

ISL/SS/SE/61/2019-2020
07th February, 2020

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

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

Dear Sir / Madam,

Sub: Unaudited Financial Results for the quarter and year to date ended 31st December, 2019 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to inform you that the Board of Directors at their meeting held on 07th February, 2020 have taken on record the following decisions:

- Considered and Approved the Standalone and Consolidated Unaudited Financial Results for the quarter and year to date ended 31st December, 2019 on the recommendation of the Audit Committee.
- A Copy of the Limited Review Report from the Statutory Auditors for the period ended 31st December, 2019.

The meeting commenced at 10:30 AM and concluded at 04:45 PM.

Please arrange to take the same on record.

Thanking you.

Yours faithfully,

For Inspirisys Solutions Limited
(Formerly Accel Frontline Limited)



S.Sundaramurthy
Company Secretary & Compliance Officer

Encl: as above



Statement of Financial results for the period and the quarter ended 31 December 2019

(₹ in Lakhs)

S.No	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year ended
		31 December 2019 (Unaudited)	30 September 2019 (Unaudited)	31 December 2018 Refer note 2	31 December 2019 (Unaudited)	31 December 2018 Refer note 2	31 March 2019 (Audited)
1	Revenue from operations	10,245	10,222	9,142	36,118	37,967	54,641
2	Other income	437	3	5	707	100	751
3	Total revenue (1+2)	10,682	10,225	9,147	36,825	38,067	55,392
4	Expenses						
	Cost of raw material and components consumed	13	40	132	188	130	145
	Purchases of stock-in-trade and stores and spares	3,228	2,801	1,943	13,802	16,965	26,539
	Changes in inventories of Stock-in-trade and stores and spares	(637)	78	111	(483)	112	311
	Employee benefits expense	3,121	2,997	3,371	9,280	10,092	13,359
	Impairment losses	377	44	308	463	899	599
	Other expenses	4,087	3,802	3,383	11,577	9,018	11,740
5	Total Expenses	10,189	9,762	9,248	34,827	37,216	52,693
6	Profit/ (loss) before finance cost, depreciation and amortization (3-5)	493	463	(101)	1,998	851	2,699
	Finance costs	330	309	471	1,065	1,381	1,825
	Depreciation and amortization expense	204	181	158	566	481	469
7	Profit/ (loss) before tax	(41)	(27)	(730)	367	(1,011)	405
8	Tax expense:						
	a) Current tax	62	25	(43)	235	44	338
	b) Deferred tax	-	-	-	-	-	-
9	Profit/ (loss) for the period (7-8)	(103)	(52)	(687)	132	(1,055)	67
10	Other comprehensive income						
	<i>i) Items that will not be reclassified to profit or loss</i>						
	- Re-measurement gains (losses) on defined benefit plans	21	(9)	(22)	-	11	26
	- Income tax relating to items that will not be reclassified to profit or loss	(5)	2	4	-	(2)	-
	<i>j) Items that will be reclassified to profit or loss</i>						
	- Exchange difference on translation of foreign subsidiaries	(52)	(107)	83	(157)	(189)	(162)
11	Other comprehensive income for the period, net of tax	(36)	(114)	65	(157)	(180)	(136)
12	Total comprehensive income for the period (9+11)	(139)	(166)	(622)	(25)	(1,235)	(69)
13	Earnings per equity share (profit/ (loss) after tax)						
	Basic (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.27)	(0.14)	(2.31)	0.35	(3.54)	0.22
	Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	(0.27)	(0.14)	(2.31)	0.35	(3.54)	0.22

Notes

- The above financial results are reviewed by the Audit Committee were approved and taken on record by the Board as its meeting held on 07 February 2020.
- The Company had availed exemption under Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and had not published the quarterly consolidated results in the previous year. Accordingly, the comparative consolidated financial results for the Quarter ended 31 December 2018 and nine months ended 31 December 2018 are not subject to review.
- The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (IND AS 108).
- Effective 1 April 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing as on 1 April 2019 using the modified retrospective method. Accordingly comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) and lease liability of ₹ 1,005 Lakhs. The effect of this adoption is insignificant on the statement of profit for the period and earnings per share.
- The Company has an investment of ₹ 51 Lakhs in a subsidiary named Network Programs (USA) Inc, USA. The net worth of the subsidiary as at 31 December 2019 is a negative ₹ 319 Lakhs. The Management of Inspirisys Solutions Limited (ISL) after continuous efforts to revive the business, is of the view that revival of the business for this subsidiary is not feasible. Further the existing business, can be managed by the other subsidiary company in the US, Inspirisys Solutions North America Inc, which is marketing the products and services of ISL India, the parent company, in addition to its onsite operations. In order to reduce losses from Network Programs (USA) Inc. and to bring down the compliance costs, the company has taken a decision to suspend the operations of Network Programs (USA) Inc. and consequent to this, ISL impaired the investment of ₹ 51 Lakhs in the standalone books of the company. Further in the consolidated financial statements, Goodwill arising out of consolidation (intangible asset) amounting to ₹ 289 Lakhs has also been impaired.
- The figures for the corresponding previous periods have been regrouped/ reclassified wherever considered necessary to conform to the figures presented in the current period.

Place: Chennai
Date: 7 February 2020

for Inspirisys Solutions Limited
(Formerly Accel Frontline Limited)

M. Mehta

Malcolm F.Mehta
Chairman and Chief Executive Officer



Statement of Financial results for the period and the quarter ended 31 December 2019

(₹ in Lakhs)

S.No	Particulars	Standalone					
		Quarter ended			Nine months ended		Year ended
		31 December 2019 (Unaudited)	30 September 2019 (Unaudited)	31 December 2018 (Unaudited)	31 December 2019 (Unaudited)	31 December 2018 (Unaudited)	31 March 2019 (Audited)
1	Revenue from operations	6,795	6,967	7,360	27,066	32,782	44,449
2	Other income	419	8	48	683	158	813
3	Total revenue (1+2)	7,214	6,975	7,408	27,749	32,940	45,262
4	Expenses						
	Cost of raw material and components consumed	13	40	132	188	130	145
	Purchases of stock-in-trade and stores and spares	2,574	1,949	1,616	11,891	16,243	22,102
	Changes in inventories of Stock-in-trade and stores and spares	(637)	(9)	110	(483)	111	310
	Employee benefits expense	2,137	2,027	2,213	6,308	6,574	8,746
	Impairment losses	139	44	281	225	796	1,628
	Other expenses	2,234	2,354	2,697	7,077	7,172	9,711
5	Total Expenses	6,460	6,405	7,049	25,206	31,026	42,642
6	Profit before finance cost, depreciation and amortization (3-5)	754	570	359	2,543	1,914	2,620
	Finance costs	285	283	406	935	1,233	1,652
	Depreciation and amortization expense	202	179	154	559	465	450
7	Profit/ (loss) before tax	267	108	(201)	1,049	216	518
8	Tax expense:						
	a) Current tax	62	25	(43)	235	44	335
	b) Deferred tax	-	-	-	-	-	-
9	Profit/ (loss) for the period (7-8)	205	83	(158)	814	172	183
10	Other comprehensive income						
	<i>i) Items that will not be reclassified to profit or loss</i>						
	- Re-measurement gains (losses) on defined benefit plans	21	(9)	(22)	-	11	26
	- Income tax relating to items that will not be reclassified to profit or loss	(5)	2	4	-	(2)	-
11	Other comprehensive income for the period, net of tax	16	(7)	(18)	-	9	26
12	Total comprehensive income for the period (9+11)	221	76	(176)	814	181	209
13	Earnings per equity share (profit/ (loss) after tax)						
	Basic (in ₹) (Face value of ₹ 10 each) (Not annualised)	0.54	0.22	(0.53)	2.14	0.58	0.61
	Diluted (in ₹) (Face value of ₹ 10 each) (Not annualised)	0.54	0.22	(0.53)	2.14	0.58	0.61



Inspirisys Solutions Limited (Formerly, Accel Frontline Limited)

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

CIN No: L30006TN1995PLCO31736

Segment-wise Revenue, Result, Assets and Liabilities

(₹ in Lakhs)

Particulars	Consolidated					
	Quarter ended			Year to date		
	31 December 2019 (Unaudited)	30 September 2019 (Unaudited)	31 December 2018 Refer note 2	31 December 2019 (Unaudited)	31 December 2018 Refer note 2	31 March 2019 (Unaudited)
1. Segment Revenue						
Systems Integration	2,579	2,732	2,720	14,001	18,227	27,075
Services	7,164	7,022	5,852	20,678	17,993	25,277
Warranty Management Services	502	468	570	1,439	1,732	2,274
Training	-	-	-	-	15	15
Revenue from Operations (Net)	10,245	10,222	9,142	36,118	37,967	54,641
2. Segment result						
Systems Integration	(244)	(276)	(478)	(126)	(57)	376
Services	683	1,273	523	2,722	1,927	2,851
Warranty Management Services	29	(23)	18	33	75	113
Training	(3)	-	(29)	(3)	(93)	(121)
Total	465	974	34	2,626	1,852	3,219
(i) Interest expenses	(330)	(309)	(471)	(1,065)	(1,381)	(1,825)
(ii) Other unallocable expenses	(613)	(695)	(298)	(1,901)	(1,582)	(1,740)
Other income	437	3	5	707	100	751
Total (Loss)/Profit Before Tax	(41)	(27)	(730)	367	(1,011)	405
3. Segment Assets						
Systems Integration	6,695	8,804	4,608	6,695	4,608	11,129
Services	14,414	16,747	11,760	14,414	11,760	19,922
Warranty Management Services	1,064	1,056	1,258	1,064	1,258	800
Training	45	54	74	45	74	50
Unallocated	7,266	7,536	6,668	7,266	6,668	5,107
Total Assets	29,484	34,197	24,368	29,484	24,368	37,008
3. Segment Liabilities						
Systems Integration	4,740	6,950	2,932	4,740	2,932	11,295
Services	8,326	12,275	8,377	8,326	8,377	17,824
Warranty Management Services	537	1,099	1,541	537	1,541	1,180
Training	8	2	22	8	22	7
Unallocated	14,022	11,881	16,451	14,022	16,451	7,864
Total Liabilities	27,633	32,207	29,323	27,633	29,323	38,170

M. Mehta


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

To the Board of Directors of Inspirisys Solutions Limited (Formerly, Accel Frontline Limited)

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Inspirisys Solutions Limited (Formerly, Accel Frontline 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 31 December 2019 and the consolidated year to date results for the period 1 April 2019 to 31 December 2019, 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. Attention is drawn to the fact that the consolidated figures for the preceding quarter ended 31 December 2018 and nine-month period ended 31 December 2018, as reported in the Statement have been approved by the Holding Company's Board of Directors, but have not been subjected to audit or review.
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'), SEBI Circulars CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. 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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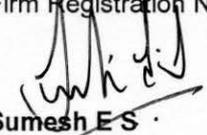
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We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. 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 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circulars 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.
5. We did not review the interim financial results of 6 subsidiaries included in the unaudited standalone financial results of the entities included in the Group, whose financial information reflects total revenues of ₹ 3,793 lakhs and ₹ 10,085 lakhs, total net loss after tax of ₹ 90 lakhs and ₹ 426 lakhs, total comprehensive loss of ₹ 90 lakhs and ₹ 426 lakhs, for the quarter and year-to-date ended on 31 December 2019, respectively. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

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


Sumesh E S
Partner
Membership No. 206931
UDIN 20206931AAAAAN6898



Place: Chennai
Date: 07 February 2020

Annexure 1

List of subsidiaries included in the Statement:

- a) Inspirisys Solutions Japan Kabushiki Kaisha (*Formerly "Accel Japan Kabushiki Kaisha, Japan"*)
- b) Network Programs (USA) Inc., USA
- c) Inspirisys Solutions North America Inc., (*Formerly "Accel North America Inc., USA"*)
- d) Inspirisys Solutions IT Resources Limited (*Formerly "Accel IT Resources Limited, India"*)
- e) Inspirisys Solutions Europe Limited, UK (*Formerly "Accel Technologies Ltd, UK"*)
- f) Inspirisys Solutions DMCC (*Formerly "Accel Frontline DMCC, Dubai"*)



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

To the Board of Directors of Inspirisys Solutions Limited (Formerly, Accel Frontline Limited)

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Inspirisys Solutions Limited (Formerly, Accel Frontline Limited) ('the Company') for the quarter ended 31 December 2019 and the year to date results for the period 1 April 2019 to 31 December 2019, 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'), SEBI Circular CIR/CFD/FAC/62/2016 dated 05 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. 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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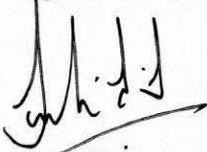
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4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circulars, 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



Sumesh E S

Partner

Membership No. 206931

UDIN 20206931AAAAAM6710



Place: Chennai

Date: 07 February 2020