

Intellect/SEC/2020-21

October 30, 2020

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, BandraKurla Complex,
Bandra (E), Mumbai – 400 051.

Scrip Code :
INTELLECT

BSE Ltd.
1st Floor, New Trade Ring, Rotunda Building, PJ Towers,
Dalal Street, Fort,
Mumbai – 400 001.

Scrip Code :
538835

Dear Sir,

Sub: Outcome of the Board Meeting held on October 30, 2020

We wish to inform that pursuant to Regulation 30 (read with Schedule III-Part A) ;Regulation 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , the Board of Directors meeting held on October 30, 2020 considered and approved the following:

1. Unaudited Financial Results (Standalone and Consolidated) of the Company as set out in Compliance with Indian Accounting Standards (IND AS) for the quarter ended September 30, 2020 together with Limited review report of the Auditor’s dated thereon.
2. Media Release announcing the Financial results for the quarter ended September 30, 2020.(Copy enclosed)
3. Reconstitution of Stakeholder relationship Committee and Risk Management Committee with effect from October 30, 2020 are as follows:

Name of the Committee	Member	Designation	Category of directorship
Stakeholder Relationship Committee	Mr. Abhay Anant Gupte	Chairman	Independent Director
	Mr. Anil Kumar Verma	Member	Whole Time Director
	Mr. Arun Shekhar Aran	Member	Independent Director
Risk Management Committee	Andrew Ralph England	Chairman	Non-Executive Director
	Arun Jain	Member	Managing Director
	Mr. Arun Shekhar Aran	Member	Independent Director
	Milind Ravindranath Kari	Member	Chief Risk officer (CRO)



Intellect Design Arena Limited

Registered Office: 244 Anna Salai, Chennai - 600 006, India | Ph: +91-44-6615 5100 | Fax: +91-44-6615 5123
Corporate Headquarters: SIPCOT IT Park Siruseri, Chennai - 600 130, India | Ph: +91-44-6700 8000 | Fax: +91-44-6700 8874
E-mail: contact@intellectdesign.com | www.intellectdesign.com

	Venkateswaralu Saranu	Member	Chief Financial officer
	Manish Maakan	Member	CEO-iGTB
	Rajesh Saxena	Member	CEO-iGCB
	Vishwananth Pokka Prabhu	Member	CEO-iSEEC

Kindly note that Board meeting commenced at 12 noon and concluded at 1.45 PM

We request you to take the above information on record and confirm compliance.

The above information is available at the website of the Company viz., www.intellectdesign.com and the website of the Stock Exchanges.

Thanking you,

For **Intellect Design Arena Limited**,



V V Naresh

Company Secretary and Compliance Officer



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

**Review Report to
The Board of Directors
Intellect Design Arena Limited**

1. We have reviewed the accompanying Statement of Unaudited standalone and consolidated Financial Results of Intellect Design Arena Limited (the ‘Company’) comprising its subsidiaries (together referred to as “the Group”) its associates and joint venture for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (the “Statement”) 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 (the “Listing Regulations”).
2. This 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, (Ind AS 34) “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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 Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.



4. The Statement includes the results of the following entities:

Company	Relationship	Company	Relationship
1. Intellect Design Arena Pte Ltd, Singapore	Subsidiary	12. Sonali Polaris FT Limited, Bangladesh	Subsidiary
2. Intellect Design Arena Limited, United Kingdom	Subsidiary	13. Intellect Design Arena, PT Indonesia	Subsidiary
3. Intellect Design Arena SA, Switzerland	Subsidiary	14. Intellect Design Arena Inc, Canada	Subsidiary
4. Intellect Design Arena FZ-LLC, Dubai	Subsidiary	15. Intellect Design Arena Limited, Thailand	Subsidiary
5. Intellect Commerce Limited, India	Subsidiary	16. Intellect Design Arena, SDN BHD, Malaysia	Subsidiary
6. Intellect Design Chile Limitada, Chile	Subsidiary	17. Intellect Design Arena Pty Ltd, Australia	Subsidiary
7. Intellect Design Arena Inc, USA	Subsidiary	18. Intellect Payments Limited, India	Subsidiary
8. SEEC Technologies Asia Private Limited, India	Subsidiary	19. Intellect India Limited, India	Subsidiary
9. Intellect Design Arena Co. Ltd, Vietnam	Subsidiary	20. Intellect Polaris Design LLC, USA (Joint Venture until June 30, 2020)	Subsidiary
10. Intellect Design Arena Limited, Kenya	Subsidiary	21. Intellect Design Arena Ltd, Germany	Subsidiary
11. Intellect Design Arena Philippines Inc, Philippines	Subsidiary	22. NMS Works Software Private Limited, India	Associate
		23. Adrenalin eSystems Limited, India	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on consideration of review reports on the unaudited separate quarterly financial results and on the other financial information of the subsidiaries, associates and joint venture as detailed in Paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone and consolidated financial results prepared in accordance 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 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 3 of the statement of unaudited quarterly standalone and consolidated financial results which describes the impact of Covid-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics. Our opinion is not modified in respect of the matter.
7. In respect of consolidated financial results of the Group included in the Statement, we did not review the financial results and other financial information in respect of 20 subsidiaries, whose unaudited Ind AS financial results reflect total assets of Rs. 7,163.74 million as at September 30, 2020 and total revenues of Rs. 1,415.14 million and 2,771.92 million, total net profit after tax of Rs. 97.32 million and Rs. 170.85 million and total comprehensive income of Rs. 87.97 million and Rs. 154.01 million for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020 respectively, and net cash inflows of Rs. 234.46 million for the period from April 1, 2020 to September 30, 2020 as considered in the Statement, which have been reviewed by their respective independent auditors. These Ind AS financial results and other financial information have been reviewed by other auditors, which financial statements, other financial information and auditor's reports have been



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net loss of Rs. 2.02 million and total comprehensive loss of Rs. 33.77 million for the quarter ended September 30, 2020 in respect of two associates and Group's share of net loss of Rs. 60.48 million and total comprehensive loss of Rs. 76.52 million for the period from April 1, 2020 to September 30, 2020, as considered in the consolidated Ind AS financial statements, in respect of two associates and a joint venture, whose financial statements and other financial information have been reviewed by other auditors and whose reports have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries, associates and joint venture is based solely on the report of other auditors. Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Bharath N S

Partner

Membership No.: 210934

UDIN: 20210934AAAADR2218

Place: Chennai

Date: October 30, 2020



INTELLECT DESIGN ARENA LIMITED

CIN : L72900TN2011PLC080183

Regd Office : Carex Centre, 244 (Old no. 713) Anna Salai, Chennai 600 006, Ph:+91-44-6615 5100, Fax:+91-44-6615 5123

UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS OF INTELLECT DESIGN ARENA LIMITED FOR THE PERIOD ENDED SEPTEMBER 30, 2020

(Rs in Millions)

PARTICULARS	Standalone						Consolidated					
	Quarter ended September 30, 2020	Quarter ended June 30, 2020	Quarter ended September 30, 2019	Half year ended September 30, 2020	Half year ended September 30, 2019	Year ended March 31, 2020	Quarter ended September 30, 2020	Quarter ended June 30, 2020	Quarter ended September 30, 2019	Half year ended September 30, 2020	Half year ended September 30, 2019	Year ended March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income												
Revenue from Operations	2,387.57	2,128.05	1,806.02	4,515.62	3,559.09	7,413.30	3,718.06	3,458.93	3,265.76	7,176.99	6,693.69	13,468.84
Other income	27.53	81.92	81.63	109.45	170.37	229.88	21.68	77.63	115.14	99.31	212.79	264.68
Total Income	2,415.10	2,209.97	1,887.65	4,625.07	3,729.46	7,643.18	3,739.74	3,536.56	3,380.90	7,276.30	6,906.48	13,733.52
Expenditure												
Employee benefit expenses	1,221.04	1,232.38	1,282.85	2,453.42	2,450.00	4,616.63	2,057.49	2,156.34	2,181.42	4,213.83	4,278.07	8,120.88
Depreciation/Amortisation	129.08	123.57	118.93	252.65	239.67	485.65	193.95	188.45	162.11	382.40	327.56	689.57
Finance Cost	19.92	34.82	40.99	54.74	73.35	158.03	25.48	39.45	47.79	64.93	87.18	173.67
Other expenses	534.58	396.86	578.07	931.44	1,155.26	2,630.93	796.67	623.29	1,143.10	1,419.96	2,357.71	4,639.60
Total Expenses	1,904.62	1,787.63	2,020.84	3,692.25	3,918.28	7,891.24	3,073.59	3,007.53	3,534.42	6,081.12	7,050.52	13,623.72
Profit / (Loss) before share of profit / (loss) of associates, joint venture, exceptional item and tax	510.48	422.34	(133.19)	932.82	(188.82)	(248.06)	666.15	529.03	(153.52)	1,195.18	(144.04)	109.80
Exceptional items	-	-	-	-	50.55	50.55	-	-	-	-	55.45	55.45
Share of profit/(loss) of associates and joint venture (net of tax)	-	-	-	-	-	-	(2.02)	(58.46)	(0.96)	(60.48)	(29.15)	62.11
Profit / (Loss) before tax	510.48	422.34	(133.19)	932.82	(138.27)	(197.51)	664.13	470.57	(154.48)	1,134.70	(117.74)	227.36
Tax expenses:												
Current Tax	111.35	94.90	-	206.25	-	-	130.84	106.96	6.90	237.80	9.62	48.46
Deferred Tax	(60.84)	(61.91)	-	(122.75)	-	115.25	(60.84)	(61.91)	-	(122.75)	-	2.44
Profit / (Loss) after tax	459.97	389.35	(133.19)	849.32	(138.27)	(312.76)	594.13	425.52	(161.38)	1,019.65	(127.36)	176.46
Profit / (Loss) for the year / period attributable to												
Owners of the Company	459.97	389.35	(133.19)	849.32	(138.27)	(312.76)	591.80	426.11	(170.08)	1,017.91	(136.17)	159.91
Non controlling interest	-	-	-	-	-	-	2.33	(0.59)	8.70	1.74	8.81	16.55
Other Comprehensive Income (net of tax)												
Items that will be reclassified subsequently to profit or loss												
Net movement on cash flow hedges	230.89	151.97	(36.81)	382.86	(18.61)	(287.06)	230.89	151.97	(36.81)	382.86	(18.61)	(287.06)
Exchange differences on translation of foreign operations (including share of associates and joint venture)	-	-	-	-	-	-	(37.05)	5.87	4.33	(31.18)	(30.03)	151.54
Items that will not be reclassified subsequently to profit or loss												
Re-measurement gains/ (losses) on defined benefit plans	(15.46)	(8.13)	(13.50)	(23.59)	(25.07)	(26.09)	(15.45)	(8.27)	(13.95)	(23.72)	(25.38)	(26.23)
Other Comprehensive Income for the year / period (net of tax)	215.43	143.84	(50.31)	359.27	(43.68)	(313.15)	178.39	149.57	(46.43)	327.96	(74.02)	(161.75)
Total Comprehensive Income for the year / period	675.40	533.19	(183.50)	1,208.59	(181.95)	(625.91)	772.52	575.09	(207.81)	1,347.61	(201.38)	14.71
Total Comprehensive Income for the year / period attributable to												
Owners of the Company	675.40	533.19	(183.50)	1,208.59	(181.95)	(625.91)	771.69	575.73	(219.88)	1,347.42	(213.56)	(12.87)
Non controlling interest	-	-	-	-	-	-	0.83	(0.64)	12.07	0.19	12.18	27.58
Paid-up Equity share Capital												
Equity shares of Rs 5 each	662.67	662.24	661.02	662.67	661.02	661.69	662.67	662.24	661.02	662.67	661.02	661.69
Other Equity	-	-	-	9,638.61	8,587.34	8,269.11	-	-	-	11,295.05	9,451.01	9,788.44
Earning Per Share (EPS) of Rs.5 each												
Basic	3.47	2.94	(1.01)	6.41	(1.05)	(2.37)	4.47	3.22	(1.29)	7.69	(1.03)	1.21
Diluted	3.42	2.94	(1.01)	6.35	(1.05)	(2.37)	4.40	3.22	(1.29)	7.61	(1.03)	1.19

Continue...

PARTICULARS	(Rs in Millions)			
	Standalone		Consolidated	
	As at		As at	
	September 30, 2020	March 31, 2020	September 30, 2020	March 31, 2020
Unaudited	Audited	Unaudited	Audited	
ASSETS				
Non-current assets				
Property, Plant and Equipment	1,209.58	1,275.61	1,713.43	1,642.17
Right-of-Use asset	118.87	159.70	377.01	421.25
Capital work-in-progress	42.99	42.99	43.23	43.23
Goodwill on consolidation	-	-	296.45	304.09
Other Intangible assets	917.86	837.49	1,338.90	1,313.17
Intangible assets under development	2,202.54	2,102.23	3,417.48	3,072.01
Investment in subsidiary, associate and a joint venture	936.22	934.07	354.16	602.64
Deferred tax assets (net)	404.21	281.45	572.47	446.58
Financial Assets				
(i) Investments	0.05	0.05	0.05	0.05
(ii) Loans and deposits	54.93	71.10	107.43	120.46
(iii) Derivative instruments	32.60	-	32.60	-
(iv) Non current bank balances	118.09	114.53	118.09	114.53
Income tax assets (net)	508.71	539.89	542.63	638.56
Other non-current assets	399.70	463.22	399.70	463.22
Current assets				
Financial Assets				
(i) Investments	375.34	165.72	375.34	165.72
(ii) Trade receivables	2,505.04	4,455.36	1,897.40	2,847.08
(iii) Cash and cash equivalents	304.37	359.56	1,083.74	997.24
(iv) Bank balances other than (iii) above	76.35	65.64	76.35	65.64
(v) Loans and deposits	40.14	48.98	48.73	57.67
(vi) Derivative instruments	8.32	-	8.32	-
(vii) Other financial assets	3,505.09	2,347.98	4,517.35	4,393.50
Other current assets	999.62	960.75	1,017.71	987.96
Total Assets	14,760.62	15,226.32	18,338.57	18,696.77
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	662.67	661.69	662.67	661.69
Other Equity	9,638.61	8,269.11	11,295.05	9,788.44
Non-controlling interests	-	-	104.83	118.01
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	250.32	347.07	250.32	347.07
(ii) Lease liability	90.37	114.41	247.40	291.44
(iii) Derivative instruments	-	179.18	-	179.18
(iv) Other Long Term Financial Liabilities	6.00	6.00	6.00	6.00
Deferred Tax Liabilities (Net)	-	-	2.26	2.23
Current liabilities				
Financial Liabilities				
(i) Borrowings	-	1,852.17	109.17	1,858.45
(ii) Lease liability	41.36	54.04	150.46	144.54
(iii) Trade payables				
A) total outstanding dues of micro enterprises and small enterprises	4.52	14.29	4.52	14.29
B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,547.30	1,653.06	1,754.25	2,065.44
(iv) Other financial liabilities	866.41	552.08	1,423.75	928.36
(v) Derivative instruments	-	162.76	-	162.76
Other current liabilities	1,226.27	1,027.12	1,762.81	1,693.71
Provisions	426.79	333.34	542.69	426.92
Current Tax liabilities (Net)	-	-	22.39	8.24
Total Equity and Liabilities	14,760.62	15,226.32	18,338.57	18,696.77

Continue...

PARTICULARS	(Rs in Millions)			
	Standalone		Consolidated	
	Sep 30, 2020	Sep 30, 2019	Sep 30, 2020	Sep 30, 2019
A. CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES				
Profit / (Loss) for period before tax	932.82	(138.27)	1,134.70	(117.74)
Exceptional item	-	(50.55)	-	(55.45)
Adjustments to reconcile profit / (loss) for the period to net cash flows				
Depreciation and amortisation	252.65	239.67	382.40	327.56
Expense on Employee Stock Option Scheme (ESOP)	149.00	68.45	149.00	68.45
Dividend income	(21.27)	(3.90)	(7.35)	(3.90)
Allowances for credit impaired	69.00	54.00	69.00	54.00
Unrealised foreign exchange loss (net) (Including impact of foreign currency translation)	0.42	(67.06)	12.00	(82.28)
Gain on sale of current investments (net)	(2.34)	-	(2.34)	-
Profit on sale of Property, Plant and Equipment	(0.26)	(86.76)	(0.45)	(86.82)
Adjustments to the carrying amount of investments	(0.19)	(1.35)	(0.19)	(1.35)
Bad debts / advances written off	-	-	0.45	-
Share of Loss/(Profit) in Associate	-	-	60.48	29.15
Interest expense	54.74	73.35	64.93	87.18
Interest income	(13.01)	(55.89)	(18.07)	(70.06)
Operating Profit / (Loss) before working capital changes	1,421.56	31.69	1,844.56	148.74
Movement in working capital				
Decrease / (Increase) in trade receivables	1,844.01	(1,492.16)	846.00	(82.34)
Decrease / (Increase) in financial assets and other assets	(1,134.85)	645.62	(128.70)	(146.51)
Increase / (Decrease) in financial liabilities, Other liabilities and provisions	490.35	(81.32)	374.32	(481.39)
Cash flow (used in) / from operations	2,621.07	(896.17)	2,936.18	(561.50)
Income taxes paid (net of refunds)	(175.07)	99.18	(130.83)	78.12
Net cash (used in) / from operating activities (A)	2,446.00	(796.99)	2,805.35	(483.38)
B. CASH FLOW USED IN / (FROM) INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment including intangible assets, and capital advances	(337.34)	(446.05)	(551.12)	(646.76)
Proceeds from sale of Property, Plant and Equipment	0.95	93.31	1.14	298.75
Proceeds from disposal of investment in subsidiary	-	205.00	-	-
Investment in subsidiary	(2.15)	-	-	-
(Purchase) / sale proceeds of other current investments	(199.74)	-	(199.74)	-
Net Increase / (decrease) in bank deposit	(14.26)	(0.60)	(14.26)	(0.60)
Interest received	13.01	18.79	18.07	29.44
Dividend received	13.92	-	-	-
Net cash (used in) / from investing activities (B)	(525.61)	(129.55)	(745.91)	(319.17)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from share capital issued on exercise of stock options	0.97	2.15	0.98	2.15
Proceeds from share premium on exercise of stock options	11.91	28.49	11.91	28.49
Proceeds from share Application money	-	0.19	-	0.19
Payment of principal portion of lease liabilities	(25.02)	-	(82.79)	-
(Repayment) / Proceeds from Long term secured loans	(90.13)	(163.36)	(90.13)	(157.50)
(Repayment) / Proceeds from Short term borrowings	(1,814.92)	1,098.78	(1,712.03)	1,086.14
Interest paid	(54.74)	(66.36)	(64.93)	(81.99)
Dividends paid	-	-	(13.38)	-
Net cash (used in) / generated from financing activities (C)	(1,971.93)	899.89	(1,950.37)	877.48
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(51.54)	(26.65)	109.07	74.93
Effect of exchange differences on Cash & Cash Equivalents held in foreign currency	(3.65)	(0.82)	(22.57)	4.35
Cash and Cash Equivalents at the beginning of the year	359.56	187.95	997.24	752.92
Cash and cash equivalents at the end of the year	304.37	160.48	1,083.74	832.20

NOTES:

1. The standalone and consolidated financial results for the quarter and period ended September 30, 2020 were approved by the Board of Directors at its meeting held on October 30, 2020. The statutory auditors have conducted a limited review of the above standalone and consolidated financial results. These financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
2. Based on the "Management Approach" as defined under Ind AS 108 Operating Segments, the Company's performance is evaluated and resources are allocated based on an analysis of various performance indicators by a single business segment i.e. 'Software Product License & related services'.
3. The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown of economic activity. The Company has considered the possible effects that may result from COVID 19 on its operations including but not limited to its assessment on the carrying amount of trade receivables, revenue accrued not billed, goodwill on consolidation, intangible assets and intangible assets under development. In developing the assumption relating to the possible future uncertainties in the global conditions because of the pandemic, the Company as on date of approval of these financial results has used various information, as available. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone and consolidated financial results and the Company will continue to closely monitor any material changes to future economic conditions.
4. On July 1, 2020, the Company has increased its ownership interest in Intellect Polaris Design LLC ("IPDLLC") from 50% to 100% resulting in IPDLLC becoming a wholly owned subsidiary. The Company has consolidated IPDLLC in the current quarter.
5. The Indian Parliament has approved the Code of Social Security, 2020 ('Code') which relates to the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the relevant rules are yet to be framed. In view of this, impact if any, of the changes will be assessed and accounted in period of notification of the Code
6. Figures of the earlier period, wherever necessary, have been regrouped to conform with those of the current periods.



Place : Chennai

Date : October 30, 2020

For Intellect Design Arena Limited

Arun Jain
Chairman and Managing Director

Venkateswarlu Saranu
Chief Financial Officer

Intellect continues on its consolidation path with a steady 14% YoY revenue growth and sharp turnaround in profitability in Q2 FY21

- Healthy growth of 131% in License revenues and AMC revenues up by 19% YoY
- License linked revenue (License + SaaS/Subscription + AMC) is at 56% of total revenues as against 41% of total revenues in Q2FY20.
- Sustained turnaround in profitability with PAT at INR 590 Mn as against a loss of INR 170 Mn in Q2 FY20
- Expansion of EBITDA margins at 24% of revenues in Q2 FY21 vs 20% in Q1 FY21

Chennai (India), 30th October, 2020: Intellect Design Arena Ltd, a cloud-native, future ready multi-product fintech company for the world's leading financial and insurance clients announced its second quarter results for FY2020-21 today.

I. Calibrated Growth Yielding Predictability

Q2 FY21 - Financial Highlights

Revenue:

- Total revenue is at INR 3730 Mn registering 14% YoY growth
- In \$ terms, total revenue is at \$50.13 Mn registering 8% YoY growth

License, AMC and SaaS Revenue:

- License Revenue is INR 985 Mn, registering 131% YoY growth
- AMC Revenue is INR 748 Mn, registering 19% YoY growth
- Cloud/SaaS revenue is INR 345 Mn, registering 25% YoY growth

Digital led wins and go-lives

- 6 Digital led wins including 4 large Digital Transformation deal wins
- 19 Go-lives in financial institutions across the world during this quarter

Gross Margin, EBITDA and Net Profit

- Gross Margin is INR 2096 Mn, 56% of revenues grew from 45% in Q2 FY20
- EBITDA is INR 904 Mn at 24% of revenues in Q2 FY21 as against a negative INR (49) Mn in Q2FY20
- Net Profit is INR 592 Mn as against a loss of INR (170) Mn in Q2FY20

Collections and Net DSO

- Collections for Q2 FY21 is INR 3343 Mn; up by INR 223 Mn as against Q2 FY20 and INR 7707 Mn for H1 FY21
- The Net Days of Sales Outstanding (DSO) is 127 days in Q2 FY21 as against 126 days in Q2 FY20
- Investment in Product Development (Capitalised) is INR 284 Mn, same as in Q2 FY20

Q2 Results FY 2020-2021

Cash and Debt position

- Effective Operating Cash Flow is INR 385 Mn and INR 2167 Mn in H1 FY21
- Cash and Cash Equivalent is INR 1654 Mn
- Total debt as of Q2 FY21 is at INR 707 Mn as against INR 2302 Mn in Q2 FY20 registering a reduction of INR 1595 Mn

Order backlog – Cloud/Subscription deals

- Order backlog relating to License based (License, AMC and implementation) deals - INR 11940 Mn as of Q2 FY21 as against INR 11000 Mn in Q2 FY20.

H1 FY21 - Financial Highlights

Revenue:

- Total revenue of H1 FY21 is at INR 7223 Mn, registering 8% YoY growth
- H1 FY21 revenue in \$ terms is at \$96 Mn

License, AMC and SaaS Revenue:

- License Revenue is INR 1591 Mn, registering 62% YoY growth
- AMC Revenue is INR 1489 Mn, registering 22% YoY growth
- Cloud/SaaS revenue is INR 734 Mn, registering 44% YoY growth

Gross Margin, EBITDA and Net Profit

- Gross Margin is INR 3976 Mn, 55% of revenues
- EBITDA is INR 1617 Mn in H1 FY21
- Net Profit is INR 1018 Mn in H1FY21 as against loss of INR (136) Mn in H1FY20

Digital led wins and go-lives

- 10 Digital led wins including 5 large Digital Transformation deal wins
- Gone-live with 31 financial institutions across the world during H1 FY21

II. Management Overview



Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited said, *"I take great satisfaction in announcing another quarter of steady revenue growth along with sustained expansion in profitability as part of our monetisation strategy announced last quarter. Our brand recognition & superior and deep financial technologies are helping us to drive more consistent deal flows in advanced markets."*



Venkateswarlu Saranu, Chief Financial Officer, Intellect Design Arena Limited said, *"We are happy to share that we have expanded our EBITDA margin by 400 basis points this quarter to 24% of revenue, which stands at INR 904 Mn. The PAT at INR 590 million on a quarterly basis has EPS of INR 4.47. We are confident of steady growth of all financial metrics in current years."*

III. Digital Deals

In Q2 FY21 Intellect has been able to address all aspects of our customers' digital requirements leading to 6 digital led wins of which 4 large transformation deal wins.

Large Digital Transformation deal wins

One of the largest multi-faceted global financial services from the US has chosen iGTB's Liquidity Management Solution. The mandate was to implement Investment Sweeps for its country operations in the US. With this deal win, iGTB now has 11 clients in the US out of Intellect's portfolio of 25 in North America, reinforcing its position as partner of choice for large financial institutions in this region.

One of the top African companies chose Intellect Digital Core banking solution - IDC 19.1. The company wanted to upgrade its present mobile wallet solutions with the latest capabilities and trends to provide a more contextual and frictionless user experience to its stakeholders.

Large upgrade deal won from a leading Apex Indian National financial Institution for their core banking and lending transformation.

One of the largest Southeast Asia's bank has chosen Intellect's Cash Management Services. Intellect's Cash Management system will help the bank predict and automate enterprise-wide cash flows. Intellect will implement Payments pre processor, Collections and Receivables, Virtual Account, LMS and CBX for the bank.

Significant deal wins

- The only bank devoted exclusively to entrepreneurs, offering financing, venture capital, growth & transition capital, and consulting services in Montreal, Canada chose Intellect's Collections and Recovery module, (i.e.) Intellect Debt Management.
- One of the top Indian car finance companies, that offers loans for passenger, multi-utility vehicles, pre-owned cars and two-wheelers chose Intellect's Lending Management Solution for their Dealer Finance Business.

IV. Reliable Implementations

- A large Chilean retailing chain went live with Intellect Cards
- A Canadian multinational investment bank and financial services company went live with Intellect Payments Hub.
- A Govt of India specialised financial institution has gone live with iGTB Corporate Banking, CBX, Payments and Account Services modules.
- The largest bank in UAE has expanded its relationship with Intellect and went live with iGTB to provide advanced Liquidity Management services to its customers.
- One of Vietnam's leading private sector banks has gone live with iGTB's end-to-end Cash Management services.
- An Indian financial services company went live with Intellect Capital Sigma. Intellect's asset servicing solution suite will help the company achieve 95%+ straight through processing and increase its operational efficiency.
- One of the largest banks in the Middle East has gone live with iGTB's corporate banking, CBX, Payments, Collections and Receivables and LMS modules.

V. Product Acceptance in Leadership Quadrant

Intellect's recognition by global analyst and research firms continues in Q2 FY21 too:

- IDC Financial Insights announced Intellect Wealth as the winner at the 2020 IDC FinTech Rankings Real Results Award for Digital Wealth Transformation. This award was given for our implementation at CIMB Thai Bank.
- Intellect joined BIAN to help revolutionise the API-driven contextual banking technology framework
- Intellect SEEC's implementation at Liberty Mutual featured as a case study in the Data and Analytics category by Novarica.
- iGTB - CBX Virtual Accounts Management (VAM) is featured among Global VAM players in an Aite report
- iRTM's Contextual ALM is positioned at the 75th percentile category performer for Liquidity/Funding Risk and Profitability Management in a Celent Report.
- iGCB - CBX-R is profiled among the major vendors with a "Retail Banking Front Office AI Solution" in the Celent report on "AI in the UI".
- iGTB rated as a "Strong Performer" in The Forrester Wave™ in Digital Banking Processing Platforms (Corporate Banking).

Financial Results for the Second Quarter Ended – September 30, 2020 - Additional Information on function wise classification of statement of Profit and Loss of the Group (Consolidated Unaudited/Not Reviewed) (INR Mn)

Particulars	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	September 30, 2020 (Q2 FY21)	June 30, 2020 (Q1 FY21)	September 30, 2019 (Q2 FY20)	September 30, 2020 (H1 FY21)	September 30, 2019 (H1 FY20)	March 31, 2020 (FY20)
INCOME						
Income from software product license and related services	3,730	3,492	3,275	7,223	6,709	13,509
EXPENDITURE						
Software development expenses	1,635	1,613	1,791	32,47	3,607	6,987
Gross Margin	2,096	1,880	1484	3976	3102	6,522
Gross Margin %	56.18%	53.82%	45.32%	55.04%	46.24%	48.28%
Selling and marketing & General and administrative expenses	844	832	1,126	1,676	2,238	4,213
Research & Engineering expenses	234	230	333	464	668	1,219
ESOP Cost	74	75	40	149	68	170
Provision for Debts and Write offs	40	30	35	69	54	172
Total Expenditure	2,826	2,779	3,324	5,606	6,636	12,761
EBITDA	904	713	(49)	1,617	73	748
Depreciation	(98)	(105)	(95)	(203)	(192)	(397)
Amortisation	(96)	(84)	(68)	(180)	(136)	(293)
Hedge Impact	(12)	(33)	(9)	(45)	(15)	(40)
Finance Charges	(25)	(39)	(48)	(65)	(87)	(174)
Profits / (Loss) before other income / minority interest	672	452	(269)	1,124	357	(155)
Other Income (including Treasury)	22	29	80	51	231	294
Reinstatement of Receivables / Liabilities	(28)	48	35	21	37	26
Minority Interest/ Share of profit/(loss) of Associate Companies	(4)	(58)	(10)	(62)	(38)	46
Profit / (Loss) before tax	662	471	(163)	1,133	(127)	211
Provision for taxation	(70)	45	(7)	(115)	(10)	(51)
Profit / (Loss) after tax	592	426	(170)	1,018	(136)	160

Investor Conference Call

The Board of Directors of Intellect Design Arena Limited met on **30th October, 2020**, to take on record the financial results of the company for the Q2 FY21 ended on September 30, 2020.

Intellect Design Arena Ltd. will host an Investors Conference Call on **30th October, 2020**, where the Senior Management of Intellect will comment on the company's performance for Q2 FY21 and respond to questions from participants.

The virtual conference call will take place through Zoom at 17:00 hrs IST on Friday, 30th October, 2020.

Conference Name : Q2 FY21 - Investor earnings call
Date : 30th October, 2020
Time : 05:00 PM to 06:00 PM IST

Virtual Conference Call Link: <https://zoom.us/j/93129215502?pwd=TWoxc081ZWZ5QXFnejY2REN0VUc5dz09>

Webinar ID: 931 2921 5502

Passcode: 279074

Please Note:

- 1) Join this ZOOM Link by 4:55 PM IST on 30th October, 2020
- 2) Login with your name and company name while joining the call
- 3) Investors can raise their hand during the Q&A Session given in the bottom center of the screen

About Intellect Design Arena Limited

Intellect Design Arena Ltd, a cloud-native, future ready multi-product fintech platform for the world's leading financial & insurance clients caters to the full spectrum of banking and insurance technology products company, across Global Consumer Banking, Central Banking, Global Transaction Banking (iGTB), Risk, Treasury and Markets, and Insurance. With over 25 years of deep domain expertise, Intellect is the brand that progressive financial institutions rely on for digital transformation initiatives.

Intellect pioneered Design Thinking to create cutting-edge products and solutions for banking and insurance, with design being the company's key differentiator in enabling digital transformation. FinTech 8012, the world's first design center for Financial Technology, reflects Intellect's commitment to continuous and impactful innovation to address the growing need for digital transformation. Intellect serves over 240 customers through offices in 91 countries and with a diverse workforce of solution architects, domain and technology experts in major global financial hubs around the world. For further information on the organization and its solutions, please visit www.intellectdesign.com

For Media related info, please contact:

Nachu Nagappan
Intellect Design Arena Ltd
Mob: +91 89396 19676
Email: nachu.nagappan@intellectdesign.com

For Investor related info, please contact:

Praveen Malik
Intellect Design Arena Limited
Mob: +91 89397 82837
Email: Praveen.malik@intellectdesign.com