    | (ii) If management is unable to estimate the impact, reasons for the same:                    | <p>The Company has a trade receivable of ₹ 4,049 Lakhs as on 31 March 2024 from one of its subsidiary companies Inspirisys Solutions North America, Inc (ISNA). The aforesaid balance reflects accumulation of receivables since 2018-19 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</p> |  |



*R. Rajaji*

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|            |   | <p>from ISNA including GST liability if any, in accordance with sub rule 1 of 96A of Central Goods and Service Tax (CGST) Rules, 2017 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.</p> |
|            | <p>(iii) Auditor's Comments on (i) or (ii) above:</p>   | <p>Due to the uncertainty 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 31 March 2024 and consequent impact on the financial statements for the year ended 31 March 2024.</p>   |
| <p>III</p> | <p><b>Signed by:</b></p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>For Walker Chandiook &amp; Co LLP<br/>Chartered Accountants<br/>Firm's Registration No.: 001076N/N500013</p> <p><br/>Mehulkumar Sharadkumar Jaxani<br/>Partner<br/>Membership No. 118617</p> <p style="text-align: center;"></p> </div> <div style="width: 45%;"> <p>For and on behalf of the Board of Directors of<br/>Inspirisys Solutions Limited</p> <p><br/>Murali Gopalakrishnan<br/>Executive Director &amp; Chief Executive Officer</p> <p><br/>Rajesh Ramniklal Muni<br/>Chairman of Audit Committee</p> <p><br/>R Balaji<br/>Chief Financial Officer</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"> <p>Place: Chennai<br/>Date: 10 May 2024</p> </div> <div style="width: 45%;"> <p>Place: Chennai<br/>Date: 10 May 2024</p> <p style="text-align: right;"></p> </div> </div> |   |

# Inspirisys Solutions Limited

## Annexure I

### Statement on Impact of Audit Qualifications

(For audit report with modified opinion) submitted along-with Annual Audited Financial Results- Consolidated for Financial Year March 31, 2024.

(Rs. In lacs except earnings per share)

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024<br>{ see Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016} |  |   |   |  |
|---|--|---|---|--|
| I.  | Sl. No.  | Particulars   | Audited Figures (as reported before adjusting for qualifications) | Audited Figures (audited figures after adjusting for qualifications) |
|   | 1.   | Turnover / Total Income   | 50,277  | 50,277   |
|   | 2.   | Total Expenditure   | 49,910  | 49,910   |
|   | 3.   | Net (Loss) after tax  | 367   | 367  |
|   | 4.   | (Loss) Per Share  | 0.93  | 0.93   |
|   | 5.   | Total Assets  | 26,293  | 26,293   |
|   | 6.   | Total Liabilities   | 23,364  | 23,364   |
|   | 7.   | Net Worth   | 2,929   | 2,929  |
|   | 8.   | Any other financial item(s) (as felt appropriate by the management) | -   | -  |
| II. Audit Qualification   |  |   |   |  |
|   | (a) Details of Audit Qualification:  | (b) Type of Audit Qualification:                                    | (c) Frequency of Qualification                                    |  |
| (i)   | As detailed in Note 2 to the consolidated financials results, the Holding Company has reported an amount of ₹ 4,049 lakhs as trade receivables from its wholly owned subsidiary, Inspirisys Solutions North America, Inc., USA as at 31 March 2024 which are significantly over-due. Further due to non-realization of aforesaid trade receivables within the prescribed time limits, the Holding Company is in noncompliance 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 Central Goods and Service Tax (CGST) Rules, 2017. 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 | Qualified Opinion   | Continuing  |  |



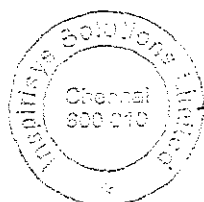
*R. Pradeep*

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|  | 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 GST liability, including penalty and interest that may be levied and the consequential impact thereof, if any, on the accompanying consolidated financial results. |  |  |
|  |   |  |  |

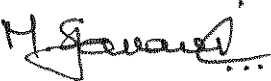
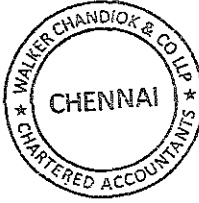


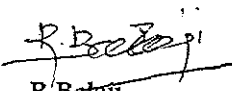

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| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's views: | Not applicable   |  |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor:                 | Not Applicable   |  |
|    | (i) Management's estimation on the impact of audit qualification:                             | Not applicable   |  |
|    | (ii) If management is unable to estimate the impact, reasons for the same:                    | <p>The Company has a trade receivable of ₹ 4,049 Lakhs as on 31 March 2024 from one of its subsidiary companies Inspirisys Solutions North America, Inc (ISNA). The aforesaid balance reflects accumulation of receivables since 2018-19 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 in accordance with sub rule 1 of 96A of Central Goods and Service Tax (CGST) Rules, 2017</p> |  |



*R. B. [Signature]*

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|            |  | <p>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.</p>  |
|            | <p>(iii) Auditor's Comments on (i) or (ii) above:</p>  | <p>Due to the uncertainty regarding implication of non compliance with respect to sub rule 1 of 96A of CGST rules, we unable to comment upon implication as at 31 March 2024.</p>   |
| <p>III</p> | <p><b>Signed by:</b></p> <p>For Walker Chandio &amp; Co LLP<br/>Chartered Accountants<br/>Firm's Registration No.: 001076N/N500013</p>   <p>Mehulkumar Sharadkumar Janani<br/>Partner<br/>Membership No. 118617</p> | <p>For and on behalf of the Board of Directors of<br/>Inspirisys Solutions Limited</p>  <p>Murali Gopalakrishnan<br/>Executive Director &amp; Chief Executive Officer</p>  <p>Rajesh Ramniklal Muni<br/>Chairman of Audit Committee</p>  <p>R. Bataji<br/>Chief Financial Officer</p>  <p>Place: Chennai<br/>Date: 10 May 2024</p> |