

Intellect/SEC/2019-20

November 04, 2019

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

Scrip Code :
INTELLECT

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

Scrip Code :
538835

Dear Sirs,

Sub: **Outcome of the Board Meeting held on November 04, 2019**

We wish to inform you that the Board of Directors of the Company at its meeting held on November 04, 2019 considered and approved the following:-

1. Unaudited Financial results (both Standalone and Consolidated) as set out in compliance with Indian Accounting Standards (IND AS) for the quarter ended 30th September, 2019 together with Limited Review Report of the Auditors' thereon.
2. Media Release announcing the financial results of the Company for the quarter ended 30th September, 2019 (Copy Enclosed).

Kindly note that the meeting commenced at 11:00 a.m. and concluded at 3:30 p.m.

Kindly take the above information on record and confirm compliance.

Yours truly,
for **Intellect Design Arena Limited**


V V Naresh
Company Secretary and Compliance Officer



Intellect Design Arena Limited

Registered Office: 244 Anna Salai, Chennai - 600 006, India | Ph: +91-44-3987 4000 | Fax: +91-44-3987 4123

Corporate Headquarters: SIPCOT IT Park Siruseri, Chennai - 600 130, India. | Ph: +91-44-3341 8000

www.intellectdesign.com

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 and 52 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, "the Group"), its associates and a joint venture for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (hereinafter referred to as 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 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular'). Attention is drawn to the fact that the figures for net cash outflows/(inflows) for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited standalone and consolidated financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's, 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 read with the Circular. 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 issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, 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	13. FT Grid Pte Ltd, Singapore	Subsidiary
2. Intellect Design Arena Limited, United Kingdom	Subsidiary	14. Intellect Design Arena, PT Indonesia	Subsidiary
3. Intellect Design Arena SA, Switzerland	Subsidiary	15. Intellect Design Arena Inc, Canada	Subsidiary
4. Intellect Design Arena FZ-LLC, Dubai	Subsidiary	16. Intellect Design Arena Limited, Thailand	Subsidiary
5. Intellect Commerce Limited, India	Subsidiary	17. Intellect Design Arena,SDN BHD, Malaysia	Subsidiary
6. Intellect Design Chile Limitada , Chile	Subsidiary	18. Intellect Design Arena Pty Ltd, Australia	Subsidiary
7. Intellect Design Arena Inc, USA	Subsidiary	19. Intellect Payments Limited, India	Subsidiary
8. SEEC Technologies Asia Private Limited, India	Subsidiary	20. Intellect India Limited, India	Subsidiary
9. Intellect Design Arena Co. Ltd, Vietnam	Subsidiary	21. NMS Works Software Private Limited, India	Associate
10. Intellect Design Arena Limited, Kenya	Subsidiary	22. Adrenalin eSystems Limited, India	Associate
11. Intellect Design Arena Philippines Inc, Philippines	Subsidiary	23. Intellect Polaris Design LLC,USA	Joint Venture
12. Sonali Polaris FT Limited, Bangladesh	Subsidiary		

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on consideration of reports of other auditors on the unaudited separate quarterly and year to date 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 Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. In respect of the consolidated financial results of the Group included in the Statement, we did not review the financial results and other financial information, in respect of 19 subsidiaries, whose Ind AS financial statements reflect Group's share of total assets of Rs. 5,363.94 million as at September 30, 2019 and total revenues of Rs. 1,333.17 million and Rs. 2,662.66 million, total net profit / (loss) after tax of Rs. (16.37) million and Rs. 11.57 million and total comprehensive profit / (loss) of Rs. (4.54) million and Rs. 33.86 million for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and net cash inflows of Rs. 64.50 million for the period from April 1, 2019 to September 30, 2019, 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 furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net (loss) of Rs. (0.96) million and Rs. (29.15) million and total comprehensive profit / (loss) of Rs. 10.02 million and Rs. (18.17) million for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, 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



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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: 19210934AAAADG7305

Place: Chennai

Date: November 4, 2019



INTELLECT DESIGN ARENA LIMITED

CIN : L72900TN2011PLC080183

Regd Office : Carex Centre, 244 (Old no. 713) Anna Salai, Chennai 600 006, Ph:+91-44-3987 4000, Fax:+91-44-3987 4123

UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS OF INTELLECT DESIGN ARENA LIMITED FOR THE PERIOD ENDED SEPTEMBER 30, 2019

(Rs in Millions)

PARTICULARS	Standalone						Consolidated					
	Quarter ended September 30, 2019	Quarter ended June 30, 2019	Quarter ended September 30, 2018	Half year ended September 30, 2019	Half year ended September 30, 2018	Year ended March 31, 2019	Quarter ended September 30, 2019	Quarter ended June 30, 2019	Quarter ended September 30, 2018	Half year ended September 30, 2019	Half year ended September 30, 2018	Year ended March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income												
Revenue from Operations	1,806.02	1,753.07	2,530.41	3,559.09	4,477.15	9,312.56	3,265.76	3,427.93	3,803.71	6,693.69	6,792.23	14,495.69
Other income	81.63	88.74	106.05	170.37	519.79	615.07	115.14	97.65	155.57	212.79	581.50	627.06
Total Income	1,887.65	1,841.81	2,636.46	3,729.46	4,996.94	9,927.63	3,380.90	3,525.58	3,959.28	6,906.48	7,373.73	15,122.75
Expenditure												
Employee benefit expenses	1,282.85	1,167.14	1,227.22	2,450.00	2,244.78	5,910.60	2,181.42	2,096.65	2,116.61	4,278.07	4,038.77	8,405.77
Depreciation/Amortisation	118.93	120.74	84.98	239.67	164.55	349.37	162.11	165.45	107.29	327.56	191.58	415.57
Finance Cost	40.99	32.36	34.10	73.35	64.89	114.05	47.79	39.39	34.10	87.18	64.89	114.42
Other expenses	578.07	577.20	784.84	1,155.26	1,454.80	2,125.63	1,143.10	1,214.61	1,304.46	2,357.71	2,248.78	4,814.56
Total Expenses	2,020.84	1,897.44	2,131.14	3,918.28	3,929.02	8,499.65	3,534.42	3,516.10	3,562.46	7,050.52	6,544.02	13,750.32
Profit / (Loss) before share of profit / (loss) of associates, joint venture, exceptional item and tax	(133.19)	(55.63)	505.33	(188.82)	1,067.92	1,427.98	(153.52)	9.48	396.83	(144.04)	829.71	1,372.43
Exceptional items (Refer Note 4)	-	50.55	-	50.55	-	-	-	55.45	-	55.45	-	-
Share of profit/(loss) of associates and joint venture (net of tax)	-	-	-	-	-	-	(0.96)	(28.19)	(16.76)	(29.15)	(15.41)	29.66
Profit / (Loss) before tax	(133.19)	(5.08)	505.33	(138.27)	1,067.92	1,427.98	(154.48)	36.74	380.07	(117.74)	814.30	1,402.09
Tax expenses:												
Current Tax	-	-	-	-	-	79.16	6.90	2.72	57.67	9.62	74.56	111.46
Deferred Tax	-	-	-	-	(22.04)	(22.04)	-	-	-	-	(22.04)	(21.99)
Profit / (Loss) after tax	(133.19)	(5.08)	505.33	(138.27)	1,089.96	1,370.86	(161.38)	34.02	322.40	(127.36)	761.78	1,312.62
Profit / (Loss) for the year / period attributable to												
Owners of the Company	(133.19)	(5.08)	505.33	(138.27)	1,089.96	1,370.86	(170.08)	33.91	314.66	(136.17)	749.90	1,313.47
Non controlling interest	-	-	-	-	-	-	8.70	0.11	7.74	8.81	11.88	(0.85)
Other Comprehensive Income (net of tax)												
Items that will be reclassified subsequently to profit or loss												
Net movement on cash flow hedges	(36.81)	18.20	(237.61)	(18.61)	(460.05)	(55.42)	(36.81)	18.20	(237.61)	(18.61)	(460.05)	(55.42)
Exchange differences on translation of foreign operations (including share of associates and joint venture)	-	-	-	-	-	-	4.33	(34.36)	103.68	(30.03)	97.94	10.19
Items that will not be reclassified subsequently to profit or loss												
Re-measurement gains/ (losses) on defined benefit plans	(13.50)	(11.57)	0.79	(25.07)	7.67	(16.47)	(13.95)	(11.43)	0.80	(25.38)	7.71	(16.44)
Other Comprehensive Income for the year / period (net of tax)	(50.31)	6.63	(236.82)	(43.68)	(452.38)	(71.89)	(46.43)	(27.59)	(133.13)	(74.02)	(354.40)	(61.67)
Total Comprehensive Income for the year / period	(183.50)	1.55	268.51	(181.95)	637.58	1,298.97	(207.81)	6.43	189.27	(201.38)	407.38	1,250.95
Total Comprehensive Income for the year / period attributable to												
Owners of the Company	(183.50)	1.55	268.51	(181.95)	637.58	1,298.97	(219.88)	6.32	181.53	(213.56)	395.50	1,251.80
Non controlling interest	-	-	-	-	-	-	12.07	0.11	7.74	12.18	11.88	(0.85)
Paid-up Equity share Capital												
Equity shares of Rs 5 each	661.02	659.63	655.82	661.02	655.82	658.87	661.02	659.63	655.82	661.02	655.82	658.87
Other Equity	-	-	-	8,587.34	7,946.52	8,643.35	-	-	-	9,451.01	8,660.29	9,538.46
Earning Per Share (EPS) of Rs.5 each												
Basic	(1.01)	(0.04)	3.97	(1.05)	8.61	10.63	(1.29)	0.26	2.47	(1.03)	5.93	10.18
Diluted	(1.01)	(0.04)	3.83	(1.05)	8.34	10.39	(1.29)	0.25	2.39	(1.03)	5.74	9.95

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Statement of Assets and Liabilities	(Rs in Millions)			
	Standalone		Consolidated	
	As at		As at	
	September 30, 2019	March 31, 2019	September 30, 2019	March 31, 2019
PARTICULARS	Unaudited	Audited	Unaudited	Audited
ASSETS				
Non-current assets				
Property, Plant and Equipment	1,340.74	1,389.41	1,686.42	1,799.68
Right-of-use- asset	202.78	-	489.12	-
Capital work-in-progress	42.99	42.99	43.18	42.99
Goodwill on consolidation	-	-	284.84	364.49
Other Intangible assets	820.60	932.92	1,029.86	1,176.72
Intangible assets under development	1,782.48	1,397.75	2,779.85	2,233.54
Investment in subsidiary, associate and a joint venture	934.07	934.07	506.32	524.49
Deferred tax assets (net)	396.70	396.70	442.29	441.76
Financial Assets				
(i) Investments	0.05	0.05	0.05	0.05
(ii) Loans and deposits	69.82	68.64	120.37	112.05
(iii) Non current bank balances	109.77	109.77	109.77	109.77
Income tax assets (net)	552.19	652.83	672.95	762.73
Other non-current assets	425.02	416.93	425.02	491.02
Current assets				
Investment in subsidiary	-	154.45	-	-
Financial Assets				
(i) Investments	161.32	156.06	161.32	156.06
(ii) Trade receivables	3,664.30	2,166.77	2,128.56	2,027.26
(iii) Cash and cash equivalents	160.48	187.95	832.20	752.92
(iv) Bank balances other than (iii) above	60.00	65.80	60.00	65.80
(v) Loans and deposits	59.25	56.83	67.33	65.44
(vi) Other financial assets	3,020.12	3,716.00	4,326.79	4,211.26
Other current assets	964.33	870.77	1,114.84	975.76
Total Assets	14,767.01	13,716.69	17,281.08	16,313.79
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	661.02	658.87	661.02	658.87
Other Equity	8,587.34	8,643.35	9,451.01	9,538.46
Share application money pending allotment	0.19	-	0.19	-
Non-controlling interests	-	-	102.62	90.44
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	487.68	635.46	487.68	635.46
(ii) Lease liability	141.36	-	339.02	-
(iii) Derivative instruments	27.03	24.16	27.03	24.16
(iv) Other Financial Liabilities	6.00	-	6.00	-
Deferred Tax Liabilities (Net)	-	-	1.61	1.67
Current liabilities				
Financial Liabilities				
(i) Borrowings	1,482.63	363.22	1,482.63	371.80
(ii) Lease liability	66.49	-	161.02	-
(iii) Trade payables				
A) total outstanding dues of micro enterprises and small enterprises	1.18	22.34	1.18	22.34
B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,328.17	1,180.59	1,719.58	1,641.78
(iv) Other financial liabilities	622.83	983.28	967.61	1,397.67
(v) Derivative instruments	46.45	30.71	46.45	30.71
Other current liabilities	981.71	863.70	1,376.79	1,473.50
Provisions	326.93	266.05	438.23	367.04
Current Tax Liabilities (Net)	-	44.96	11.41	59.89
Total Equity and Liabilities	14,767.01	13,716.69	17,281.08	16,313.79

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Statement of Standalone & Consolidated Cash Flow for the period ended				
PARTICULARS	(Rs in Millions)			
	Standalone		Consolidated	
	Sep 30, 2019	Sep 30, 2018 (Refer Note 1)	Sep 30, 2019	Sep 30, 2018 (Refer Note 1)
A. CASH FLOW USED IN OPERATING ACTIVITIES				
Profit / (Loss) for period before tax	(138.27)	1,067.92	(117.74)	814.30
Exceptional item (Refer Note 4)	(50.55)	-	(55.45)	-
Adjustments to reconcile profit / (loss) for the period to net cash flows				
Depreciation and amortisation	239.67	164.55	327.56	191.58
Expense on Employee Stock Option Scheme (ESOP)	68.45	(1.50)	68.45	(1.50)
Dividend income	(3.90)	(5.66)	(3.90)	(2.53)
Allowances for credit impaired	54.00	92.80	54.00	128.80
Unrealised foreign exchange (Gain)/loss (net) (Including impact of foreign currency translation)	(67.06)	(2.35)	(82.28)	44.34
Loss on sale of non-current investments (net)	-	3.67	-	-
Profit on sale of Property, Plant and Equipment	(86.76)	(455.77)	(86.82)	(455.77)
Adjustments to the carrying amount of investments	(1.35)	(0.38)	(1.35)	0.38
Bad debts / advances written off	-	-	-	3.67
Share of Loss in Associate	-	-	29.15	15.41
Interest expense	73.35	64.89	87.18	64.89
Interest income	(55.89)	(27.90)	(70.06)	(30.53)
Operating Profit / (Loss) before working capital changes	31.69	900.27	148.74	773.04
Movement in working capital				
Decrease / (Increase) in trade receivables	(1,492.16)	(1,012.29)	(82.34)	(606.41)
Decrease/(Increase) in financial assets and other assets	645.62	(1,587.24)	(146.51)	(1,538.66)
Increase/(Decrease) in financial liabilities, other liabilities and provisions	(81.32)	322.15	(481.39)	307.95
Cash flow from / (used in) operations	(896.17)	(1,377.11)	(561.50)	(1,064.08)
Income taxes paid (net of refunds)	99.18	(56.01)	78.12	(114.24)
Net cash used in operating activities (A)	(796.99)	(1,433.12)	(483.38)	(1,178.32)
B. CASH FLOW USED IN INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment including intangible assets and capital advances	(446.05)	(515.83)	(646.76)	(673.56)
Proceeds from sale of Property, Plant and Equipment	93.31	465.75	298.75	465.75
Net Increase / (decrease) in non-trade investments	205.00	60.59	-	49.42
Net Increase / (decrease) in bank deposit	(0.60)	683.40	(0.60)	(140.41)
Interest received	18.79	9.77	29.44	12.40
Net cash used in investing activities (B)	(129.55)	703.68	(319.17)	(286.40)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from share capital issued on exercise of stock options	2.15	2.13	2.15	2.13
Proceeds from share premium on exercise of stock options	28.49	21.32	28.49	21.32
Proceeds from share capital issued on Preferential allotment	-	26.04	-	26.04
Proceeds from securities premium on Preferential allotment	-	973.96	-	973.96
Proceeds from share application money	0.19	10.49	0.19	10.49
(Repayment) / Proceeds from Long term secured loans	(163.36)	(141.40)	(157.50)	(49.86)
(Repayment) / Proceeds from Short term borrowings	1,098.78	(62.40)	1,086.14	(123.12)
Interest paid	(66.36)	(59.16)	(81.99)	(59.16)
Dividends paid during the period	-	-	-	(4.74)
Net cash generated from financing activities (C)	899.89	770.98	877.48	797.06
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(26.65)	41.54	74.93	(667.66)
Effect of exchange differences on Cash and Cash Equivalents held in foreign currency	(0.82)	0.38	4.35	(0.92)
Cash and Cash Equivalents at the beginning of the period	187.95	138.02	752.92	1,402.28
Cash and Cash equivalents at the end of the period	160.48	179.94	832.20	733.70




NOTES:

1. The standalone and consolidated financial results for the quarter and period ended September 30, 2019 were approved by the Board of Directors at its meeting held on November 04, 2019. 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. The comparative cash flow information of the Company for the half year ended September 30, 2018 included in this Statement have not been subjected to the limited review by the statutory auditors.
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. Effective April 1, 2019, the Group adopted Ind-AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in the recognition of right-of-use asset (ROU) and a lease liability. Consequently, the Company has recognised right-of-use asset amounting to Rs.141.99 million and Rs.435.18 million in its standalone and consolidated financial statements and lease liability of Rs.141.99 million and Rs.435.18 million in its standalone and consolidated financial statements respectively.
4. Exceptional items in standalone and consolidated financial results for the period ended September 30, 2019 represents profit of Rs.50.55 million and Rs.55.45 million respectively, from disposal of shares of SFL Properties Private Limited, a wholly owned subsidiary by the Company for an aggregate consideration of Rs.205 million.
5. Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 (Ordinance), the Company is not exercising the option to avail concessional Income tax rate in the current period considering factors including existing tax benefits, future plans, etc.
6. Figures of the earlier period, wherever necessary, have been regrouped to conform with those of the current periods.

For Intellect Design Arena Limited



Arun Jain

Chairman and Managing Director



Venkateswarlu Saranu

Chief Financial Officer

Place : Chennai

Date : November 04, 2019

Intellect Q2 FY20 revenue at INR 328 Cr

License revenue at INR 53 Cr; Recorded 9 Digital led wins including 4 large Digital Transformation deal wins

Chennai (India), Nov 4, 2019: Intellect Design Arena Ltd, a specialist in applying true Digital Technologies and a global leader in Financial Technology across Banking and Insurance, announced its second quarter results for FY 2019-20 today.

I. Calibrated Growth Yielding Predictability

Q2 FY20 - Financial Highlights

Revenue:

- Total Revenue for Q2 FY20 is INR 327.51 Cr, In \$ terms, it is US \$46.57 Mn
- H1 FY20 Total Revenue is INR 671 Cr. In \$ terms, it is US \$ 96 Mn
- A double digit \$mn deal in iGTB with a Top 20 Global Bank deferred
- Three cloud deal wins have no significant impact on current Quarter revenues

License Revenue:

- Q2 FY20 License Revenue is INR 53 Cr
- H1 FY20 License revenues is INR 119 Cr
- Q2 FY20 AMC Revenue is INR 63 Cr

Digital led wins and implementations

- Q2 FY20 recorded 9 Digital led wins including 4 large Digital Transformation deal wins
- Intellect went live in 13 financial institutions across the world during this quarter

Gross Margin, EBITDA and Net Profit

- Gross Margin is at INR 148.44 Cr in Q2 FY20, 45.32% of revenues
- EBITDA for Q2 FY20 is INR (4.93 Cr) and H1 FY20 is INR 7.3 Cr
- Net Profit (Loss) for Q2FY20 is INR (17 Cr) and H1 FY20 is INR (13.6 Cr)

Collections and Net DSO

- Collections for Q2 FY20 is INR 312 Cr
- The Net Days of Sales Outstanding (DSO) after taking customer advances into account is 126 days in Q2 FY20
- Investment in Product Development (Capitalised) is INR 28.36 Cr

Cash and Debt position

- Cash and Cash Equivalent is INR 116.33 Cr
- Net Cash is INR (31.73 Cr)
- Term loan is INR 82.12 Cr

Order backlog – Cloud/Subscription deals

- Order backlog relating to GeM - INR 400 Cr as of Q2 FY20
- Order backlog relating to other Cloud deals INR 375 Cr as of Q2 FY20

iGTB registered INR 128.12 Cr Revenue

- iGTB registered INR 128.12 Cr revenue in Q2 FY20
- 58% of its Q2 FY20 revenue from Advanced Markets
- Strong pipeline of over \$90m+ in Q3/ Q4

II. Management Statement

Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited said, *“Our second deal win for IDC in the UK and Go-live of the first deal have opened up the Europe Market for IDC. With the revival of Lending Wins, iGCB Business will deliver on its promise as the Business to mature in FY20. While deferral of a large multi-million dollar deal and external factors have depressed revenues this Quarter, our readiness to capitalize on the market shift towards Cloud and our Industrialization successes, provide us confidence for the future”*

Venkateswarlu Saranu, Chief Financial Officer, Intellect Design Arena Limited said, *“While top line growth in this quarter has not been to our expectations, our efficiency drive has let to cost reduction by INR 10 cr over year ago which will also ease the pressure on our cash flows. We hope to sustain these initiatives going forward”*

III. Digital Deals

With our path-breaking Digital 360 approach, Intellect has been able to address all aspects of our customers' digital requirements. Q2 FY20 recorded 9 Digital led wins including 4 large digital transformation deal wins.

Large Digital Transformation deal wins

- **Two Large Multi-Million Deal wins for IDC 19.1:** The Commonwealth Trade Bank, an established UK regulated wholesale bank and one of the large banks in South East Asia will implement Intellect's powerful Digital Core solution, IDC 19.1. Designed on a formidable Digital 360 proposition, IDC 19.1 presents banks with the best of both worlds; Digital Outside translates to enhanced customer experience and the Digital Inside drives operational efficiencies.
- **iGTB strikes two large deal wins for its Liquidity Management Solution (LMS) :** A leading bank operating in United Arab Emirates and a Dubai government-owned largest banking group in the Middle East have chosen iGTB's Liquidity Management Solution to deliver superior cash and liquidity management to their clients.

Significant deal wins

- Intellect Capital Cube powers the fastest growing bank at Mauritius. One of the largest conglomerates of Mauritius, which ranked in the Top 100 business organizations, has chosen Intellect Treasury as a partner in its vision for growth and high market share. Intellect Treasury is a highly agile Treasury and Risk Management System, which can exponentially improve trading and service performance to bring in cost efficiencies across the organization.
- A leading commercial bank in Kenya has chosen Intellect Retail CBX for their “Digital Transformation” initiatives, in their partnering Savings and Credit Cooperative Societies (SACCO). The transformation program will place the bank on an accelerated path to achieve its vision of becoming Kenya’s leading bank in providing great customer experience.
- One of the largest bank in Kuwait with a broad offering of consumer banking, wholesale banking, treasury, and financial services chose the latest Debt Management Platform from Intellect Digital Lending Suite in their initiative to upgrade their existing solutions to centralize operations and drive high degree of efficiency across the bank’s life cycle.
- A leading Qatari-owned financial institution chose to upgrade its existing Retail Internet and Mobile banking with IDC - Intellect’s Retail CBX. IDC will help the Bank with Digital transformation initiatives and offer the entire gamut of E-banking services to all its customers.
- A diversified global insurer and the fourth-largest property & casualty insurer in the United States chose Intellect SEEC. The insurance division of Intellect will provide Intellect Data Extract Software as a Service (SaaS) offering, that extracts configured data from Excel, PDFs and other text sources. The software is pre-trained on entities and formats to extract, which can be configured per the client.

III. Reliable Implementations

Intellect went live in 13 financial institutions across the world during this quarter. Some of the significant implementations in Q2 FY20 are:

- Intellect SEEC completed large digital transformation in insurance in UK successfully with zero migration defects. This is credit to the digital assets and methodology at Intellect
- Abu Dhabi Islamic Bank (ADIB) goes ‘live’ with Intellect’s Digital Transaction Banking. iGTB solution is key to the digital transformation of ADIB’s end-to-end transaction banking services, empowering the bank to provide convenient, rapid and more operationally efficient services
- Raiffeisenlandesbanks goes ‘live’ with Intellect’s Digital Trade Finance Solution. iGTB’s single implementation enables Raiffeisenlandesbanks to transform their end-to-end trade finance operations and facilitate continuing business and market demands

- A leading commercial bank in Kenya, the largest economy in the East African Community has gone 'live' with iGTB's CBX, Contextual Payments and Retail CBX. The transformation program will place the bank on an accelerated path to achieve its vision of becoming Kenya's leading bank in providing great customer experience
- One of the top 20 banks in North America has gone 'live' with CBX 18 (Digital Platform) and Contextual Payments. The transformation program was executed by iGTB in partnership with a global leading cloud platform and cognitive solutions company
- An Indian state-owned International banking & financial services company and the second largest bank in India, has gone 'live' with Intellect Digital Lending hosted in a cloud platform
- iGTB has implemented its Liquidity Management Solution (LMS) in the largest Swedish financial group for corporate customers, institutions and private individuals, headquartered in Stockholm. iGTB's Liquidity Management solution will help the group for on-boarding new customers, better performance and operational efficiencies
- The largest Islamic bank in the UAE went 'live' with iGTB's CBX and Remittance Tech. CBX upgrade includes enabling products as 'Apps' for desktops, role based apps, enhanced graphical charts and publish app views.
- One of the largest holding companies with the global scope of operations based in Japan has gone 'live' with Retail CBX to modernise its technology architecture and power its digital transformation requirements.
- A diversified global insurer and the fourth-largest property and casualty insurer in the United States, has implemented AI powered Intellect FABRIC to build Cloud Native, Enterprise Grade insurance applications that leverage Machine Learning and Big Data. Intellect FABRIC is trained for data extraction, normalization, validation and enrichment across multiple document types and business scenarios.
- Intellect SEEC implemented its AI-powered, cloud-native Fraternal Suite for the Slovene fraternal organization based out of Joilet, Illinois. This platform supports seven powerful business apps, which are multi-device, multi-channel (supporting agent, back-office staff and members) and they come out-of-the-box with a single codebase. This suite of integrated apps includes—CRM, Needs Analysis, Quote and Illustration, e-App, Profile Management, Customer Service and Product Launcher.

IV. Product Acceptance in Leadership Quadrant

Intellect's cutting-edge digital technologies and products have been recognized by the renowned global analysts and research firms.

IDC Financial Insights Real Results Awards 2019

Intellect is proud to be recognized by IDC Financial Insights Real Results Awards 2019. Intellect's OneTreasury (Capital Cube) implementation at Westpac has been ranked as a winner - "Trade & Treasury Consolidation & Simplification" at 2019 IDC Real Results Awards.

Asian Banking & Finance Retail Banking Awards 2019

Intellect powered BDO Nomura Securities took to the winners' podium at the Asian Banking & Finance Retail Banking Awards 2019 and was honoured with the 'Online Securities Platform of the Year' Award. Intellect implemented its Capital Alpha solution at BDO Nomura, which is the online securities trading platform used to trade online in the Philippines Stock Exchange.

Gartner ranks Intellect Digital Core among Latin America's Top Core Banking System Vendors

Intellect Digital Core (IDC) featured amongst Latin America's Top Core Banking System Vendors offering End-to-End Business Functionalities across Retail and Corporate Banking in the report titled 'A Banker's Guide to Core Banking Systems for Latin America'. Although Gartner's Latin American core banking market is dominated by vendors from the Americas, international vendors are expanding their penetration, and it is therefore appropriate that Intellect has been chosen.

Intellect SEEC is profiled amongst leading vendors in Distribution Management Systems Worldwide in the Celent report titled 'Distribution Management Systems Vendor'

Intellect SEEC has been profiled amongst leading vendors in Distribution Management Systems Worldwide in the Celent report. This report provides an overview of the distribution management systems available globally for insurance carriers. The report profiles 15 solutions, which feature Intellect SEEC providing an overview of functionality, customer base, lines of business supported, technology, implementation, pricing and support.

Aite Group has profiled iGTB as a "Major AI Vendor" in its report titled, "Artificial Intelligence in Wholesale Payments: Five Use Cases"

iGTB's CBX has been featured as a Major AI Vendor with BI and Analytics Use Case in the Aite Report – 'Artificial Intelligence in Wholesale Payments: Five Use Cases'. CBX is a white-label digital transaction banking platform that uses ML and predictive analytics delivered via application programming interfaces (APIs). Through the use of a graphical user interface, CBX offers a range of recommended actions and insights across the treasury space via several modules.

Intellect has been recognized as a "Strong Performer" in the "The Forrester Wave™: Digital Banking Engagement Platforms: Forrester, an American market research company that provides advice on existing and potential impact of technology, to its clients and the public, recognized Intellect as a 'Strong Performer' in "The Forrester Wave : Digital Banking Engagement Platforms report.

Financial Results for the Second Quarter Ended – September, 2019

Additional Information on function wise classification of statement of Profit and Loss of the Group
(Consolidated Un-audited / Not Reviewed)

INR in Lakhs

Particulars	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	September 30, 2019 (Q2 FY 20)	June 30, 2019 (Q1 FY 20)	September 30, 2018 (Q2 FY 19)	September 30, 2019 (H1 FY 20)	September 30, 2018 (H1 FY 19)	March 31, 2019 (FY19)
INCOME						
Income from software product license and related services	32,751.30	34,338.13	38,307.90	67,089.43	68,321.31	1,45,873.25
EXPENDITURE						
Software development expenses	17,906.95	18,158.79	19,271.86	36,065.74	35,213.87	73,717.60
Gross Margin	14,844.35	16,179.34	19,036.04	31,023.69	33,107.44	72,155.65
Gross Margin %	45.32%	47.12%	49.69%	46.24%	48.46%	49.46%
Selling and marketing & General and administrative expenses	11,663.16	11,403.73	11,434.53	23,066.88	21,816.92	45,526.46
Research & Engineering expenses	3,329.55	3,355.13	2,374.56	6,684.68	4,519.99	10,039.81
Provision for Debts and Write offs	345.00	195.00	1,129.68	540.00	1,324.68	1,739.16
Total Expenditure*	33,244.65	33,112.65	34,210.63	66,357.30	62,875.46	1,31,023.03
EBITDA	(493.35)	1,225.48	4,097.27	732.13	5,445.85	14,850.22
Depreciation/Amortisation	1,621.12	1,654.46	1,072.89	3,275.58	1,915.76	4,155.71
Hedge Impact	(93.73)	(58.82)	(270.80)	(152.55)	(398.97)	(916.32)
Finance Charges	477.89	393.87	341.02	871.75	648.88	1,144.25
Other Income (including Treasury)	800.23	1,507.66	1,048.85	2,307.89	5,214.95	6,270.56
Reinstatement of Receivables / Liabilities	349.94	23.32	506.87	373.26	600.01	(1,180.31)
Minority Interest/ Share of profit/(loss) of Associate Companies	(96.70)	(282.97)	(244.99)	(379.68)	(272.92)	305.03
Profit / (Loss) before tax	(1,632.62)	366.34	3,723.29	(1,266.27)	8,024.26	14,029.21
Provision for taxation	68.95	27.22	576.68	96.17	525.21	894.70
Profit / (Loss) after tax	(1,701.57)	339.12	3,146.60	(1,362.44)	7,499.05	13,134.51

* Total Expenditure includes ESOP cost of INR 4.03 Cr in current quarter

Investor Conference Call

The Board of Directors of Intellect Design Arena Limited met on **4th November, 2019**, to take on record the financial results of the company for the Q1 FY20 ended on June 30, 2019.

Intellect Design Arena Ltd. will host an Investors Conference Call on **4th November, 2019**, where the Senior Management of Intellect will comment on the company’s performance during the Q2 FY20 and respond to questions from participants. **The conference call will take place at 17:00 Hrs IST on Monday, 4th November, 2019.** The dial-in numbers to join the conference call:

Conference Name : **Q2 FY20 - Investor earnings call**
Date : **4th November, 2019**
Time : **05:00 PM to 06:00 PM IST**
Conference ID : **88382806**

ACCESS NUMBERS

MUMBAI : Primary Access Toll Number : 02239402340
 BANGALORE : Primary Access Toll Number : 08039402340
 DELHI : Primary Access Toll Number : 01139402340/011 667565430
 CHENNAI : Primary Access Toll Number : 04439402340
 INDIA : Primary Access Toll free Number : 18001203356/ 18001029810
 HONG KONG : Primary Access Toll free Number : 800933332/ +85230600221
 SINGAPORE : Primary Access Toll free Number : 8001206940/ +6564298385
 US : Primary Access Toll free Number : 18558616822/ +16465618898
 Canada : Primary Access Toll free Number : 18556917951/+14162165636
 UK : Primary Access Toll free Number : 08007563976/+442033645144
 UAE : Primary Access Toll free Number : 800035770170

About Intellect Design Arena Limited

Intellect Design Arena Ltd, a specialist in applying true digital technologies, is the world’s first full spectrum 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 for 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 generates annual revenues of USD 208 million, serving 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

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