

**Limited Review Report on the Unaudited Standalone and Consolidated Financial Results of Intellect Design Arena Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of  
Intellect Design Arena Limited

1. We have reviewed the accompanying statement of quarterly 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 December 31, 2018 and year to date from April 1, 2018 to December 31, 2018 (hereinafter referred to as the 'Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (herein referred to as the 'Regulation').
2. The Statement is the responsibility of the Company's management and have been approved by the Board of Directors of the Company, and have been prepared on the basis of the standalone and consolidated financial results for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 2018.
3. Our responsibility is to express a conclusion on these standalone and consolidated financial results based on our review of the standalone and consolidated financial results for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 (the 'Act') read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India; and the relevant requirements of the Regulation and the Circular.
4. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. Based on our review conducted as above and based on the consideration of the reports of other auditors on the unaudited separate quarterly financial results and other financial information of subsidiaries, associates and joint ventures as detailed in Paragraph 6, 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 recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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 20 subsidiaries, whose Ind AS financial results include total assets of Rs. 57,500.60 lakhs as at December 31, 2018 and total revenues of Rs. 16,745.84 lakhs and Rs. 49,385.02 lakhs respectively for the quarter and for the period ended December 31, 2018 respectively. These Ind AS financial results and other financial information have been reviewed by other auditors, which financial results, 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. 16.45 lakhs and Rs. 170.59 lakhs for the quarter and for the period ended December 31, 2018 respectively, as considered in the consolidated Ind AS financial results, in respect of 2 associates and a joint venture, whose financial results 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



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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



Place: Chennai

Date: January 28, 2019

# INTELLECT DESIGN ARENA LIMITED

CIN : L72900TN2011PLC080183

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UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS OF INTELLECT DESIGN ARENA LIMITED FOR THE PERIOD ENDED DECEMBER 31, 2018

(Rs in Lakhs)

PARTICULARS	Standalone						Consolidated					
	Quarter ended December 31, 2018	Quarter ended September 30, 2018	Quarter ended December 31, 2017 (Refer Note 2)	Nine months ended December 31, 2018	Nine months ended December 31, 2017 (Refer Note 2)	Year ended March 31, 2018 (Refer Note 2)	Quarter ended December 31, 2018	Quarter ended September 30, 2018	Quarter ended December 31, 2017	Nine months ended December 31, 2018	Nine months ended December 31, 2017	Year ended March 31, 2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Income</b>												
Revenue from Operations	234,63.53	253,04.12	178,22.24	682,35.02	457,32.92	675,16.92	374,72.40	380,37.09	270,67.49	1,053,94.73	780,31.75	1,087,29.07
Other income (Refer Note 6)	4,27.82	10,60.51	8,26.81	56,25.73	17,82.77	31,56.85	4,89.17	15,55.72	8,38.41	57,04.12	18,12.76	26,67.82
<b>Total Income</b>	<b>238,91.35</b>	<b>263,64.63</b>	<b>186,49.05</b>	<b>738,60.75</b>	<b>475,15.69</b>	<b>706,73.77</b>	<b>379,61.57</b>	<b>395,92.81</b>	<b>279,05.90</b>	<b>1,110,98.85</b>	<b>798,44.51</b>	<b>1,113,96.89</b>
<b>Expenditure</b>												
Employee benefit expenses	149,57.00	156,98.79	125,89.95	438,27.46	335,54.30	473,24.81	259,30.17	251,77.77	200,21.03	737,76.46	555,95.88	767,11.78
Depreciation/Amortisation	8,66.11	8,49.77	6,15.65	25,11.61	17,35.63	25,14.33	10,92.70	10,72.89	6,52.10	30,08.46	18,33.86	26,53.49
Finance Cost	2,22.84	3,41.02	3,07.33	8,71.72	11,11.70	13,73.13	2,24.65	3,41.02	3,08.58	8,73.53	11,21.00	13,82.62
Other expenses	55,92.16	44,21.78	34,18.46	137,17.50	111,32.76	159,40.97	91,47.56	90,32.86	57,99.36	235,76.73	177,36.99	247,79.11
<b>Total Expenses</b>	<b>216,38.11</b>	<b>213,11.36</b>	<b>169,31.39</b>	<b>609,28.29</b>	<b>475,34.39</b>	<b>671,53.24</b>	<b>363,95.08</b>	<b>356,24.54</b>	<b>267,81.07</b>	<b>1,012,35.18</b>	<b>762,87.73</b>	<b>1,055,27.00</b>
<b>Profit / (Loss) before share of profit / (loss) of associates, joint venture and tax</b>	<b>22,53.24</b>	<b>50,53.27</b>	<b>17,17.66</b>	<b>129,32.46</b>	<b>(18.70)</b>	<b>35,20.53</b>	<b>15,66.49</b>	<b>39,68.27</b>	<b>11,24.83</b>	<b>98,63.67</b>	<b>35,56.78</b>	<b>58,69.89</b>
Share of profit/(loss) of associates and joint venture (net of tax)	-	-	-	-	-	-	(16.45)	(1,67.55)	3,39.30	(1,70.59)	27.48	5,04.05
<b>Profit / (Loss) before tax</b>	<b>22,53.24</b>	<b>50,53.27</b>	<b>17,17.66</b>	<b>129,32.46</b>	<b>(18.70)</b>	<b>35,20.53</b>	<b>15,50.04</b>	<b>38,00.72</b>	<b>14,64.13</b>	<b>96,93.08</b>	<b>35,84.26</b>	<b>63,73.94</b>
Tax expenses:												
Current Tax	-	-	31.89	-	32.89	-	2,13.61	5,76.68	1,10.28	9,59.25	6,57.36	4,83.69
Deferred Tax	-	-	-	(2,20.43)	-	2,20.43	(17.95)	-	-	(2,38.38)	-	219.29
<b>Profit / (Loss) after tax</b>	<b>22,53.24</b>	<b>50,53.27</b>	<b>16,85.77</b>	<b>131,52.89</b>	<b>(51.59)</b>	<b>33,00.10</b>	<b>13,54.38</b>	<b>32,24.04</b>	<b>13,53.85</b>	<b>89,72.21</b>	<b>29,26.90</b>	<b>56,70.96</b>
Profit / (Loss) for the year / period attributable to												
Owners of the Company	22,53.24	50,53.27	16,85.77	131,52.89	(51.59)	33,00.10	13,37.65	31,46.61	12,16.37	88,36.70	20,85.46	46,72.62
Non controlling interest	-	-	-	-	-	-	16.73	77.43	1,37.48	1,35.51	8,41.44	9,98.34
<b>Other Comprehensive Income (net of tax)</b>												
<b>Items that will be reclassified subsequently to profit or loss</b>												
Net movement on cash flow hedges	29,25.62	(23,76.06)	(4,53.14)	(16,74.89)	(14,11.24)	(18,14.18)	29,25.62	(23,76.06)	(4,53.14)	(16,74.89)	(14,11.24)	(18,14.18)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(6,65.23)	10,36.75	(1,12.07)	3,14.19	5,67.98	13,33.54
<b>Items that will not be reclassified subsequently to profit or loss</b>												
Re-measurement gains/ (losses) on defined benefit plans	(1,22.72)	7.90	14.45	(46.06)	24.97	(19.90)	(1,22.81)	7.97	16.27	(45.74)	24.85	(11.99)
<b>Other Comprehensive Income for the year / period (net of tax)</b>	<b>28,02.90</b>	<b>(23,68.16)</b>	<b>(4,38.69)</b>	<b>(17,20.95)</b>	<b>(13,86.27)</b>	<b>(18,34.08)</b>	<b>21,37.58</b>	<b>(13,31.34)</b>	<b>(5,48.94)</b>	<b>(14,06.44)</b>	<b>(8,18.41)</b>	<b>(4,92.63)</b>
<b>Total Comprehensive Income for the year / period</b>	<b>50,56.14</b>	<b>26,85.11</b>	<b>12,47.08</b>	<b>114,31.94</b>	<b>(14,37.86)</b>	<b>14,66.02</b>	<b>34,91.96</b>	<b>18,92.70</b>	<b>8,04.91</b>	<b>75,65.77</b>	<b>21,08.49</b>	<b>51,78.33</b>
Total Comprehensive Income for the year / period attributable to												
Owners of the Company	50,56.14	26,85.11	12,47.08	114,31.94	(14,37.86)	14,66.02	34,75.23	18,15.27	6,67.43	74,30.26	12,67.05	41,79.99
Non controlling interest	-	-	-	-	-	-	16.73	77.43	1,37.48	1,35.51	8,41.44	9,98.34
<b>Paid-up Equity share Capital</b>												
Equity shares of Rs 5 each	65,74.86	65,58.15	62,55.93	65,74.86	62,55.93	62,76.45	65,74.86	65,58.15	62,55.93	65,74.86	62,55.93	62,76.45
Other Equity	-	-	-	-	-	639,59.60	-	-	-	-	-	739,15.37
<b>Earning Per Share (EPS) of Rs.5 each</b>												
Basic	1.71	3.97	1.35	10.16	(0.04)	2.81	1.02	2.47	0.97	6.83	1.81	3.97
Diluted	1.66	3.83	1.31	9.85	(0.04)	2.73	0.98	2.39	0.94	6.62	1.77	3.87

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**NOTES:**

1. The standalone and consolidated financial results for the quarter and period ended December 31, 2018 were approved by the Board of Directors at its meeting held on January 28, 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.
2. The Company had entered into a Scheme of Arrangement ("the Scheme") for merger of two of its subsidiaries, namely Indigo TX Software Private Limited ("ITSPL") and Laser Soft Infosystems Limited ("LSIL") with the Company. The Scheme was approved by the stock exchanges, shareholders and National Company Law Tribunal (NCLT) and the NCLT order was filed with the Registrar of Companies on July 31, 2018. The appointed date under the Scheme is April 1, 2016 for the purpose of tax and regulatory requirements. Accordingly, the Company has accounted for the scheme of arrangement in accordance with Ind AS 103 - 'Business Combinations' 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 as a common control transaction. Pursuant to the requirement of Appendix C to Ind AS 103, all periods presented in the accompanying financial results have been restated for the merger of ITSPL and LSIL into the Company.
3. 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'.
4. Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces the existing revenue recognition requirements. The Company has applied the modified retrospective approach and debited the retained earnings as at April 1, 2018 by Rs.1,196.55 lakhs and Rs.807.97 lakhs of the consolidated and standalone financial statements respectively.
5. After the requisite shareholders' approval in the Annual General Meeting held on August 23, 2018, the Company, during the quarter ended September 30, 2018, issued and allotted 5,208,330 Equity Shares of face value of Rs 5/- on preferential basis at a price of Rs 192/- per Equity Share, including a premium of Rs 187/- per Equity Share (in line with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009), aggregating Rs 9,999.99 lakhs.
6. Other Income for the nine months ended December 31, 2018 includes an amount of Rs. 3,769.05 lakhs, which represents gain on sale of land held by the Company.
7. Figures of the earlier period, wherever necessary, have been regrouped to conform with those of the current periods.

Place : Chennai

Date : January 28, 2019

For Intellect Design Arena Limited



Arun Jain

Chairman and Managing Director



Venkateswarlu Saranu

Chief Financial Officer

