



IRIS Business Services Limited

To,
BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001

Scrip Code: 540735

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Standalone and Consolidated Financial Results

Dear Sirs,

I, Balachandran Krishnan, Whole Time Director & CFO of IRIS Business Services Limited (“the Company”) (CIN: L72900MH2000PLC128943) having its registered office at T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi Station, Vashi, Thane - 400 703, Maharashtra, India, hereby declare that, the Statutory Auditors of the Company, M/s. Khimji Kunverji & Co LLP, Chartered Accountants, (FRN: 105146W/W100621) have issued an Audit Report with unmodified opinion on the Audited Standalone and Consolidated Financial Results of the Company for the half year and financial year ended on 31st March, 2021.

This declaration is given in compliance of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Kindly take this declaration on your records.

Yours Sincerely,
For **IRIS Business Services Limited**



Balachandran Krishnan
Whole Time Director & CFO
Date: May 22, 2021

Independent Auditors' Report

To the Board of Directors of
IRIS Business Services Limited

Report on the Audit of the Standalone Financial Results

Opinion

1. We have audited the accompanying Standalone Financial Results of **IRIS Business Services Limited** ('the Company') for the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of the net profit and other financial information for the year ended March 31, 2021.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements 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 we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.

Emphasis of Matter

3. Attention is invited to Note No. 6 to the Standalone Financials Results regarding investment in a subsidiary IRIS Business Services LLC carried at cost despite the liabilities thereof exceeding the total assets, having regard to business plans of that subsidiary and continued financial support from the Company. Our report is not modified in respect of this matter.



4. Attention is invited to Note No. 9 to the Standalone Financial Results regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended March 31, 2021; such an assessment, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods. Our report is not modified in respect of this matter.

Management and Board of Directors' Responsibilities for the Standalone Financial Results

5. The Standalone Financial Results have been prepared on the basis of the Standalone Financial Statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under section 133 of the Act 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Management and the Board of Directors are 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.

The Company's Management and the Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are 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 SAs 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 the Standalone Financial Results. Our audit process in accordance with the SAs is narrated in Annexure 1 to this report.



Other Matter

7. In view of restricted movements and partial lockdown imposed by the Authorities to prevent the spread of COVID-19 Pandemic, the processes of audit finalisation were carried out from remote locations i.e., other than the Office of the Company, where books of accounts and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.
8. The comparative financial results of the company for the year ended March 31, 2020 included in the Standalone Financial Results had been audited by the erstwhile auditors, who had expressed an unmodified opinion thereon as per their reports dated June 29, 2020, have been relied upon by us for the purpose of our audit of the Standalone Financial Results. Our opinion is not modified in respect of this matter.
9. The Standalone Financial Results include the results for the half year ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited figures of half year ended September 30, 2020 which were subjected to limited review by us.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
(FRN: 105146W / W100621)



Hasmukh B. Dedhia
Partner
Membership Number: 033494



ICAI UDIN: 21033494AAAAGX8261

Place: Mumbai
Date: May 22, 2021

Annexure 1 to the Independent Auditors' Report to the members of IRIS Business Services Limited

[referred to in para 6 titled 'Auditor's Responsibilities for the Audit of the Standalone Financial Results']

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, to 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 adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management'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 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 standalone financial statements 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.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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. 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

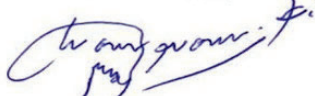


Standalone Financial Results for the Half year and Year ended March 31, 2021

Rupees in Lakhs

Particulars	Half Year Ended 31-Mar-2021 (Refer Note 2)	Half Year Ended 30-Sep-2020 (Unaudited)	Half Year Ended 31-Mar-2020 (Refer Note 2)	Year ended 31 March, 2021 (Audited)	Year ended 31 March, 2020 (Audited)
I. Revenue from operations	3,179.56	2,129.22	2,738.68	5,308.78	4,888.23
II. Other income	8.89	18.93	39.68	27.82	55.96
III. Total Revenue (I + II)	3,188.45	2,148.15	2,778.36	5,336.60	4,944.19
IV. Expenses:					
Employee benefits expense	1,565.96	1,347.38	1,403.65	2,913.34	2,625.39
Finance costs	93.88	74.19	74.12	168.07	154.21
Depreciation and amortization expense	316.67	306.63	308.11	623.30	616.46
Other expenses	856.09	496.08	787.24	1,352.17	1,389.13
Total expenses	2,832.60	2,224.28	2,573.13	5,056.88	4,785.20
V. Profit before exceptional and extraordinary items and tax (III - IV)	355.85	(76.13)	205.23	279.72	158.99
VI. Exceptional expenses / (incomes)	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	355.85	(76.13)	205.23	279.72	158.99
VIII. Extraordinary Items	-	-	-	-	-
IX. Profit before tax (VII- VIII)	355.85	(76.13)	205.23	279.72	158.99
X Tax expense:					
(1) Current tax	-	-	-	-	-
(2) Deferred tax	(58.34)	-	(5.26)	(58.34)	4.32
(3) Tax expense / (income) for earlier years	5.51	-	3.82	5.51	3.82
XI Profit (Loss) for the period from continuing operations (IX-X)	408.68	(76.13)	206.67	332.55	150.85
XII Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII Tax expense of discontinuing operations	-	-	-	-	-
Profit/(loss) from Discontinuing operations (after tax) (XII- XIII)	-	-	-	-	-
XV Profit (Loss) for the period (XI + XIV)	408.68	(76.13)	206.67	332.55	150.85
XVI Earnings per equity share of ₹ 10 each (^ - not annualised)					
(1) Basic	2.16 [^]	(0.40) [^]	1.09 [^]	1.76	0.80
(2) Diluted	2.16 [^]	(0.40) [^]	1.09 [^]	1.76	0.80

For IRIS Business Services Limited.



K Balachandran
Whole Time Director & CFO
DIN: 00080055
Date : May 22, 2021

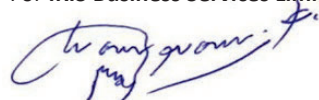


Standalone Statement of Assets And Liabilities

Rupees in Lakhs

Particulars	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
I. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	1,892.32	1,887.92
(b) Reserves and surplus	1,226.58	887.99
2 Share application money pending allotment	-	-
3 Non-current liabilities		
(a) Long-term borrowings	13.55	289.07
(b) Deferred tax liabilities (Net)	-	58.34
(c) Long-term provisions	391.56	304.81
4 Current liabilities		
(a) Short-term borrowings	602.10	586.07
(b) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises; and	2.89	26.66
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	116.77	179.21
(c) Other current liabilities	903.75	1,094.44
(d) Short-term provisions	590.35	584.57
Total	5,739.87	5,899.07
II. ASSETS		
Non-current assets		
1 (a) Property, Plant and Equipment		
(i) Tangible assets	955.85	962.29
(ii) Intangible assets	1,201.38	1,699.16
(iii) Capital work-in-progress	-	-
(iv) Intangible assets under development	-	32.95
(b) Non-current investments	270.85	270.85
(c) Long-term loans and advances	31.02	33.03
(d) Other non-current assets	-	-
2 Current assets		
(a) Trade receivables	1,297.69	1,641.61
(b) Cash and cash equivalents	688.65	131.06
(c) Short-term loans and advances	40.05	89.00
(d) Other current assets	1,254.39	1,039.13
Total	5,739.87	5,899.07

For IRIS Business Services Limited




K Balachandran
Whole Time Director & CFO
DIN: 00080055
Date : May 22, 2021



Standalone Cash Flow Statement for the year ended March 31, 2021		
	Rupees in Lakhs	
	Year ended March 31, 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	279.72	158.99
Adjustments for :		
Depreciation and amortisation	623.30	616.46
Write-off of withholding tax	41.82	62.30
Expense on employee stock option scheme	(7.02)	0.91
Interest expenses	129.38	134.71
Other finance charges	38.51	-
Interest income	(20.26)	(13.19)
Total	805.74	801.21
Operating Cash Profit before Working Capital Changes	1,085.46	960.20
(Increase) / Decrease in Sundry debtors	343.92	(454.75)
(Increase) / Decrease in Short term Loans & advances and deposits	(213.69)	250.40
(Increase) / Decrease in Other current assets	(172.25)	(337.77)
(Increase) / Decrease in Long term loans and advances	2.01	(28.28)
(Increase) / Decrease in Other non-current assets	-	9.87
(Decrease) / Increase in Trade payables	(86.21)	(91.74)
(Decrease) / Increase in Other current liabilities	34.48	23.52
(Decrease) / Increase in Long term Provisions	86.74	109.18
(Decrease) / Increase in Short term Provisions	5.79	(0.61)
Total	0.80	(520.19)
Taxes Paid	(88.53)	(191.94)
Net Cash Inflow / (Outflow) in course of Operating activities (A)	997.73	248.07
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipments (including capital advances)	(10.95)	(21.13)
In-house software products capitalisation	(51.41)	(32.95)
Interest Income Received	18.45	13.36
Investments in Subsidiaries	-	(93.39)
Net Cash Inflow / (Outflow) in the course of Investing Activities (B)	(43.91)	(134.12)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital on account of issue of shares under ESOP	17.46	-
Proceeds / (Repayments) of Short Term Borrowing	16.04	(8.28)
Other Finance Charges	(38.51)	-
Repayment of Finance Lease Obligations	(2.81)	-
Repayment of Long Term Borrowings	(516.93)	(170.89)
Interest paid on Term Loans, Working Capital Loan and Finance Lease	(134.12)	(129.98)
Net cash flow used in financing activities (C)	(658.87)	(309.15)
Net increase / (decrease) in Cash and cash equivalents (A + B + C)	294.95	(195.20)
Add: Balance of Cash/Cash Equivalents at the beginning of the year	36.75	231.95
Cash/Cash Equivalents at the close of the year	331.70	36.75
Cash and bank balance at the end of the year	688.65	131.06
Less: Term Deposits not considered as cash & cash equivalents as per AS-3	(356.95)	(94.31)
	331.70	36.75

For IRIS Business Services Limited



K Balachandran
Whole Time Director & CFO
 DIN: 00080055
 Date : May 22, 2021

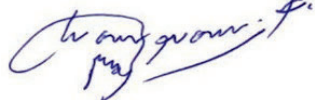


Standalone Segment wise Revenue, Results and Assets and Liabilities

(Rs In Lakhs)

Particulars	Half Year Ended 31-Mar-2021 (Refer Note 2)	Half Year Ended 30-Sep-2020 (Unaudited)	Half Year Ended 31-Mar-2020 (Refer Note 2)	Year Ended 31-Mar-2021 (Audited)	Year Ended 31-Mar-2020 (Audited)
1. Segment Revenue					
(a) Segment – Collect	1,266.62	906.57	1,596.06	2,173.19	2,791.00
(b) Segment – Create	1,747.27	1,091.15	976.54	2,838.42	1,790.08
(c) Segment – Consume	165.67	131.50	166.08	297.17	307.15
Less: Inter Segment Revenue	-	-	-	-	-
Net sales/Income From Operations	3,179.56	2,129.22	2,738.68	5,308.78	4,888.23
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)					
(a) Segment – Collect	242.92	103.36	577.84	346.29	944.94
(b) Segment – Create	490.12	175.46	(31.24)	665.58	(34.45)
(c) Segment – Consume	24.46	6.94	1.19	31.41	(36.79)
(d) Unallocated	8.89	18.93	39.68	27.82	55.96
Total	766.40	304.69	587.46	1,071.09	929.67
Less: i) Interest	93.88	74.19	74.12	168.07	154.21
ii) Other Un-allocable Expenditure net off Un-allocable income	316.67	306.63	308.11	623.30	616.46
Total Profit Before Tax	355.85	(76.13)	205.23	279.72	158.99
3. Segment Assets					
(a) Segment – Collect	615.92	735.65	1,124.90	615.92	1,124.90
(b) Segment – Create	886.29	927.90	850.69	886.29	850.69
(c) Segment – Consume	1,017.94	1,216.66	1,394.37	1,017.94	1,394.37
(d) Unallocated	3,219.72	3,018.61	2,529.11	3,219.72	2,529.11
Total assets	5,739.87	5,898.83	5,899.07	5,739.87	5,899.07
4. Segment Liabilities					
(a) Segment – Collect	61.77	44.42	66.40	61.77	66.40
(b) Segment – Create	27.49	16.69	46.19	27.49	46.19
(c) Segment – Consume	-	0.05	24.18	-	24.18
(d) Unallocated	2,531.71	3,137.89	2,986.40	2,531.71	2,986.40
Total liabilities	2,620.97	3,199.06	3,123.17	2,620.97	3,123.17
Capital Employed	3,118.90	2,699.77	2,775.90	3,118.90	2,775.90

For IRIS Business Services Limited



K Balachandran
Whole Time Director & CFO
 DIN: 00080055
 Date : May 22, 2021



Independent Auditors' Report

To the Board of Directors of
IRIS Business Services Limited

Report on the Audit of the Consolidated Financial Results

Opinion

1. We have audited the accompanying Consolidated Financial Results of IRIS Business Services Limited ('the Holding Company') and its subsidiaries (The holding company and its subsidiaries collectively referred to as the 'Group'), for the year ended March 31, 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate Audited Financial Statements of the subsidiary, the aforesaid Consolidated Financial Results:

- a. includes the results of following entities/companies:

Sr. No	Name of the Companies	Relationship
1	IRIS Business Services (Asia) Pte. Ltd	Subsidiary
2	IRIS Business Services LLC	Subsidiary
3	Atanou S.r.l.	Subsidiary
4	IRIS Logix Solution Private Limited	Subsidiary

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit and other financial information of the group for the year ended March 31, 2021.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results 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 together with the ethical requirements that are relevant to our audit of the consolidated financial statements 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 we have obtained along with the consideration of audit report of the other auditor referred to in 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Going Concern

3. Attention is invited to Note No. 6 and 8 to the Consolidated Financial Results where it is mentioned that financial statements of a subsidiary IRIS Business Services LLC are prepared on going concern basis despite the liabilities thereof exceeding the total assets, having regard to business plans of that subsidiary, and continued financial support from the Holding Company. Our report is not modified in respect of this matter.

Emphasis of Matter

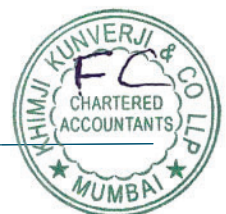
4. Attention is invited to Note No. 9 to the Consolidated Financial Results regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its operations and financial reporting for the year ended March 31, 2021; such an assessment, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods. Our report is not modified in respect of this matter.

Management and Board of Directors' Responsibilities for the Consolidated Financial Results

5. These Consolidated Financial Results have been prepared on the basis of the Consolidated Financial Statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and 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 each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Management and the Board of Directors of the companies included in the Group are responsible for assessing the ability of each company 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 company or to cease operations, or has no realistic alternative but to do so.



The respective Management and the Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are 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 SAs 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 these Consolidated Financial Results. Our audit process in accordance with the SAs is narrated in Annexure 1 to this report.

Other Matter

7. In view of restricted movements and partial lockdown imposed by the Authorities to prevent the spread of COVID-19 Pandemic, the processes of audit finalisation were carried out from remote locations i.e., other than the Office of the Holding Company, where books of accounts and other records are kept, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain sufficient and appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.
8. We did not audit the financial results of one foreign subsidiary, whose financial results reflect total assets of Rs. 184.20 Lakhs as at March 31, 2021, total revenues of Rs. 221.51 Lakhs and Rs. 333.59 Lakhs and total net profit of Rs. 16.54 Lakhs and Rs. 23.76 Lakhs and total cash inflow of Rs. 70.14 Lakhs and Rs. 66.99 Lakhs for the half year ended March 31, 2021 and year ended March 31, 2021 respectively, as considered in the Consolidated Financial Results. The said financial results have been audited by other auditor, whose report have been furnished to us by the Management and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary is based solely on the report of such other auditor. Our report is not modified in respect of this matter.
9. We did not audit the financial results of two foreign subsidiaries, whose financial results reflect total assets of Rs. 98.55 Lakhs as at March 31, 2021, total revenue of Rs. 54.88 Lakhs and Rs 103.12 Lakhs, total net loss of Rs. 35.09 Lakhs and 82.76 Lakhs and total cash inflow of Rs. 15.86 Lakhs and Rs. 47.33 Lakhs for the half year ended March 31, 2021 and for the year ended March 31, 2021, respectively, as considered in the Consolidated Financial Results. These financial results are unaudited and have been furnished to us, as certified by the respective management of the said subsidiaries and our opinion on the Consolidated Financial Results, in so far it relates to the amounts and disclosure included in respect of these subsidiaries is based solely on such unaudited, management certified financial results. In our opinion and accordingly to the information and explanation given to us by the Board of Directors of the Holding Company, these financial results are not material to the Group. Our opinion in not modified in respect of this matter.
10. The comparative financial results of the company for the year ended March 31, 2020 included in the Consolidated Financial Results had been audited by the erstwhile auditors, who had expressed an



Khimji Kunverji & Co LLP

Chartered Accountants

unmodified opinion thereon as per their reports dated June 29, 2020, have been relied upon by us for the purpose of our audit of the Consolidated Financial Results. Our opinion is not modified in respect of this matter.

11. The Consolidated Financial Results include the results for the half year ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited figures of half year ended September 30, 2020 which were subject to limited review by us.

For **Khimji Kunverji & Co LLP**

Chartered Accountants

(FRN: 105146W / W100621)



Hasmukh B. Dedhia

Partner

Membership Number: 033494



ICAI UDIN: 21033494AAAAGY7201

Place: Mumbai

Date: May 22, 2021

Annexure 1 to the Independent Auditors' Report to the members of IRIS Business Services Limited
[referred to in para 6 titled 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results']

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, to 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 system 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 management.
- Conclude on the appropriateness of management'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 Group'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 financial statements 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 consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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. 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

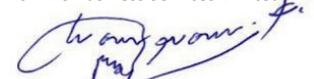


Consolidated Financial Results for the Half year and Year ended March 31, 2021

Rupees in Lakhs

Particulars	Half Year Ended 31-Mar-2021 (Refer Note 2)	Half Year Ended 30-Sep-2020 (Unaudited)	Half Year Ended 31-Mar-2020 (Refer Note 2)	Year ended 31 March, 2021 (Audited)	Year ended 31 March, 2020 (Audited)
I. Revenue from operations	3,361.55	2,269.24	2,880.08	5,630.79	5,099.77
II. Other income	8.77	19.92	41.49	28.69	57.61
III. Total Revenue (I + II)	3,370.32	2,289.16	2,921.57	5,659.48	5,157.38
IV. Expenses:					
Employee benefits expense	1,660.45	1,460.45	1,510.68	3,120.90	2,837.71
Finance costs	94.24	74.87	74.55	169.11	155.12
Depreciation and amortization expense	316.96	306.67	308.11	623.63	616.46
Other expenses	954.83	571.76	880.24	1,526.59	1,493.75
Total expenses	3,026.48	2,413.75	2,773.58	5,440.23	5,103.03
Profit before exceptional and extraordinary items and tax (III - IV)	343.84	(124.59)	147.99	219.25	54.35
VI. Exceptional Items	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	343.84	(124.59)	147.99	219.25	54.35
VIII. Extraordinary Items	-	-	-	-	-
IX. Profit before tax (VII- VIII)	343.84	(124.59)	147.99	219.25	54.35
X Tax expense:					
(1) Current tax	-	-	-	-	-
(2) Deferred tax	(58.34)	-	(5.26)	(58.34)	4.32
(3) Tax expense / (income) for earlier years	5.51	-	3.82	5.51	3.82
XI Profit (Loss) for the period from continuing operations (IX-X)	396.67	(124.59)	149.43	272.08	46.20
XII Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII Tax expense of discontinuing operations	-	-	-	-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-
XV Profit (Loss) for the period (XI + XIV)	396.67	(124.59)	149.43	272.08	46.20
XVI Profit (Loss) attributable to minority interest	2.15	(1.80)	(0.48)	0.35	(0.43)
XVII Profit (Loss) attributable to parent	394.52	(122.79)	149.91	271.73	46.63
XVIII Earnings per equity share of ₹10 each (^ -not annualised)					
(1) Basic	2.1 [^]	(0.65) [^]	0.79 [^]	1.44	0.25
(2) Diluted	2.1 [^]	(0.65) [^]	0.79 [^]	1.44	0.25

For IRIS Business Services Limited



K Balachandran

Whole Time Director & CFO

DIN: 00080055

Date : May 22, 2021

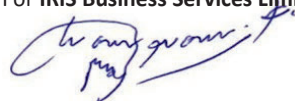


Consolidated Statement of Assets And Liabilities

Rupees in Lakhs

Particulars	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
I. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	1,892.32	1,887.92
(b) Reserves and surplus	854.36	575.03
2 Minority Interest	2.05	1.71
3 Share application money pending allotment	-	-
4 Non-current liabilities		
(a) Long-term borrowings	13.55	289.07
(b) Deferred tax liabilities (Net)	-	58.34
(c) Long-term provisions	391.56	304.81
5 Current liabilities		
(a) Short-term borrowings	602.10	586.07
(b) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises; and	2.89	26.71
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	222.09	202.01
(c) Other current liabilities	1,114.74	1,208.01
(d) Short-term provisions	590.35	584.57
TOTAL	5,686.01	5,724.25
II. ASSETS		
Non-current assets		
1 (a) Property, Plant and Equipment		
(i) Tangible assets	956.44	962.29
(ii) Intangible assets	1,207.96	1,699.16
(iii) Capital work-in-progress	-	-
(iv) Intangible assets under development	-	32.95
(b) Long-term loans and advances	31.02	33.03
(c) Other non-current assets	-	-
2 Current assets		
(a) Trade receivables	1,306.57	1,748.38
(b) Cash and cash equivalents	845.30	168.53
(c) Short-term loans and advances	50.82	93.07
(d) Other current assets	1,287.89	986.85
TOTAL	5,686.01	5,724.25

For IRIS Business Services Limited

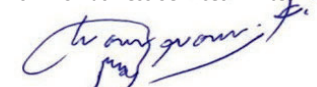


K Balachandran
Whole Time Director & CFO
DIN: 00080055
Date : May 22, 2021



Consolidated Cash Flow Statement for the year ended 31 March, 2021		
	Rupees in Lakhs	
	Year ended March 31, 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	219.25	54.35
Adjustments for :		
Depreciation and amortisation	623.63	616.46
Write-off of withholding tax	41.82	62.30
Expense on employee stock option scheme	(7.02)	0.91
Interest expenses	129.38	134.71
Other Finance Charges	38.51	-
Interest income	(20.26)	(13.19)
Other non-cash Items	1.54	(1.12)
Total	807.61	800.09
Operating Cash Profit before Working Capital Changes	1,026.86	854.44
(Increase) / Decrease in Sundry Debtors	491.09	(561.52)
(Increase) / Decrease in Short Term Loans & advances and Deposits	(220.40)	246.33
(Increase) / Decrease in Other Current Assets	(115.06)	(258.10)
(Increase) / Decrease in Long Term Loans and advances	2.01	(28.28)
(Increase) / Decrease in Other Non - Current Assets	-	9.87
(Decrease) / Increase in Trade Payables	(3.74)	(82.57)
(Decrease) / Increase in Other Current Liabilities	(60.36)	83.66
(Decrease) / Increase in Long term Provisions	86.74	109.18
(Decrease) / Increase in Short term Provisions	5.79	(0.61)
Total	186.07	(482.05)
Taxes Paid	(88.53)	(191.94)
<u>Net Cash Inflow / (Outflow) in course of Operating activities (A)</u>	1,124.40	180.45
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipments (including capital advances)	(11.71)	(21.13)
In-house Software Products Capitalisation	(58.15)	(32.95)
Interest Income Received	18.45	13.36
<u>Net Cash Inflow / (Outflow) in the course of Investing Activities (B)</u>	(51.41)	(40.73)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital on account of issue of shares under ESOP	17.46	-
Proceeds / (Repayments) of Short Term Borrowing	16.04	(8.28)
Other Finance Charges	(38.51)	-
Repayment of Finance Lease Obligations	(2.81)	-
Repayment of Long Term Borrowings	(516.93)	(170.89)
Interest paid on Term Loans, Working Capital Loan and Finance Lease	(134.12)	(129.98)
Capital contribution from Minority interest holder	-	2.40
<u>Net cash flow used in financing activities (C)</u>	(658.87)	(306.75)
Net increase / (decrease) in Cash and cash equivalents (A + B + C)	414.12	(167.03)
Add: Balance of Cash/Cash Equivalents at the beginning of the year	74.23	241.26
Cash/Cash Equivalents at the close of the year	488.35	74.23
Cash and bank balance at the end of the year	845.30	168.53
Less: Term Deposits not considered as cash & cash equivalents as per AS-3	(356.95)	(94.31)
	488.35	74.23

For IRIS Business Services Limited -



K Balachandran

Whole Time Director & CFO

DIN: 00080055

Date : May 22, 2021

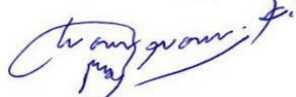


Consolidated Segment wise Revenue, Results and Assets and Liabilities

(Rs In Lakhs)

Particulars	Half Year Ended 31-Mar-2021 (Refer Note 2)	Half Year Ended 30-Sep-2020 (Unaudited)	Half Year Ended 31-Mar-2020 (Refer Note 2)	Year Ended 31-Mar-2021 (Audited)	Year Ended 31-Mar-2020 (Audited)
1. Segment Revenue					
(a) Segment – Collect	1,390.73	1,003.76	1,703.46	2,394.49	2,930.33
(b) Segment – Create	1,805.14	1,133.98	1,010.53	2,939.12	1,862.29
(c) Segment – Consume	165.67	131.50	166.08	297.17	307.15
Less: Inter Segment Revenue	-	-	-	-	-
Net sales/Income From Operations	3,361.54	2,269.24	2,880.07	5,630.79	5,099.77
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)					
(a) Segment – Collect	259.47	110.58	593.40	370.05	963.62
(b) Segment – Create	461.56	119.78	(104.05)	581.34	(157.77)
(c) Segment – Consume	24.46	6.94	1.19	31.41	(36.79)
(d) Unallocated	8.89	18.93	39.68	27.82	55.96
Total	754.39	256.23	530.22	1,010.62	825.02
Less: i) Interest	93.88	74.19	74.12	168.07	154.21
ii) Other Un-allocable Expenditure net off Un-allocable income	316.67	306.63	308.11	623.30	616.46
Total Profit Before Tax	343.84	(124.59)	147.99	219.25	54.35
3. Segment Assets					
(a) Segment – Collect	718.71	752.52	1,266.69	718.71	1,266.69
(b) Segment – Create	1,000.49	1,025.95	901.41	1,000.49	901.41
(c) Segment – Consume	1,017.94	1,216.66	1,394.37	1,017.94	1,394.37
(d) Unallocated	2,948.87	2,747.77	2,161.79	2,948.87	2,161.79
Total assets	5,686.01	5,742.90	5,724.25	5,686.01	5,724.25
4. Segment Liabilities					
(a) Segment – Collect	138.88	52.05	86.42	138.88	86.42
(b) Segment – Create	266.69	211.60	162.59	266.69	162.59
(c) Segment – Consume	0.00	0.05	24.18	0.00	24.18
(d) Unallocated	2,533.75	3,137.89	2,988.12	2,533.75	2,988.12
Total liabilities	2,939.33	3,401.60	3,261.30	2,939.33	3,261.30
Capital Employed	2,746.68	2,341.30	2,462.95	2,746.68	2,462.95

For IRIS Business Services Limited



K Balachandran

Whole Time Director & CFO

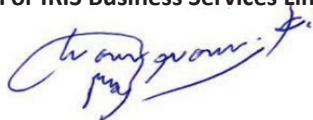
DIN: 00080055

Date : May 22, 2021



Notes:

1. The above standalone and consolidated financial results for the half year and year ended March 31, 2021 were reviewed and recommended by the Audit committee of the Board and approved by the Board of directors at their meeting held on May 22, 2021.
2. The standalone and consolidated financial results for the half year ended March 31, 2021 and March 31, 2020 are balancing figure between audited figures in respect of the full financial year and unaudited published figures upto first half period ended September 30th for the respective years which were subjected to limited review.
3. The above financial results are drawn in accordance with the accounting policies consistently followed by the Company.
4. The company has allotted 44,000 equity shares of INR 10/- each to the option grantees pursuant to the exercise of options under the company's Employee Stock option scheme, 2017. As a result the paid up equity capital of the company has increased from 1,88,79,162 shares of INR 10/- each to 1,89,23,162 shares of INR 10/- each.
5. Finance costs for for the half year and year ended March 31, 2021 includes loan foreclosure and processing charges of INR 38,51,176/-.
6. In the Standalone financial statements, with regards to our investment in subsidiaries, as at 31st March 2021, for one of our subsidiary in USA "IRIS Business Services, LLC" total liabilities exceeded its total assets by USD 1,79,449 (INR 1,31,90,362). The parent company is committed to provide necessary financial support as and when necessary. Considering the future prospect of the subsidiary and continued support of Parent, the investment in the subsidiary is measured at cost itself.
7. The consolidated financial results include financial results of four subsidiaries - IRIS Business Services LLC, IRIS Business Services (Asia) Pte Ltd, Atanou S.r.l and IRIS Logix solutions Private limited.
8. In the light of the future prospect of the subsidiary and committed continued support of Parent, financial statements of the subsidiary mentioned in point 6 have been prepared on a going concern basis and the same is considered for preparation of consolidated financial statements.
9. The outbreak of COVID-19 pandemic caused a slowdown of economic activity in FY2021. Many countries including India continue to be impacted by the pandemic and lockdowns of varied nature that has been imposed by the Central and State governments of India from time to time. The travel restrictions and lockdowns have caused a slowdown in acquisition of new business especially from the regulatory segment which could have an impact on our near term future revenues. While the pandemic is still unfolding and while it is challenging to predict the full economic fall out of the contagion, we have undertaken an internal assessment to understand the impact on our business and on the carrying amounts of assets. After examining various factors, we have come to the view that the company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The company will keep monitoring the uncertainties caused by the pandemic to assess its impact on our future economic conditions.
10. Corresponding previous period's figures have been regrouped and reclassified wherever necessary.
11. The results of the half year ended and year ended 31st March 2021 are available on the Bombay Stock Exchange website (URL: www.bseindia.com) and also on the company's website (URL: www.irisbusiness.com)

For IRIS Business Services Limited

K Balachandran
(Whole-Time Director & CFO)

DIN: 00080055

Date: May 22, 2021

