

INTELLECT/SEC/2018-19

July 25, 2018

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

**Scrip Code :**  
INTELLECT

**2. The Bombay Stock Exchange Ltd.,**  
1<sup>st</sup> 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 July 25, 2018**

We wish to inform you that the Board of Directors of the Company at its meeting held on 25<sup>th</sup> July, 2018 considered and approved the following :-

1. Unaudited Financial results as set out in compliance with Indian Accounting Standards (IND AS) for the quarter ended 30<sup>th</sup> June, 2018 together with Limited Review Report of the Auditors' thereon.
2. Fund raising by issuance of 52,08,330 number of fully paid-up Equity Shares for an aggregate consideration upto Rs. 100 crores (Rupees One Hundred Crore only) at Rs. 192.00 per equity share (price arrived as per SEBI guidelines) on a Preferential Basis to Promoters, Promoters Group and Employees of the Company ("**Proposed Allottees**") in accordance with the provisions of Chapter VII of the of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI Regulations**") and other applicable provisions of the Act and rules issued thereunder subject to the approval of the members in the ensuing Annual General Meeting of the Company.
3. Media Release announcing the financial results of the Company for the quarter ended 30<sup>th</sup> June, 2018 (Copy Enclosed).

Kindly note that the meeting commenced at 11:15 a.m. and concluded at 03.30 p.m.

Kindly take the above information on record and confirm compliance.

Thanking You,

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 Unaudited Standalone and Consolidated Financial Results of the Company 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 June 30, 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 three-month period ended June 30, 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 three-month period ended June 30, 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 relevant rules issued thereunder 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 statements and other financial information, in respect of 22 subsidiaries, whose Ind AS financial statements include total assets of Rs. 51,293.72 lakhs as at June 30, 2018 and total revenues of Rs. 12,907.70 lakhs for the quarter and the period ended on that date. These Ind AS financial statements 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 profit of Rs. 13.41 lakhs for the quarter and for the period ended June 30, 2018 respectively, as considered in the consolidated Ind AS financial statements, in respect of 2 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

Place: Chennai

Date: July 25, 2018



# 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 JUNE 30, 2018

(Rs in Lakhs)

| PARTICULARS   | Standalone                                  |   |   |   | Consolidated                                |   |   |   |
|---|---|---|---|---|---|---|---|---|
|   | Quarter ended<br>June 30, 2018<br>Unaudited | Quarter ended<br>June 30, 2017<br>Unaudited | Quarter ended<br>March 31, 2018<br>Refer note 2 | Year Ended<br>March 31, 2018<br>Audited | Quarter ended<br>June 30, 2018<br>Unaudited | Quarter ended<br>June 30, 2017<br>Unaudited | Quarter ended<br>March 31, 2018<br>Refer note 2 | Year Ended<br>March 31, 2018<br>Audited |
| <b>Income</b>   |   |   |   |   |   |   |   |   |
| Revenue from Operations   | 194,16.47                                   | 123,10.13                                   | 217,48.33                                       | 671,47.78                               | 298,85.24                                   | 241,16.80                                   | 306,97.32                                       | 1,087,29.07                             |
| Other income (Refer Note 7)   | 41,36.41                                    | 2,40.13                                     | 13,52.94  | 31,33.72                                | 42,59.23                                    | 2,98.65                                     | 8,55.06   | 26,67.82                                |
| <b>Total Income</b>   | <b>235,52.88</b>                            | <b>125,50.26</b>                            | <b>231,01.27</b>                                | <b>702,81.50</b>                        | <b>341,44.47</b>                            | <b>244,15.45</b>                            | <b>315,52.38</b>                                | <b>1,113,96.89</b>                      |
| <b>Expenditure</b>  |   |   |   |   |   |   |   |   |
| Employee benefit expenses   | 131,20.30                                   | 93,51.05                                    | 138,84.61                                       | 470,21.93                               | 226,68.52                                   | 162,46.52                                   | 211,15.90                                       | 767,11.78                               |
| Depreciation/Amortisation   | 7,95.53                                     | 5,58.20                                     | 7,78.50   | 25,13.54                                | 8,42.87                                     | 5,88.80                                     | 8,19.63   | 26,53.49                                |
| Finance Cost  | 3,07.86                                     | 4,11.15                                     | 2,61.43   | 13,73.13                                | 3,07.86                                     | 4,18.39                                     | 2,61.62   | 13,82.62                                |
| Other expenses  | 36,86.52                                    | 44,80.61                                    | 47,75.01  | 158,67.59                               | 59,96.31                                    | 62,55.37                                    | 70,42.12  | 247,79.11                               |
| <b>Total Expenses</b>   | <b>179,10.21</b>                            | <b>148,01.01</b>                            | <b>196,99.55</b>                                | <b>667,76.19</b>                        | <b>298,15.56</b>                            | <b>235,09.08</b>                            | <b>292,39.27</b>                                | <b>1,055,27.00</b>                      |
| <b>Profit / (Loss) before share of profit / (loss) of associates, joint venture and tax</b> | <b>56,42.67</b>                             | <b>(22,50.75)</b>                           | <b>34,01.72</b>                                 | <b>35,05.31</b>                         | <b>43,28.91</b>                             | <b>9,06.37</b>                              | <b>23,13.11</b>                                 | <b>58,69.89</b>                         |
| Share of profit/(loss) of associates and joint venture (net of tax)                         | -   | -   | -   | -                                       | 13.41                                       | 37.31                                       | 4,76.57   | 5,04.05                                 |
| <b>Profit / (Loss) before tax</b>   | <b>56,42.67</b>                             | <b>(22,50.75)</b>                           | <b>34,01.72</b>                                 | <b>35,05.31</b>                         | <b>43,42.32</b>                             | <b>9,43.68</b>                              | <b>27,89.68</b>                                 | <b>63,73.94</b>                         |
| Tax expenses:   |   |   |   |   |   |   |   |   |
| Current Tax   | -   | -   | (31.89)   | -                                       | 1,68.96                                     | 3,63.24                                     | (1,73.67)                                       | 4,83.69                                 |
| Deferred Tax  | (2,20.43)                                   | -   | 2,20.43   | 2,20.43                                 | (2,20.43)                                   | -   | 2,19.29   | 2,19.29                                 |
| <b>Profit / (Loss) after tax</b>  | <b>58,63.10</b>                             | <b>(22,50.75)</b>                           | <b>32,13.18</b>                                 | <b>32,84.88</b>                         | <b>43,93.79</b>                             | <b>5,80.44</b>                              | <b>27,44.06</b>                                 | <b>56,70.96</b>                         |
| Profit / (Loss) for the year / period attributable to                                       |   |   |   |   |   |   |   |   |
| Owners of the Company   | 58,63.10                                    | (22,50.75)                                  | 32,13.18  | 32,84.88                                | 43,52.44                                    | 73.80                                       | 25,87.16  | 46,72.62                                |
| Non controlling interest  | -   | -   | -   | -                                       | 41.35                                       | 5,06.64                                     | 1,56.90   | 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  | (22,24.45)                                  | (4,94.73)                                   | (4,02.94)                                       | (18,14.18)                              | (22,24.45)                                  | (4,94.73)                                   | (4,02.94)                                       | (18,14.18)                              |
| Exchange differences on translation of foreign operations                                   | -   | -   | -   | -                                       | (57.33)                                     | 5,19.92                                     | 7,65.56   | 13,33.54                                |
| <b>Items that will not be reclassified subsequently to profit or loss</b>                   |   |   |   |   |   |   |   |   |
| Re-measurement gains/ (losses) on defined benefit plans                                     | 28.55                                       | 58.19                                       | (1.74)  | 37.60                                   | 69.10                                       | 49.21                                       | (36.84)   | (11.99)                                 |
| <b>Other Comprehensive Income for the year / period (net of tax)</b>                        | <b>(21,95.90)</b>                           | <b>(4,36.54)</b>                            | <b>(4,04.68)</b>                                | <b>(17,76.58)</b>                       | <b>(22,12.68)</b>                           | <b>74.40</b>                                | <b>3,25.78</b>                                  | <b>(4,92.63)</b>                        |
| <b>Total Comprehensive Income for the year / period</b>                                     | <b>36,67.20</b>                             | <b>(26,87.29)</b>                           | <b>28,08.50</b>                                 | <b>15,08.30</b>                         | <b>21,81.11</b>                             | <b>6,54.84</b>                              | <b>30,69.84</b>                                 | <b>51,78.33</b>                         |
| Total Comprehensive Income for the year / period attributable to                            |   |   |   |   |   |   |   |   |
| Owners of the Company   | 36,67.20                                    | (26,87.29)                                  | 28,08.50  | 15,08.30                                | 21,39.76                                    | 1,48.20                                     | 29,12.94  | 41,79.99                                |
| Non controlling interest  | -   | -   | -   | -                                       | 41.35                                       | 5,06.64                                     | 1,56.90   | 9,98.34                                 |
| <b>Paid-up Equity share Capital</b>   |   |   |   |   |   |   |   |   |
| Equity shares of Rs 5 each  | 62,92.90                                    | 50,89.86                                    | 62,76.45  | 62,76.45                                | 62,92.90                                    | 50,89.86                                    | 62,76.45  | 62,76.45                                |
| <b>Other Equity</b>   |   |   |   |   |   |   |   |   |
|   |   |   |   | 683,90.61                               |   |   |   | 784,34.19                               |
| <b>Earning Per Share (EPS) of Rs.5 each</b>   |   |   |   |   |   |   |   |   |
| Basic   | 4.66  | (2.10)                                      | 2.57  | 2.79                                    | 3.46  | 0.07  | 2.07  | 3.97                                    |
| Diluted   | 4.50  | (2.10)                                      | 2.48  | 2.72                                    | 3.34  | 0.07  | 1.99  | 3.87                                    |

1. The standalone and consolidated financial results for the period ended June 30, 2018 were approved by the Board of Directors at its meeting held on July 25, 2018. 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 Standalone and Consolidated financial results for the quarter ended March 31, 2018 is the balancing figure between audited figures in respect of the full financial year ended March 31, 2018 and the unaudited published year-to-date figures upto the third quarter ended December 31, 2017 which was subjected to limited review.
3. The Board of Directors of the Company at its meeting held on May 3, 2016 had approved a Scheme of Arrangement ("the Scheme") enabling the merger of two of its subsidiaries, namely Indigo TX Software Private Limited ("ITSPL") and Laser Soft Infosystems Limited ("LSIL") with the Company, with an appointed date of April 1, 2016. The Scheme of Arrangement has been approved by the National Stock Exchange (NSE), the designated stock exchange on March 28, 2017 and by Bombay Stock Exchange (BSE) on March 29, 2017, the creditors and by the shareholders of the Companies in the National Company Law Tribunal (NCLT) convened meeting on January 18, 2018. The approval of the NCLT was received by the Company vide its Order dated July 04, 2018 and is yet to be filed with the Registrar of Companies pending certain corrigendum sought by the Company from the NCLT. Accordingly, the scheme would be given effect to after receipt of all approvals 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.
4. 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'.
5. The Company, vide its Letter of Offer dated July 06, 2017 offered upto 23,135,710 Equity Shares of Face Value of Rs 5/- each at a price of Rs 86/- per Rights Share including Share Premium of Rs 81/- per Equity Share for an amount aggregating to Rs 198,96.71 lakhs on Rights basis in the ratio of 5:22 ( Five Rights Shares for every 22 fully paid up Equity Shares ) held by the Equity Shareholders on the record date ie July 18, 2017. The Company had allotted 2,31,35,710 shares on August 19, 2017. Pursuant to allotment of shares by way of rights issue, earnings per share (EPS) in respect of previous period has been restated as per Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013.
6. 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 11,96.55 lakhs and Rs.807.97 lakhs of the consolidated and standalone financial statements respectively. The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the quarter ended June 30, 2018.
7. Other Income during the quarter ended June 30, 2018 includes an amount of Rs. 37,69.05 lakhs, which represents gain on sale of land held by the Company.
8. 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 : July 25, 2018

# Intellect Q1 FY 19 revenues grow 24% YoY

**Q1 FY 19 revenue at INR 299 Cr; Net Profit stood at INR 43.52 Cr**

**Breakthrough deal win in Europe for Intellect Digital Core (IDC 17.1) worth INR 100 Cr**

**Chennai (India), July 25, 2018:** Intellect Design Arena Ltd, a specialist in applying true Digital Technologies and a global leader in Financial Technology across Banking and Insurance, announced its first quarter results for FY 2018-19 today.

## I. Calibrated Growth Yielding Predictability

### Q1 FY 19 Financial Highlights:

#### Revenue: Registering 24% growth YoY

- Total Revenues for Q1 FY 19 grew by 24% Y-o-Y and stood at INR 299 Cr as against INR 241 Cr in the same quarter last year.
- In \$ terms, Q1 FY 19 Revenue grew by 19% Y-o-Y stood at US \$ 44.6 Mn as against US \$ 37.4 Mn in the same quarter last year

#### Deal Deferment

- Two destiny deals with license revenue of \$2.6 Mn (Rs. 17.4 Cr) last Quarter, in respect of which documentation could not be completed will be accounted in Q2 FY 19.
- If these had been considered, our revenue growth would have been 31% and gross margin of 50%

#### Digital led wins

- Q1 FY 19 recorded 10 Digital led wins including 2 large digital transformation deal win

#### Gross Margin

- Gross Margin stood at Rs. 139.43 Cr in Q1 FY 19 as against Rs. 118.6 Cr in the same quarter last year

#### EBITDA and Net Profit

- EBITDA stood at INR 12.2 Cr for Q1 FY 19
- Net Profit stood at INR 43.52 Cr as against INR 0.74 Cr in the same quarter last year.
- Net profit is positively impacted by an increase in Other Income owing to sale of property, which brought in a gain of INR 38 Cr

#### Collections continued to be robust

- Intellect recorded healthy collections for six quarters in a row. Collections for Q1 FY 19 stood at INR 315.2 Cr as against INR 259 Cr in the same quarter last year. Collections of Q1 FY 19 are higher than the Q1 FY 19 Revenue.
- The Net Days of Sales Outstanding (DSO) after taking customer advances into account stands at 111 days in Q1 FY 19 as against 125 days in Q1 FY 18

## II. Management Statement

**Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited** said, “We are consistently gaining momentum in building market leadership and are on course to achieving over 20% YoY growth. The last quarter saw two destiny deals getting deferred to the current Quarter resulting in a drop in quarterly gross margin. The impact of this deferment is Rs. 17.4 Cr to be accounted in Q2 results.”

## III. Board Announcement

Intellect Board has recommended fund raising by issue of equity shares on a preferential basis for an aggregate consideration upto INR 100 Cr to the promoters, promoters group and employees of the company subject to approval from the shareholders.

## IV. Digital Deals

With our path-breaking Digital 360 approach, Intellect has been able to address all aspects of our customers' digital requirements. Q1 FY 19 recorded 10 Digital led wins including 2 large digital transformation deal wins.

### Large Digital Transformation deal wins

- **Breakthrough deal win in Europe worth INR 100 Cr for Intellect Digital Core (IDC 17.1):** A large, private European bank with specialised services to customers with a unique branchless banking model has chosen Intellect Digital Core (IDC 17.1) for its banking operations. The bank wanted to modernise its technology architecture and had chosen Intellect Digital Core (IDC 17.1) for powering its digital transformation. IDC 17.1 with its new open banking architecture is enabling the bank to adapt to Open Bank regulations along with PSD2 compliance. It is also enabling the bank to offer digital solutions to not just customers but also their financial advisors who form the backbone of their business model. IDC17.1 will enable the UK based bank to reduce account opening lead times from 4 days to just 15 minutes.
- **Establishing FinTech dominance in Asia with yet another win in Malaysia:** One of the leading financial services organisations in Malaysia with a heritage of more than 100 years has chosen iGTB for a multi country rollout of Contextual Banking Experience (CBX) - Contextual Payments, Collection & Receivables, Liquidity, SCF, Trade and Treasury Queries. CBX from iGTB is a white label digital transaction banking platform to manage firms' cash and trade that leverages Machine Learning and predictive analytics, delivered through APIs and an Omni-channel UX.

### Other significant deal wins

- A State owned Bank in South Africa – One of KwaZulu-Natals' primary drivers of economic development and a strategic enabler of support has chosen Intellect's Integrated Digital Core, IDC 17.1. The implementation will enable the Bank achieve their strategy by leveraging the technical capabilities and superior user experience. The solution post implementation would provide the Bank with the best in class core banking with flexibility required to grow rapidly in the market.

- One of the leading commercial banks in South East Asia with its operations in three countries has chosen Intellect for its Regional Wealth Management Platform. The Strategic intent and purpose of the project is to transform the bank's existing operations into a digital solution and increase its market share in the growing High Net-worth and Affluent Client segments. Intellect Wealth Suite provides powerful wealth management solution that the Bank would use across multiple countries in APAC.
- India's fourth largest private sector bank and the only Greenfield Bank which has been awarded licence by RBI in the last two decades have chosen iGTB Digital Transaction Banking for its Cash Management Solution. The Bank has also chosen Contextual Banking Experience (CBX) - Single channel for account services, payments and collections.
- The first and the largest Islamic bank in the UAE will be upgraded to Contextual Banking Experience (CBX) and will be rolled out for supporting Account Services and Payments with Mobility. The solution will allow the bank's corporate customers to benefit from an Omni-channel experience to initiate corporate banking services in the areas of payments, financial transfers and Trade services.
- One of the world's largest life reinsurance companies has chosen Intellect SEEC Distribution & Service Suite to run a full Proof of Concept on Chatbot with Quote and Product Launcher business apps for a single carrier and a multi carrier Term Life product.
- An international specialty insurance organization that provides innovative solutions for brokers, agents and insurance carriers with operations in North America, the United Kingdom and Europe has chosen Intellect Risk Analyst. The solution will configure and run a full Proof of Concept on Risk Analytics for Commercial Property and General Liability lines of business.
- A joint venture, which has the unique distinction of being the first sub-custodian in India to benefit from the local-foreign partnership, between the largest bank in India and one of the world's leading global custodians has chosen Fund Custody from Intellect OneMarkets for its Custody services. Intellect Fund Custody solution suite provides comprehensive fund accounting, custodial and transfer agency services to both retail and foreign investors.

### V. Reliable Implementations

Intellect went live in 7 financial institutions across the world during this quarter. Some of the significant implementations in Q1 FY 19 include:

- A leading Canadian-based global financial institution with 11 million personal banking, business, public sector and institutional clients has gone live with Contextual Payments from iGTB to handle On-Us payments within the Bank. This provides a smarter way to process payments destined to the beneficiary. Earlier intra company transfers were processed through LVTS rail (settlement and clearing with overhead cost for processing). With On-Us payment processing capability these payments will now be processed within the Bank with no clearing required. This will be both faster and cheaper.
- Australia's first bank and oldest company, one of four major banking organisations in Australia and one of the largest banks in New Zealand with a range of innovative financial packages to support personal, business or corporate banking needs has gone live with Intellect ITTR (Intellect Trade, Treasury and Retail FX). Intellect ITTR Solution is modular, SOA enabled, web-based, platform-independent, and built on the latest J2EE technology. Improves end-user experience through

enhanced application functionality and improves operational efficiencies. The collaborative efforts between all 3 Lines of Businesses within Intellect along with Interface and Data Migration resulted in on-time go-live in Fiji 2 days ahead of time.

- A Saudi Arabian bank providing Islamic personal, auto and home financial banking services and corporate banking investment solutions in Saudi Arabia has gone live with Digital Transaction Banking. This go-live enables the Bank to launch the new platform to their corporates (Public Launch). Bulk File uploads will help the mass corporates with the additional functionality to attract and enlarge their customer base.
- An Indian state-owned International banking and financial services company and the second largest bank in India, serving over 69 Mn customers across 25 countries, launched a green field entity to expand and service the growing Lending opportunity in the Indian market. This is the first time Intellect Lending was launched over cloud platform in a phase wise approach with a quick initial go to market launch.
- A financial institution providing various financial services: mortgage finance, leasing finance, factoring, call center and collection services has gone live with Intellect Digital Lending suite.
- Intellect OneTREASURY went live in two leading banks in India. A nationalised Indian bank headquartered in Mumbai with 1000+ branch network and a leading Housing Finance company has gone live with Intellect OneTREASURY. This implementation enabled the bank to offer integrated front-mid-back office system by Straight Through Processing increasing operational efficiency through complete automation and seamless integration of treasury functions and external trading portals.

## VI. Product Acceptance in Leadership Quadrant

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

### **Gartner recognized Intellect as a Leader in Magic Quadrant for Global Retail Core Banking**

Designed around the Digital 360 approach, Intellect Digital Core, IDC, presents the Best of Both Worlds, ie, Customer Experience (Digital Outside) & Operational Efficiency (Digital Inside) to banks. It leverages contemporary technologies such as Artificial Intelligence to give banks the capability to offer highly contextual (Persona-based) products & BOTS to drive complete STP (Lean Operations) & significantly lower operating costs. IDC presents banks, with a single unified product, that is seamlessly integrated with Lending, Treasury, Trade Finance, Credit Cards and Wealth.

### **iGCB powered Majid Al Futtaim Finance (MAFF) wins Celent's "Model Bank" Award for Lending - '2018 Model Bank Winner for Lending: Majid Al Futtaim**

Intellect Lending was chosen by MAFF as its technology partner to seamlessly integrate with their existing system to overcome the challenges they faced in the existing credit business. MAFF's Insta Card Issuance is a first of its kind initiative in the UAE market and digital transformation has been brought about in the Credit Card journey with AECB (Al Etihad Credit Bureau) integration for real time credit decisions in 15 mins. The product was conceptualized, designed and delivered in 100 days.



**Celent rates iGTB amongst leading vendors**

Celent positions iGTB amongst leading Integrated Receivables Vendors in Technology and Functionality Category. Celent quotes the most distinctive feature of iGTB Receivables Management is its extensive use of analytics and role-specific dashboards to provide actionable insight.

**Aite features Intellect SEEC amongst leading US & Europe vendors in P&C Insurance**

Intellect SEEC profiled amongst leading US & Europe vendors in P&C Insurance who can help drive deeper policyholder engagement @ Aite report titled "Enhancing the P&C Insurance Policyholder Journey through Deeper Engagement

## Financial Results for the First Quarter Ended June 30, 2018

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

| Particulars   | QUARTER ENDED               |                             |                             | INR In Lakhs             |
|---|-----------------------------|-----------------------------|-----------------------------|--------------------------|
|   | YEAR ENDED                  |                             |                             |                          |
|   | June 30, 2018<br>(Q1 FY 19) | March 31, 2018<br>(Q4 FY18) | June 30, 2017<br>(Q1 FY 18) | March 31, 2018<br>(FY18) |
| <b>INCOME</b>   |                             |                             |                             |                          |
| Revenue from Operations   | 29,885.24                   | 30,697.32                   | 24,116.80                   | 1,08,729.07              |
| <b>EXPENDITURE</b>  |                             |                             |                             |                          |
| Software development expenses                                     | 15,942.01                   | 15,410.30                   | 12,255.40                   | 54,898.30                |
| <b>Gross Margin</b>   | <b>13,943.22</b>            | <b>15,287.02</b>            | <b>11,861.40</b>            | <b>53,830.77</b>         |
| <b>Gross Margin %</b>   | <b>46.66%</b>               | <b>49.80%</b>               | <b>49.18%</b>               | <b>49.51%</b>            |
| Selling & marketing and General & Administrative expenses         | 10,382.39                   | 10,404.98                   | 8,627.22                    | 37,662.45                |
| Research & Engineering expenses                                   | 2,145.43                    | 1,947.51                    | 1,424.27                    | 7,244.46                 |
| Provision for Debts and Write offs                                | 195.00                      | 475.48                      | 195.00                      | 1,060.48                 |
| <b>Total Expenditure</b>  | <b>28,664.83</b>            | <b>28,238.27</b>            | <b>22,501.89</b>            | <b>1,00,865.69</b>       |
| <b>EBITDA</b>   | <b>1,220.41</b>             | <b>2,459.05</b>             | <b>1,614.91</b>             | <b>7,863.38</b>          |
| Depreciation/Amortisation   | 842.87                      | 819.63                      | 588.80                      | 2,653.49                 |
| Finance Charges   | 307.86                      | 261.62                      | 418.39                      | 1,382.62                 |
| <b>Profits / (Loss) before other income / minority interest</b>   | <b>69.67</b>                | <b>1,377.80</b>             | <b>607.72</b>               | <b>3,827.26</b>          |
| Other Income including exceptional items                          | 4,259.23                    | 935.32                      | 298.64                      | 2,042.65                 |
| Minority Interest/ Share of profit/(loss ) of Associate Companies | (27.93)                     | 319.67                      | (469.32)                    | (494.29)                 |
| <b>Profit / (Loss) before tax</b>                                 | <b>4,300.97</b>             | <b>2,632.79</b>             | <b>437.04</b>               | <b>5,375.62</b>          |
| Provision for taxation  | (51.47)                     | 45.62                       | 363.24                      | 702.98                   |
| <b>Profit / (Loss) after tax</b>                                  | <b>4,352.45</b>             | <b>2,587.17</b>             | <b>73.80</b>                | <b>4,672.64</b>          |

[Investor Conference Call](#)

The Board of Directors of Intellect Design Arena Limited met on **25<sup>th</sup> July 2018**, to take on record the financial results of the company for the Q1 FY 19 ended June 30, 2018.

Intellect Design Arena Ltd. will host an Investors Conference Call on **25<sup>th</sup> July 2018**, where the Senior Management of Intellect will comment on the company’s performance during the Q1 FY 19 ended 25<sup>th</sup> July 2018 and respond to questions from participants. **The conference call will take place at 17:00 Hrs IST on Wednesday, 25<sup>th</sup> July 2018.** The dial-in numbers to join the conference call:

**Conference Name** : **Q1 FY 19 Investor earnings call**  
**Date** : **25<sup>th</sup> July 2018**  
**Time** : **05:00 PM to 06:00 PM IST**  
**Conference ID** : **5178427**

**ACCESS NUMBERS**

|               |   |                                 |   |              |
|---------------|---|---------------------------------|---|--------------|
| MUMBAI        | : | Primary Access Toll Number      | : | 02230360500  |
| BANGALORE     | : | Primary Access Toll Number      | : | 08030360500  |
| DELHI         | : | Primary Access Toll Number      | : | 01130360500  |
| CHENNAI       | : | Primary Access Toll Number      | : | 04430360500  |
| INDIA         | : | Primary Access Toll free Number | : | 186030151515 |
| HONG KONG     | : | Primary Access Toll free Number | : | 800901413    |
| SINGAPORE     | : | Primary Access Toll free Number | : | 8001011903   |
| US and Canada | : | Primary Access Toll free Number | : | 18663946395  |
| UK            | : | Primary Access Toll free Number | : | 08081681757  |
| UAE           | : | Primary Access Toll free Number | : | 8000174396   |

**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 (iGCB), Central Banking, Global Transaction Banking (iGTB), Risk, Treasury and Markets (iRTM), and Insurance (Intellect SEEC). 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 169 million, serving over 240 customers through offices in 40+ countries and with a diverse workforce of 4,000+ 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](http://www.intellectdesign.com)

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| <p><b>For Media related info, please contact:</b><br/>                 Nachu Nagappan<br/>                 Intellect Design Arena Ltd<br/>                 Mob: +91 89396 19676<br/>                 Email: <a href="mailto:nachu.nagappan@intellectdesign.com">nachu.nagappan@intellectdesign.com</a></p> | <p><b>For Investor related info, please contact:</b><br/>                 Praveen Malik<br/>                 Intellect Design Arena Limited<br/>                 Mob: +91 89397 82837<br/>                 Email: <a href="mailto:Praveen.malik@intellectdesign.com">Praveen.malik@intellectdesign.com</a></p> |
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