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Design for Digital

Intellect/SEC/2020-21 **July 28, 2020**

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

Scrip Code :
INTELLECT

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

Scrip Code :
538835

Dear Sir,

Sub-Integrated Annual Report for the financial year 2019-20

Kindly find the enclosed the Integrated Annual Report for the financial year 2019-20 of the 09th Annual General Meeting of the Company to be held on August 21, 2020 through Video-Conferencing or other Audio-visual means (VC/OAVM).

The Integrated Annual Report is uploaded on the website of the Company and can be accessed through https://www.intellectdesign.com/investor/reports/2020-annual-report.pdf

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

Thanking you,

For **Intellect Design Arena Limited**

V V Naresh
Company Secretary and Compliance Officer

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Made in India. Acknowledged by the World.

IBS Intelligence Sales League Table 2020 Awards

#1 Retail Banking

#1 Wholesale Banking

Annual Report 2019-20

New York • London • Dubai • Singapore • Sydney • Toronto • Tokyo • Mumbai • Chennai

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Chapter
1

Incredible Intellect

We live in a world of personalisation. A world where you can stream video content on platforms that know what your favourite box sets are and sends you suggestions about what to watch next. A world where you can personalise those new sneakers that have just launched in your favourite colours.

This is all made possible from having an in-depth knowledge of the customer. What context they operate in and what their circumstances are. This is at the heart of FinTechs too.

Welcome to the world of Contextual Banking, where banks are moving towards a customer-centric model, leveraging data to provide personalised and contextually relevant experiences.

The time has come to reimagine banking with Contextual. At Intellect, Contextual is the bedrock for all our products. Real-time, API-enabled and cloud-native, our products are powered by AI and ML, contributing to our Contextual Banking vision of designing products that work in a way that they understand their end customers' real needs. An asset-rich organisation with unparalleled expertise in the financial technologies domain, driven by our belief in Contextual Banking - this is perhaps why our customers also call us 'Incredible Intellect'.

The fact that IBS Intelligence Annual Sales League Table 2020 also ranked Intellect's Revolutionary Contextual Banking Technology as #1 in Retail and Transaction Banking, vindicates our pioneering use of Contextual Banking, based on the Design Thinking principles.

Comprehending the customer's psyche, and empowering them with Contextual and Digital technologies, has been our approach to go beyond the expected and connect with them.

Chapter
2

About Intellect Design Arena Limited

With the evolution of technology growing at an unprecedented pace, banks aspire to provide their customers the ultimate experience by always being a step ahead of their expectations. At Intellect, our goal is to take banking into the future, anticipating and solving the needs of tomorrow's business with Contextual, API-first, microservices-based, full spectrum products for banking, insurance and financial services, built on the principles of Design Thinking, which is our differentiator.

There is one unifying promise against which all we do must stand scrutiny – creating value for the businesses we serve.

In the New World Order, meeting our customers' requirements will only be possible with products that are designed and built on the cornerstones of real-time and contextual, powered by Artificial Intelligence and Machine Learning. Intellect's Contextual Banking eXperience (CBX) is where customer experiences are reimagined to be context-aware, seamless and secure with the innovative use of technology.

We strongly believe in the fundamental promise of technology through our Design Thinking approach – it helps us connect the dots between business, technology and operations, to provide unparalleled advantage and value to our customers.

In today's dynamic landscape, Intellect, as an asset-rich organisation, is forging ahead of the innovation curve. With a customer-centric approach, we engineer solutions that are robust, futuristic and drive unprecedented value.

Chapter
3

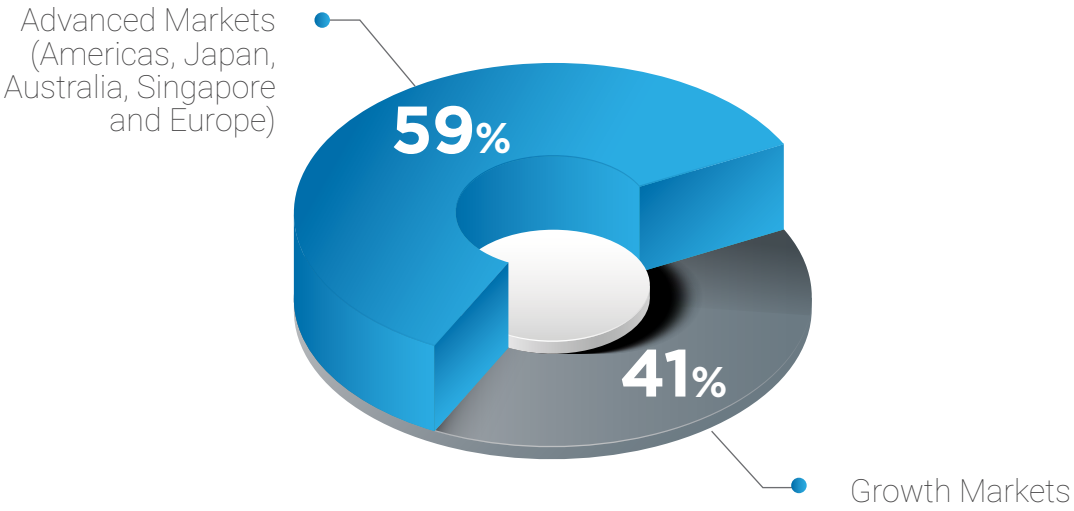
Numbers That Matter

1351 Cr
Consolidated Revenues for FY20 (INR)

$191 Mn
Consolidated Revenues for FY20 (USD)

652.2 Cr
Consolidated Gross Margin for FY20 (INR)

Focus on Advanced Markets



240+ Customers

91 Countries

Digital-led Wins and Implementations

27
Deal Wins in FY20

10
Large Deal Wins in FY20

44
Implementation (Go-Lives)

Chapter
4

Letter to Shareholders

Leading with an unique Contextual Banking Experience

I wish to start this communication with an exciting news. As we were getting ready with this report, we have been rated # 1 in the world for both Retail Banking and Corporate Banking, our largest Banking verticals by IBS Intelligence Annual Sales League Table 2020. This ranking is based on the new deals won last year and therefore an indication of market/ customer endorsement of our products. This vindicates our product and market investments, and strategies. This also places us in the global league of market leaders, at par with giants in the Advanced Markets. I am personally delighted with this milestone and excited about the possibilities ahead of us.

As I sat down to pen this letter, I started reflecting on the last four years' journey of Intellect. As you know, Intellect de-merged from Polaris Consulting Services in October 2014. The initial steps of organising the company around the four business units, listing Intellect in the stock exchanges, identifying talent for each of the business lines, and building a brand around Intellect, were allcompleted in the first 18 months. Soon after that, we started accelerating our progress across the six capitals of Brand, End Customer, Leadership, IP, Execution and Finance - represented by BELIEF as an acronym.

In 2016-17, we commenced the Intellect iGTB - Oxford Leadership programme that has now become a marquee signature event, looked forward to and attended by the who's who of the Global Transaction Banking industry. We also commenced design of Go-To-Market strategies for our products. On the IP

front, we commenced investments into Artificial Intelligence and Machine Learning, spotting the trend early in the curve. Those investments have resulted in our capturing several of the top Insurance logos in the US for our AI and ML-driven Fabric Data Services and Xponent Underwriting workstation. Our product User Journeys also started expanding to meet the market requirements, elicited in RFPs. On the Talent capital, we hired several leadership profiles from our competition and customers - those who were excited with the prospect of creating IP in India and building a global brand. We also commenced design of our Delivery Excellence framework that would guide us in achieving implementation certainty. We won a key transformational deal with a large European customer - which continues to grow from strength to strength. By the fourth quarter of the year, our operational results were positive.

In 2017-18, we built further on our product User Journeys. We also invested in market presence and brand building. Our initial investments towards making our products cloud-ready were made. Our revenues crossed the Rs. 10 Bn mark. We also won two transformational deals in Asia, resulting in our License revenues growing significantly over a year ago. We won the prestigious Government eMarketplace (GeM) bid against global competition and went live with the first phase. We expanded our delivery capacity to meet implementation commitments. In December 2017, we held Lakshya, our visioning exercise, where we drew up the blueprint for Intellect 2.0 - the journey from 2018 through 2021 with focus on three themes - Industrialisation, Monetisation and Customer-Centricity. 2017-18 was also the first full year of profitable growth.

In 2018-19, the first year of Intellect 2.0 journey, we laid extraordinary focus on the Industrialisation agenda - industrialisation of our products to greater maturity, meeting the stipulations of a higher number of and diverse RFPs and industrialisation of our Implementation process. Methodologies such as Product Walkthroughs, Test Walkthroughs, and Testing frameworks, deployment of low-coding technologies and platforms and Integration frameworks were developed. The proof point was in winning two large transformation deals, both in Advanced Markets, each with License revenues of over $10m, an endorsement of the architectural and functional superiority of our products. We launched Intellect Digital Core (IDC), our digital core banking platform. We also won the first IDC deal in the UK on a cloud deployment mode. We started acquiring marquee logos in the Insurance business, where we deployed AI and ML-driven API-ready products on the cloud. The budding iWealth business acquired two wins in Asia. Revenues from Advanced Markets went up and so did our perdeal License realisation. Our revenues and profits, as a result, grew significantly over a year ago. In our communication to the Investors, we had committed that FY19 would be the year of scale up for iGTB. We stood by that commitment.

In 2019-20, we built further on the Industrialisation agenda. Our products are now more than 90%+ mature with a rich, comprehensive User Journey set. We released new versions of our low-coding technology - Canvas 19. We launched an Integration platform - Olive Fabric. We went live with the Intellect Digital Core in the UK, fully compliant with regulatory, data privacy and ecosystem requirements. We won more logos from amongst the top Insurers in the US. These go-lives were a further assertion of implementing cloud-ready, API-led open architecture products in an Advanced Market, delivering over 90% accurate data, a new benchmark in the Industry Fabric Data services - our platform for data aggregation, cleansing, validation and provisioning - stands proven with these go-lives. The Intelligent Data Exchange (IDX), which combines data uptake, validation and enrichment, was market-tested. It is expected to scale up for monetisation in FY21. Several wins in the Global Transaction Banking business of the prior year went live, some of them winning awards for the respective banks. We won two significant deals in the US, both with large Global Banks, which would help us build reference in that key market. When live, these implementations would also serve as a reference to our cloud-ready Liquidity platform and Virtual Account Management platform. IDC won more deals in the Growth Markets of Asia. Our Lending suite also won several deals in the Middle East and Asia. The Small and Medium

Business (SMB) Lending platform, supported by AI and ML for sharper credit-decisioning, is now market-tested. Quantum Core continued to be the category leader, winning with and going live in more Central Banks. iWealth business went live with the wins of the last year at multiple locations in Asia. Towards the end of the year, we also launched two sharply-focused products around the opportunities spotted in the forex trading and Asset Liability Management spaces - CBX FX and Contextual ALM. These are set to monetise in FY21. The Global Consumer Banking business was slated to scale up in FY20, and it did!

With fully mature products that are comprehensive in their User Journeys and architecturally- superior, with a lean and agile implementation methodology, we are ready to leapfrog into our monetisation phase as envisioned in Lakshya in December 2017.

All the mature business units were cash-positive in FY20. In addition, they closed with a robust deal pipeline, figuring amongst the last two vendors in almost every key deal. The order backlog that represents assured revenue also increased steadily over the year. Collectively, Intellect won 27 deals in FY20 of which 10 were large transformational deals. We also went live in 44 customer installations during the year.

Industry Shift Towards Cloud Model

A part of our implementations in the iGCB business, and almost all of the implementations in the Insurance business, have been deployed over the cloud - either private cloud or shared. Our revenue in these installations is through the Subscription model, where the customer pays for the License, Maintenance, as well as infrastructure by way of annuity fee over the life of the contract.

While this may potentially lead to higher contract value and adds to predictable / assured revenue streams, the component of upfront license is lost. Subscription revenues which were at 5.7% of the total revenues at the beginning of the year, rose to 10.7% of the total revenues in Q4. This had a bearing onthe current year revenue numbers. While we predicted this shift in our earlier Investor communications, this acceleration was faster than our expectations.

Our annual maintenance revenues grow by about 10%. Increased License wins over the last four years and an increase in average License, helped accelerate this further. Together, Subscription and Maintenance revenues form an assured revenue stream that lends predictability to our forecasts.

Cost Structure

In FY20, We also rigorously evaluated our cost structure and now have a leaner, more nimble organisation – our cost base fell by an annual run rate of over Rs. 150 Crs between the first and the last Quarter of the year. A large part of this has been achieved through our industrialisation efforts in the Intellect 2.0 journey over the last 8 Quarters, resulting in industrialisation of our delivery processes through the Delivery Excellence framework, maturity of our products and development of smart frameworks and platforms that have a multiplier effect on productivity. This has led to a reduction in the product development and implementation efforts, reduction in defects, and a reduction in customer issue tickets. We have been able to achieve this cost reduction, despite our additional investment in cloud technologies and platforms in the Calendar Year 2019, to prepare the organisation to leverage the industry shift towards cloud adoption.

The slowdown in the iGTB business and the shift to Subscription model impacted our top-line growth for FY20. The cost rationalisation, helped redeem part of the EBIDTA figures. Lower figures for other Income, and higher interest payout and amortisation costs resulted in lower Net Profit numbers.

Looking Ahead:

Banks and Financial Institutions would obviously be impacted as a result of the ongoing COVID-19 crisis, which has far-reaching economic consequences. That said, we also see several opportunities emerging, even as many countries are trying to get their economic engines fired up again, while recovering from the pandemic.

1. Digital transformation will accelerate to work around the limitations placed on in-person interactions. Digital model will no more be a choice, but an imperative.

2. Banks will seek to accelerate revenue growth and look for new revenue models to compensate for the drop in traditional revenue streams such as Interest arbitrage.

3. Cost rationalisation and efficiency improvement will gain momentum as the financial institutions and insurance carriers will seek to protect their bottom line despite lower revenue realisation.

4. Risk mitigation will be of paramount importance as we discover newer sources of risk being introduced by the changes to the ecosystem, operating models and growth pursuits

5. Building on the Digitalisation agenda and Efficiency agenda, Customer Experience will gain greater focus and self-service platforms that deliver outstanding experience to customers will be in demand.

Our pedigree in working with global leaders in the financial world for over three decades, our differentiation by adopting the Design Thinking approach, our investments in Technology, Product and Market Development ,our rich blend of home-grown and market-sourced talent – all of these working in perfect orchestration, have fully equipped us to capitalise on these opportunities. In a later chapter in this report, we outline specific products and solutions that perfectly address each of these requirements.

Looking ahead, beyond the immediate future, we firmly believe that 'Contextual' is the keyword that would define banking and financial services. And that forms the theme of this year's Annual report.

Contextual Banking

The banking and financial Services is perhaps the segment that is most impacted by multi-dimensional changes – of regulation, of product innovation, of changes in economic and market conditions, of multitude of technologies, of data privacy requirements and serving multiple generations of end customers – from Baby boomers to Generation Z.

With regulatory and competitive pressures stressing the revenues and incomes, Banks and Financial institutions are constantly looking for innovation to drive revenues and income. Technology has significantly contributed as an enabler in this pursuit.

Digitalisation was the starting point. Intellect pioneered the digital transformation with its unique Digital 360 approach that not only focused on Digital Out - Customer Experience, but also on Digital In – seamless end-to-end process orchestration that ensures straight throughput and drives operational efficiency.

With Digital considered a 'given' in this race, banks are looking beyond. We are again ahead of the pack withthe application of Data and Analytics. Our Purple Fabric platform that leverages structured and unstructured data, Fabric Data Services that validate and triangulate the data by application of Artificial Intelligence and Machine Learning, and Intellect Data Exchange that combines data uptake, validation and enrichment – together help banks and insurers with contextual intelligence in offering sharper quotes, assess credit worthiness, predict delinquency and more. While in Retail Banking, this drives most appropriate product offerings to the end consumer, it helps in intelligence-driven routing of fund movements, payment processing and balance consolidation for the corporate customers, apart from the workflow and document management with Trade partners – to name just a few use cases.

These technologies apart, Intellect's unique repertoire of User Journeys that have been distilled from our rich domain expertise, also build contextuality.

Making Transformation Progile

While several institutions and organisations aspire to adopt the new age technology platforms - that are microservices/ API-led, cloud-ready and open architecture-based, they are often grounded by the investment in legacy platforms and continued dependence on the treasure of data therein. Towards the end of the financial year, we launched our iTurmeric platform – that helps banks and financial institutions navigate this transition in a calibrated manner, matching their priorities and appetite for investment and change. The platform, explained later in this report, combines an API Exchange, API studio, an Integration Studio which can build connectors across diverse products / platforms in the bank's technology landscape and with the ecosystem, and a Sandbox for developers. Thus, the journey to Digital and Contextual is accelerated, without the friction points of a rip and replace approach. Add to this, our

unique Design Thinking-led approach, the certainty in implementation guaranteed by our Delivery Excellence framework and our flexible commercial models – all elaborated later in the report – it's truly 'My agenda, my way' for our customers.

The Future Does Hold a Promise

While the pandemic that we are in the midst of did unleash a sense of gloom and despair around us, our investments, our IP assets, our talent pool and our brand prowess have collectively put us in good stead. In the first 75 days of this Financial Year, we have mastered the art of running the business remotely – conducting demos, e-meeting customers, submitting proposals, winning deals, signing contracts and going live in key deliveries. We were seamlessly on our feet in the remote working mode in less than 24 hours and have managed key business functions without a let-up. While the Governments, public institutions and the medical fraternity are doing their best, I urge each of us , as individuals and organisations, to stay safe and discharge our responsibility to the communities around us and to ourselves.

Well-prepared and therefore optimistic, we look forward to the days when the pandemic will be behind us. We are confident of cashing in on the opportunities as outlined above and look forward to reverting to you with stories of success!

I thank you for your support, and continued faith and confidence in Intellect!

I also wish to place on record my deep appreciation for all the stakeholders - customers who have trusted us, our business partners, vendors, our associates and our bankers - who have been with us in this journey.

Arun Jain
Chairman & Managing Director

Chapter

5

A Culture of Design Thinking

In product business, last 2% is 200%

The world is becoming increasingly contextual. Be it commerce, travel, healthcare or even education, every user demands attention and personalised experience. When every industry is focused on providing a contextual experience, shouldn't banking be doing the same? Interestingly, progressive institutions around the world are investing more time than ever before in designing contextual and personalised customer experiences that will drive meaningful relationships.

Intellect has for long been at the forefront in helping banks contextualise their products and services. Its message is clear – banks need to be committed to the segmentation of one, where relationships for life are built to last. This is the essence of being contextual.

A Deep Understanding Driven by Design Thinking

As a global Financial Technology leader, Intellect has been able to deeply understand the requirements of banks and their customers by leveraging key Design Thinking elements. It understands the 'Persona' (semi-fictional representation of the banks' customers) of customers by observing 'Patterns' and 'Anti Patterns' (What works and what doesn't) throughout the Journey Map of customers and end users. Using the three Design Systems - Dialoguing, Cataloguing and Questioning - has enabled Intellect to unearth important 'unstated' requirements and blind spots that banks may have, but may be unaware of.

One of the key reasons why Intellect is a recognised FinTech leader in Banking and Insurance domain is due to its deep understanding of the entire banking and financial services spectrum. Intellect is able to view and understand the entire landscape, and all associated ecosystems and contours with high precision, just as a cartographer does by leveraging its proprietary L0-L4 architecture framework. This capability enables us to design products that power Contextual Banking – and observe where it is heading and what changes are expected in the associated ecosystems.

Design Thinking has fuelled Intellect to come up with

path-breaking innovations and market-recognised value addition to customers, including D-3 OTIF (Delivery minus 3 days On-Time and In Full) delivery capability with impressive reduction in post-UAT defects. While this journey was a rigorous one over the past few years, it did result in an outcome that was visualised. If one explores deeper aspects of some of the recent innovations in the organisation, the roots will inevitably point to the elements of Design Thinking such as moving from Mystery to Heuristics to Algorithm (From a world of uncertainty to delivering predictable superior output consistently), observing Patterns and Anti Patterns and the application of the three Laws of Design Thinking – 'Less is More' (Focusing on what matters more), '10-100-1000gm' (Finding the most impactful action-item to work) and 'Last 2% = 200%' (Functionality and experience that will provide deep differentiation for customers from their competitors). Stringent application of these Design Thinking frameworks and laws as abiding principles, has led us to be an invited vendor for many opportunities across different geographies.

Creating Contextual Banking Products, the Design Thinking Way

Listening, Observing and Dialoguing, in conjunction with the three Laws of Design Thinking, have resulted in disruptive design of breakthrough technologies that are now changing the playing field in FinTech globally. Focusing on 1000gm elements that would result in 200% experience for the customers and end users, has resulted in technology platforms and products such as Canvas Technology, iTurmeric, IDX, and others.

For example, observing deep patterns in customer usage of minimal functionalities of user–portal interactions, led to identifying the underlying interaction between component fields and the actual business logic. A natural progression in applying Design Thinking here led to visualising the journey map of a typical user interaction and therefore the various touch points, along with the associated experience that the user will go through. This again led to the design of a low-coding platform – the state-of-the-art technological innovation called Canvas Technology. This technology platform provides for rapid assembly of omnichannel solutions through a virtual and visual workspace called Canvas. The technology was created incorporating the proven COPARIS framework, which incorporates addictive **customer experience**, seamless **operational management**, superlative **performance** in terms of near real-time information delivery involving complex parameters, providing **analytics** capabilities to the user as required, **risk management**, seamless **integration** using ready integration cartridges, and proven robust **security** standards.

Another instance of the use of low-coding, which proves Intellect's Design Thinking approach of Mystery to Heuristics to Algorithm, is iTumeric. This cloud-ready, API-first, microservices-based, low-coding platform is a great enabler for banks that are still challenged with legacy platforms, hampering them from participating in the experience economy.

The application of the Theory of Priorities and the use of tools such as '10-100-1000gm' have proven that diligent application of such Design Thinking concepts, when solving customer's pain points, often lead to path-breaking innovations – such as Intellect Data Exchange (IDX), the award-winning Artificial Intelligence and Machine Learning-powered platform, which plays a pivotal role in the data-processing cycle of commercial insurance carriers.

The Design Thinking Journey

Design Thinking is more than a culture at Intellect. It is a way of life. The leadership does not merely use Design Thinking vocabulary, but applies its principles in everyday life in Intellect - from user analysis and product design to seamless implementation ahead of schedule.

However, the journey was not made in a day. Intellect's Design Thinking transformation has been steep, but impactful. Today, it has transformed the mindset of every associate from mere execution to 10X performance, from being a product designer to a Designer Thinker. Being human-centric and future-focused is the core of Intellect's Design philosophy. This mindset change has been made possible through the rigorous Design The Thinking® (Shifting the Thinking) workshops, based on UnMukt philosophy - thinking without any restrictions. Unbridled with preconceived notions or biases, but deeply empathetic to user requirements, Intellect continues to prove that Design Thinking is the deep differentiator for being a leader in the space we are in.

Chapter
6

Deep Asset Rich Company to accelerate the Digital Roadmaps of Financial Institutions

Intellect offers a wide spectrum of products across banking and insurance. Cloud-native and API-first, our products are built on microservices-based architecture, powered by AI and ML.

Working with financial institutions across geographies, lines of business and market segments, we have realised that each of them are at different stages of their transformation journey. They all have different technological needs and appetite. We have highlighted these in earlier years as World 1, World 2 and World 3 segments.

Additionally, the ongoing pandemic has impacted banks, financial institutions and insurance carriers, posing new challenges and opening new opportunities as well. They are faced with reduced interest income and deferred loan recoveries, reduced income due to lower economic and business activity, possible risk of growing NPAs due to many businesses going bankrupt and pressure on lending. It is likely that Capex spend might be deferred to cut costs. That said, many studies post-COVID-19 have suggested that digitalisation will accelerate at a faster pace and banks would look for solutions to reduce costs, seek help with smarter credit-decisioning and enhance self-service channels to replace in-person services.

As a strategic shift in response to the above developments, we are re-positioning our products and solutions, aligning with the five key business needs of banks/insurance carriers.

1. Revenue accelerators - that would help them spring back to the growth path

1.1. CBX.RVA - Remittance Value Accelerator

CBX.RVA is the first cloud-based, remittance repository solution to process data-rich payments. Built on API-first principles and microservices-based architechture, it is powered by the most comprehensive ISO 20022 standard libraries. It

addresses the limitations of the current payment systems in transmitting remittance-related data to corporate customers, thus supporting interfacing with their transaction processing systems and automating their accounting/reconciliation process, reducing costs and providing greater visibility to cash positions. This would accelerate adoption of banks' payment solutions increasing their fee income.

1.2. Intellect Fabric

Intellect Fabric, a component of our reference architecture, powered by Artificial Intelligence and Machine Learning, drives "Intelligent Hive". This solution feeds contextual intelligence to banks, using both structured and unstructured data. It is the perfect blend of domain awareness and data - helping banks build 'contextuality' in their customer interactions, sharpen their offerings and maximise strike rates. It also helps to quickly build applications that leverage big data and Machine Learning in a cloud-native environment.

1.3. CBX-FX

CBX FX is a contextual FX platform, combining trading and hedging needs for the bank's corporate customers. It brings together the power of personalised FX Trading experience with powerful analytics to make timely and correct hedging decisions. It allows for Straight-Through-Processing from the banks customer's device to its treasury back office. The comprehensive trading needs of the bank's customers are met on a single screen, allowing them to view, transact and organise their workspace with a single click.

1.4. Capital Sigma

Capital Sigma, Intellect's Asset Servicing solution suite, helps achieve 95%+ Straight-Through-Processing and increase operational efficiency by digitising the functions of Custody, Fund Services and Investor services. It can coexist with the current ecosystem in an enterprise. Ready-made adapters are available through API-based Capital Market Interface Exchange that can connect to market interfaces in multiple regions/countries and ensure seamless implementation. The solution experience is further enriched by a multifaceted Client Portal, providing a transparent view of the post-trade lifecycle and additional self-help tools.

2. Transformation accelerator – that would help accelerate the bank's digital transformation, while reducing the risk of a rip & replacement

Intellect recently launched iTurmeric - the the first-of -its-kind enterprise integration, cloud-native platform with API-first architecture, that enables banks to progressively modernise, while ensuring business continuity without the risk of rip and replacement.

iTurmeric is a cloud-native and microservices-based platform, empowering banks to participate in the experience economy. It does so with its five robust assets (T1 to T5).

2.1. T1 - API Exchange: It is a comprehensive one-stop-shop for all API documentation.

2.2. T2- API Studio: This is a multi-tenant developer studio to create APIs and manage the entire life cycle of APIs - to create, upload, publish and manage APIs.

2.3. T3 - Experience Studio: This Studio has an advanced UI designer called as Fluid Pages, using which web applications can be developed.

2.4. T4 - Integration & Orchestration Studio: This is Intellects' Enterprise Integration and Orchestration platform. It helps in configuring new business processes and orchestrate the flow.

2.5. T5 - Developer Sandbox: It facilitates API Experience with trials and open collaboration for FinTechs, banks, partners, ISVs and others.

3. Risk Mitigation - that would help assess and manage risk, while pursuing larger business opportunities

3.1. Liquidity Management Solution (LMS)

Intellect's state-of-the-art Liquidity solution is a market leader in corporate liquidity management and has been implemented at leading global banks. It is a comprehensive product that includes product processors for sweeping, notional pooling, inter-company loans, as well as real-time fund check and investment sweeps. It also has a world-class digital front-end that delivers a faster, simpler and seamless experience to the customer.

3.2. Virtual Accounts Management (VAM)

VAM manages corporate liquidity efficiently by rationalising physical accounts, with necessary segregation. With a VAM solution, businesses can gain a single view of pooled bank accounts that have been virtualised into thousands of bank-active virtual accounts.

It allows businesses to manage their virtual cash management operations more efficiently by providing a single view of their cash and liquidity management, payments and receivables management, in-house banking and client money management.

3.3. Contextual Asset Liability Management (C.ALM 20)

The Contextual ALM platform enables financial institutions to have a holistic view of the balance sheet, monitor and manage liquidity risk and interest rate risk, perform stress testing and ensure regulatory compliance through liquidity monitoring tools. A library of 6 correlated Risk Algorithms, viz Capital Adequacy, Liquidity Risk, Interest Rate Risk, Funding, Leverage and Market Risk provide an integrated risk assessment.

3.4. Capital Cube

The bank treasurer has to address multiple complexities of monitoring liquidity exposures, managing balance sheet volatility, maintaining capital buffers and complying with a slew of regulations. Capital Cube is an Integrated Treasury & Asset and Liability Management (ALM) solution, that aids the treasurer to strategically manage the balance sheet, adapt to regulatory regimes, optimise liquidity and leverage risk to maximise profits for the bank.

3.5. Capital Alpha

Capital Alpha is our solution for the Capital Markets that combines the functionalities of front, mid and back office of retail and enterprise broker houses, and offers the combined benefit of speed, leverage, risk management and analytics .The product integrates with and supports other Capital Market functionaries such as Custodians, Registrar and Transfer agents, and Mutual Fund participants.

4. Customer self-service - that would eliminate the limitations on in-person services and bring more customers to digital channels

The Contextual Banking Exchange (CBX) suite of products places the customer at the center of the interaction with the bank. An omnichannel platform that delivers a consistent experience across multiple devices, it combines the power of IADT – Information, Analytics, Decision and Transaction. At the same time, it brings the power of the backend processors to the customer touch point. Apart from an intuitive, role-based, contextual user interface, the suite facilitates true Digital 360 orchestration where the transaction is seamlessly processed end-to-end, addressing applicable business rules, workflows, validations and entitlements. Thus, the dual objectives of customer experience and operational efficiency are underwritten by this application. Based on the context of its application, the product is offered in different flavours:

4.1. CBX-R for the retail end customer

4.2. CBX-RM (Wealth Qube) for the Relationship Manager in Wealth Management/Private Banking

4.3. CBX-S and CBX-C for the corporate end user.

5. Cost reduction and Operational Efficiency - that would ensure Straight-Through-Processing and eliminate waste within processing cycles

5.1. Intellect Digital Core 19 (IDC 19)

IDC 19 is a fully integrated solution across Core, Lending, Treasury, Trade Finance and Cards. IDC presents banks with the best of both worlds, i.e. Customer Experience (Digital 'Outside' or front-end) and Operational Efficiency (Digital 'Inside' or backend). With this, IDC offers the truly Digital 360 experience.

Built on contemporary technology and working closely with leading banks across UK, Europe and ANZ, Intellect is a partner of choice to drive the digital aspirations and agenda of banks in the region. Intellect's robust growth strategy, backed by a strong understanding of the domain, has equipped it in steadily driving business outcomes with a collaborative approach. Intellect Digital Core is a

cloud-ready solution that is geared to leverage customer's preference for cloud-based implementations.

5.2. Commercial Loan Origination (CBX-O)

CBX-O is a cloud-based end-to-end commercial loan origination platform, designed to deliver intelligent credit decisions. The platform is powered by AI & ML for data aggregation and credit risk analysis that gives real-time contextual insights, while driving greater productivity across the entire credit ecosystem. The system has the capability to offer custom solutions by re-configuring workflows to suit the uniqueness of any business.

5.3. Wealth Qube (CBX-RM)

CBX-RM is a cloud-ready, RM- first wealth platform, delivering responsive hyper-personal advisory. It is a quickly deployable platform, with the added advantage of significantly-reduced CapEx, empowering you to sprint ahead in the new 'less-contact' world.

5.4. Intelligent Data Exchange (IDX)

IDX combines the functionalities of data upload, validation and contextual enrichment that collectively delivers highly accurate input data, eliminating several steps of human intervention, correction and data input. Powered by AI and ML, it is suitable for automatic uptake of forms, contextual scanning of documents and similar applications which aim at converting unstructured/semi-structured manual data to structured information.

5.5. Intellect Cards

With very granular detailing of capabilities in Onboarding, Merchant Management, Loyalty Management, Pattern Analysis and Collection Management, this product has found adoption with market leaders in India, Middle East and Latin America. Enhanced to manage e-Wallet capabilities, the product is also being offered as a Platform as a Service (PaaS) model with revenues accruing on a per transaction basis.

Ahead of the curve, by rich assets to bolster growth

It is evident from the foregoing discussion that the rich assets catalogue of Intellect, perfectly addresses the immediate requirements of banks and financial institutions in navigating the present crisis and preparing for the post-recovery scenario – by offering solutions for all their imperatives – be it revenue acceleration, risk mitigation, self- service, cost rationalisation or transformation acceleration.

Chapter
7

Contextual Banking for the Information Age

Ten years ago, the financial world was on a cautious rebound. On the one hand, banks and financial institutions were on an introspective mode. This was a serious process, particularly for giants that had been whittled down in the storm of 2008. On the other hand, the pressure for digital transformation was spiking. Sharp and nimble FinTech firms had begun to mushroom, wooing customers with an ease and personalised experience that was never seen before.

The turn of the last decade marked a transition from the Industrial Age of banking – hierarchical, widget/process-oriented to the Digital Age – customer experience-oriented. The change was rapid and when compared with the ponderous pace of banking, it felt instantaneous. New technology seemed bent on stealing the lunch from legacy giants. David-Goliath myths began to spread, as did predictions about the end of banks.

Of course, neither myth nor prediction happened.

Prophetic Tablet

The myths were busted when FinTechs ran out of steam and reached the limits of their growth, or ran into regulatory walls and stalled. And banks had begun to pick up technological momentum, aided by technology experts like Intellect.

Behind this was a simple realisation – the solution to evolving technology, is evolving technology. For Intellect, the 'Eureka!' moment occurred around the middle of 2010, in Cupertino, California, with the launch of the iPad.

When Arun Jain (then the Chairman of Polaris Financial Technology) looked at the iPad, he saw more than an Apple gadget. It sparked a train of thought that culminated in distilling the concept of Design Thinking and creating the World's first Design Center for Financial Technology – 8012 Fintech Design Center.

It also helped Intellect build for the future and spot trends well before they took root. Case in point – identifying the beginnings of the Information Age.

The Information Age

If the Industrial Age is B2B, and the Digital Age constitutes B2B and B2C, the Information Age is a radical shift to C2B, where the customer crafts their own product. C2B is Contextual Banking. In a nutshell,

it means that the customer defines where and when he needs to interface with the bank; not by keying in a set of rules, but with a tacit demand that the bank understand the patterns of his life and enable the tools he needs.

On the face of it, this might seem like an impossible situation. As it is, banks are scrambling to respond in time to shifting customer demands through the feedback loop of the Digital Age.

However, the shift is here. And the opportunities are as numerous as the challenges are daunting. Recognising and building for this shift is the key for banks to retain any semblance of relevance in the experience economy.

Intellect, as it happens, is built for this.

Present Continuous, Future-Proof

Intellect has reimagined banking across the breadth and depth of technology. Over the years, it has invested strategically and built meticulously to achieve a unique, future-proof tech stack – microservices-based, API-first and cloud-ready, powered by AI and ML. Supported by a revolutionary integration technology we call iTurmeric FinCloud.

Banks cannot, and should not in today's marketplace be expected to change entire legacy platforms that they have built for a completely digital one. Modernisation should be progressive. And our core architecture that supports full spectrum banking and insurance enables this.

What this means is that Intellect has broken the one-shoe-fits-all paradigm and brought a level of flexibility to how banks would prefer to drive their digital transformation. Intellect can therefore enable a complete core refresh, a lending solution refresh, a channel refresh or even a middleware-led digital refresh. This is not specific to, line of business like retail or corporate, but granular at the product level. A bank can start with trade, payments processing, liquidity management, lending, or even a retail channel solution. Or an amalgam of products for a very specific segment, progressively.

This way, with Intellect, banks are able to build towards their digital aspirations in parallel with their legacy. Big bang conversion, substituted with continuous improvement, for a more cost-effective and realistic implementation cycle. The alternative is the stuff of banking tech nightmares. It is either impossibly complex, or will take years to fully come into force, with the sword of obsolescence swinging overhead.

During this process, banks also need the agility their customers are used to from the Digital Age. Agile in a way that enables continuous upgrade and deployment. Crucial for this is hyper-connectivity with a large marketplace of solutions, and the ability to integrate and launch them.

Full Circle with Digital 360

Intellect's technologies enable our customers to leverage the ecosystem network effect of the Information Age, where their own customers are closer to configuring products themselves with the business.

On the outside, we are positioned to offer a true multi-channel/omnichannel model to the banks. But to make a customer's journey seamless end-to-end, it requires a true Digital 360 approach. Our digital inside enables a great amount of cost efficiency, scalability and the ability to easily connect, so that their business and IT teams manage the platform in a DIY fashion.

The technological architecture and the Progile (progressive + agile) methodology serves another, meta purpose. We strongly believe that the shift to the Information Age requires a cultural change.

By giving banks the breathing room to choose their own digital transformation path, it allows them the time to bring in that cultural change – to move talent to the digital and information stages of evolution as appropriate, in a phased way. Within Intellect itself, we have reorganised ourselves to work on the best of technologies and thereby help banks be more relevant in their environment.

The Nxt Lvl

'Progile' is an opportunity to work in the 'here and now' without worrying about legacy. That said, our own technological ambitions are limitless, and we have just begun.

We have built a truly modular, fully-integrated, cloud-ready architecture. We have designed a powerful integration layer in iTurmeric that connects with a vast ecosystem of products and services that a bank can access, thereby integrating itself into the 'here and now' of its customers. We have enabled better cost efficiency for the banks and are also building towards better cost efficiency in upgrading our own tech stack, choosing a disruptive rather than an iterative approach.

All of which have been vindicated time and again, not just by results in our customers' vital statistics, but by accolades from independent analysts.

When Arun picked up that iPad 10 years ago, Intellect began to build for today. And today, we are not just ready to capture the opportunities in a new age, but to design the next age of banking and financial technology as we know it. We are happy to have you on that journey.

Chapter 8

The Context of Contextual Banking

Wouldn't it be great if your banking systems understood – even anticipated – what the customer is trying to achieve?

For too long, banks have simply provided capability. Why those capabilities are needed, which to pick when, how relevant they are, how easy to use and how effective they are, were not the bank's concern. Banking is changing, and digital and the pandemic are changing the speed of change. Now more than ever, banks need to understand their clients' goals. Not just understand them, but anticipate them. And accelerate them.

True customer-centricity comes from #ContextualBanking - offering solutions to the client's real, underlying problem, that fit the circumstances at that moment. #ContextualBanking means the right information, the right analysis, and the right decisions leading to the right transactions, based on what will create success, the customer's intent, the situation, past behaviour and repeating cycles, real-time here-and-now, and, of course, only what's legitimate.

In other words, using the right context provides the right solution and the right experience.

It sounds simple and obvious, but it challenges how we think about the most fundamental Corporate Banking products, including payments and accounts. Context changes everything.

Six contexts shape customer delight

To make every banking transaction a successful business interaction, the bank needs to fashion products that recognise and adjust to six key contexts:

1. The context of success

First and foremost, what the customer defines as success is crucial. In Transaction Banking, a growing balance sheet and profit are the typical financial success measures. In Retail Banking, it is highly variable, although typically, to manage finances with least effort. Every bank product needs a clear line to how it promotes success.

2. The context of intent

The intent is the driver of the product. For example, a buyer in a supply chain anchor firm will typically have the intent to optimise payments to its suppliers. This, in practice, typically means delay payment until the necessary moment. The task of the supply chain finance product is not (just) to provide a capability to review invoices and trigger payment (an operational capability), but to help the clerk achieve the objective: provide the information and analysis, and even recommend the optimum payment moment, as in the Intellect SCF product.

3. The context of situation

Circumstances alter cases, and Big Data has been an enabler of the context of situation, with it being so readily available. The calendar app does not just alert you about an upcoming meeting, but tells you when you need to leave, based on your device's GPS data, knowledge of the meeting location and external traffic data. This is no different from a banking app that lets you know on a business trip to Brazil that the correspondent bank's relationship manager is nearby, and you are both available if you would like to meet tomorrow morning at 10 am.

In Transaction Banking, the biggest situation context that is often ignored is the customer's industry, which shapes its daily life. Virtual accounts are a true revolution, allowing accounts to be owned and controlled at the customer's convenience, rather than for the bank's convenience. This leads to the death of the cost code, replaced by a virtual bank statement. This further leads to industry domain packs that Intellect has pioneered, understanding that tenants for real estate companies, parties in legal matters, the end-insured in insurance and trustees in power-of-attorney matters have different needs and different terminology – and it leads even to invisible banking: virtual account creation being a seamless part of creating a legal case, for example.

4. The context of habit

Despite what you may have heard, past performance is a guide to the future. People are creatures of habit. Businesses are habitual creatures also.

Time goes in cycles. Most people receive a monthly or weekly salary, and their spending fits around that, with fixed, regular payments such as rent and regular bills, and discretionary spend, if sensible, limited to the remainder. From the other end of the telescope, for most businesses, it's a monthly cycle for paying salaries. This can be used in supply chain finance, for example, to help a business know when to finance its invoices.

Most businesses are seasonal, year after year. The cash flow forecasting system that prompts the treasurer about a regular payment has not been included, or knows from past behaviour, how late a customer usually pays.

Liquidity Management is a daily cycle and the LMS suite of products embodies that principle. From start of day to the end of day, the treasurer wants to maximise the use of funds – especially in negative interest rate situations – while the bank wants the money on its balance sheet wherever possible, and a system that helps to do that based on the actual cash available and the treasurer's policy choices.

5. The context of real-time

Just as with the traffic information, use of real-time information is crucial. We are used to real-time, because the price depends on real-time data. Price depends on the context of the real situation, in real-time. For example, dynamic discounting uses real-time liquidity information to provide the optimum discounting of bills. This breaks the barriers between cash and trade – but fits the customer's and the bank's context.

Nobody ever wants to make a payment. A payment is always in a context: the payer wants to receive goods, the payer wants to do something, the payer doesn't want to be fined for late tax payment – so a payment is always part of a larger process.

Some banks' systems still start by asking how the payment should be made. The only way to know what payment rail is best is if the context is taken into account – the amount, the repudiability needed, and so on. So many banks start by asking first, who to pay. This sparks off barrage of form-filling. How much? What currency? What bank identifier? Account number? Account name? What account to debit? When should we make the payment? What value date on the payment? What reference field? What payment rail?

With context, this can be avoided. Ask first: what do you want to pay? This invoice. From the invoice, the system knows who to pay. Knows the bank and knows the account – number and name. Knows the amount and the date. And from the context of habit, knows the reference field and the account to debit.
So from the context, the bank can offer one-click payments.

#ContextualBanking takes this even further: why pay? Why pay now? Why not yesterday or tomorrow? The bank works out – from the context of success, the context of habit and the context of situation - when it needs to make the payment. And why pay it from that account? Is that the best use of working capital?

6. The context of compliance

Last but not least, keep me out of jail. Don't just only give me options that make sense. Also, only show what is permitted. There is no point offering options that cannot be executed – and knowing what is permissible means understanding the full context of the transaction.

The need to deliver #ContextualBanking

Intellect has been a trailblazer in delivering #ContextualBanking.

Data: Information and Analysis

Data can be available from many sources, but the capability Intellect demonstrates is to handle data's four V's: volume (40 trillion gigabytes globally at last count), variability (Putting a premium on handling unstructured data automatically as in IDX), velocity (For example, Intellect handling a million payments per hour in live use) and veracity (Intellect achieving superhigh STP rates, avoiding data errors).

Interaction: A self-service intelligent layer

It's not possible for most front-ends – whether API-enabled or rendered as a portal – to provide #ContextualBanking, because the data (the context) simply is not available. Typically, the front-end can only provide payment execution capability, and not advise which is the cheapest or the fastest. Bank payment systems are there to execute payments, not to answer questions about what it might cost if the payment is executed. For that, Intellect developed the interaction layer in the Contextual Banking Experience series of products.

Nimble, agile-working: Not a big bang

Through progressive modernisation, Intellect has been carrying out digital transformation bite-sized, palatable to its client's strategy, capacity and project list - through BYO (Build Your Own/Bring Your Own) accelerators, working with IT to have payback time in months and not years, as well as reducing TCO, in a fashion fundable by run-the-business budgets instead of only change-the-business budgets.

#ContextualBanking.

Once the context is understood, new offerings become evident. Anticipating the context, clicks can reduce to zero.

With #ContextualBanking, the bank's relevance to the client can be assured. Intellect is pioneering this digestible revolution.

Chapter 9

Infusing Progility in Software Implementation with iTurmeric FinCloud

The evolution of technology has made competition more aggressive for the financial institutions across the world. They are still saddled with legacy platforms and are increasingly feeling the pressure to accelerate their own digital transformation.

iTurmeric FinCloud, with its API-first architecture, enables banks to address the overarching importance of business continuity, with a very novel and unique way of progressively modernising, without the risk of rip and replacement. The first-of-its-kind enterprise integration, iTurmeric is a cloud-native and microservices-based platform, empowering banks to participate in the experience economy. It does so with its five robust assets (T1 to T5).

T1 - API Exchange: It is a comprehensive one-stop-shop for all API documentation. The browsable API documentation is available for all authenticated users and is categorised based on user journeys. We can also demonstrate the APIs quickly through this portal's TEST API capability. All APIs follow the OpenAPI Specifications (OAS) in SWAGGER and compliance to Open standards.

T2- API Studio: This is a multi-tenant developer studio to create APIs and manage the entire life cycle of APIs - to create, upload, publish and manage APIs. The Domain Objects module of this studio enables exposing data and services in modern formats from legacy data sources, using domain object modelling and helps in creating REST APIs without coding for these objects. iTurmeric API Studio provides an end-to-end solution for building an abstraction over the legacy systems.

T3 - Experience Studio: This Studio has an advanced UI designer called as Fluid Pages, using which web applications can be developed. It is useful for building angular technology-based UI components.
The designer provides off-the-shelf inbuilt UI components which can be quickly assembled to create custom UI Components. The fluid pages UI designer works on an innovative and unique concept

of binding to the backend, APIs using Domain Objects. The Studio has 'drag and drop' fluid elements and also helps in 'test on the fly', using real-time angular publisher.

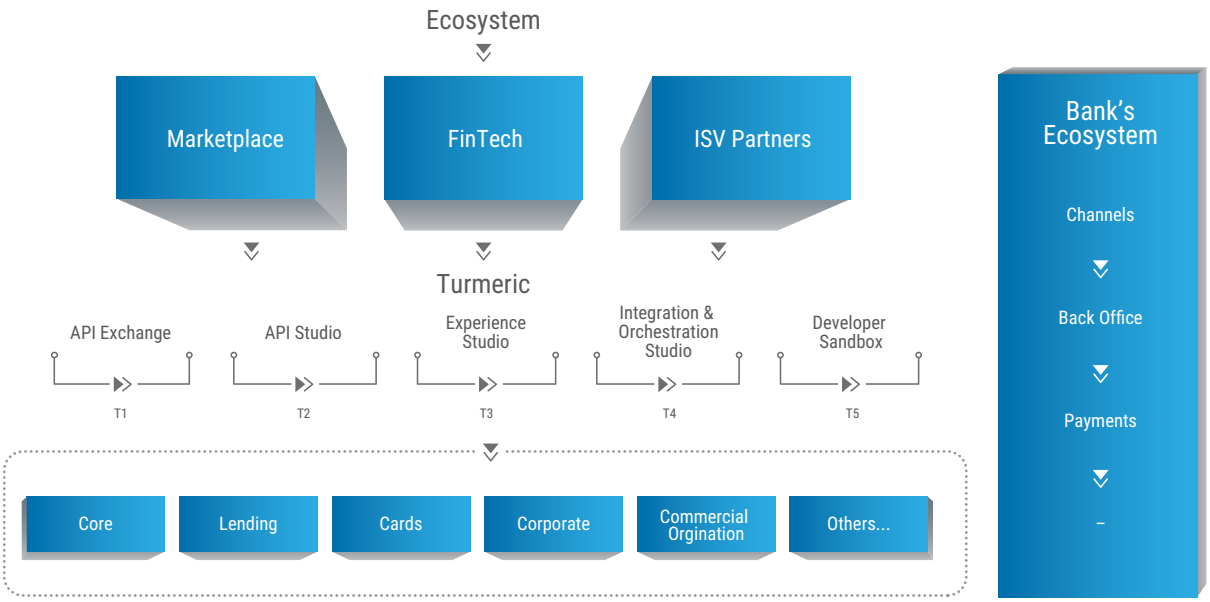
T4 - Integration & Orchestration Studio: This is Intellects' Enterprise Integration and Orchestration platform. It helps in configuring new business processes and orchestrate the flow. A low-coding platform, it is configuration-driven and supports model-based design. It also supports more than 100+ end points, future-proof, cloud-ready, microservices architecture and also end-to-end life cycle monitoring.

T5 - Developer Sandbox: It facilitates API Experience with trials and open collaboration for FinTechs, banks, partners, ISVs and others. It also promotes open banking, and helps in creating new banking applications, business process APIs and microservices through robust integration across the banks'/market ecosystem.

Today, the iTurmeric platform already has Retail Banking, Lending, Origination and Corporate Banking APIs available as part of API Exchange and Turmeric API manager to create new and relevant user journeys on the fly. We will continue to add additional API's. The discrete nature of these APIs means that newer systems can be put in place without impacting mission-critical legacy infrastructure.

iTurmeric FinCloud challenges software implementation paradigms and infuses the traditionally cumbersome process with progility - a portmanteau of progressive and agile, vital for financial institutions in this new epoch of banking technology.

In a world where technology is continuously disrupting workforces, customer expectations and even entire industries, the ability to modernise quickly and in a cost-effective manner has become imperative. With iTurmeric FinCloud, the systems of the new digital banks can be tested and run in isolation or in parallel with core legacy systems, which can, in turn, continue to run without interruption or compromise. All this while accelerating the bank's cloud journey, and promoting collaboration with partners and customers to build new and innovative solutions – a seamless integration across the bank's ecosystem.



Chapter
10

Driving Growth through the Levers of Monetisation

With a rich portfolio of contextual products that are category leaders in their respective spaces and multiple models of delivery/ deployment, Intellect has several modes of monetisation opportunities.

In the traditional License model of a typical software product company, Intellect generates revenues in the following streams:

1. License fee paid by customers for use of our software products in an on-premise model.
2. Implementation and Customisation fees paid by customers for rolling out our software products and customising it to their specific requirements.
3. Annual Maintenance fee paid for maintaining the software and making upgrades available, where applicable.

Over the years, our license realisation has increased – both as a per-deal figure and as a share of total revenue. An increasing share of advanced markets in the total revenue pie and greater maturity of products in meeting the RFP requirements have contributed to this. Our wins in those markets are also testimonial examples of the acceptance of our products.

Our implementation revenues increase through increases in the rate card. We have also significantly industrialised our products, as well as our implementation methodology in the first two years of the Intellect 2.0 journey – through implementation of User Journey-based product walkthroughs, test walkthroughs and testing frameworks, deployment of low-coding platforms, shift from coding to configuration, shift from implementation to onboarding, integration framework – all of these, resulting in reduced implementation cycles and lower defects. This improves our implementation margins compared to yesteryears. This apart, Intellect also offers ongoing production support to our customers

in various flavours – deployment of dedicated teams, technology management services, business growth support, ongoing customisation and change requests – to keep pace with the innovations of our customers, all of which contribute to our implementation revenues.

A higher license revenue earning also has a downstream impact on higher AMC revenues, which are often a percentage of the license component. AMC revenues are further bolstered by our increasing footprint of implementations.

During FY20, revenues through the Cloud deployment model/subscription mode moved up from 5% of revenues to 10% of revenues. Cloud revenues had an exit Annual Run Rate of INR 150 Crs. It is predicted that this stream would accelerate further in the years ahead, as it provides an attractive alternative to the traditional capex route of investments. Our infrastructure management capabilities have matured to support both private cloud deployments, as well as those on public cloud services. Thus, Intellect is geared to take advantage of any possible shift in delivery models as well.Together with AMCs, subscription revenues constitute a repeatable assured revenue stream for Intellect, the share of which is increasing over years. In addition, subscription revenues have a potential upside where they have been linked to the business metrics of our customers, such as quantum of transactions, number of accounts/customers or revenue numbers.

The growing customer base, apart from providing referenceability across geographies, banking verticals and tiers of customers, also opens up another stream of revenue generation - Cross-sell/ Upsell/Upgrades. As a metric, we work towards increasing the number of products per customer – offering more products to the same customer by partnering with them and developing a deeper understanding of their business priorities. We have examples across our lines of businesses, where we have deepened the engagement to realise higher revenues, while addressing the demands of their growing business portfolios. These reflect in increased revenue realisation per customer, especially in accounts where we are deeply engaged. Our average revenue with our Top 20 customers has grown significantly in recent years – a proof point of this approach.

Apart from domain-led products, we also help our customers in their digital transformation journey by supporting their transition to cloud-ready, API-led, microservices-based architecture, while preserving their investments in legacy platforms. iTurmeric , Olive Fabric, IDX – Intellect Data eXchange, CT Sigma – are our IP assets that support this initiative. This helps our customers de-risk their transformation, making it truly 'progile'. We are also looking to collaborate with the FinTech ecosystem by establishing and participating in API-led FinTech Marketplaces, which would open another stream of revenue, even where our products do not find a need.

These multiple revenue streams and models ensure that Intellect's earning potential is well-diversified, de-risked and sharpened to take advantage of every form of market opportunity and trend – be it in products, implementation, maintenance, subscription, or supporting a transformation. This in turn, will ensure both an assured and repeated revenue stream, as well as growth, driven by logo acquisitions, entry to new markets and replication of our success with the top customers in a market to other participants in the same market.

Chapter
11

The Last Mile in Delivering Customer Delight – D-3 OTIF Implementation

Financial institutions are understandably wary of implementation failures – the biggest challenge they grapple with! The industry is replete with instances of ambitious modernisation programmes that grossly overrun time and budget schedules, causing considerable reputational and financial damage to the customer and a significant setback to their strategic goals.

Design Thinking is hardwired into the Intellect DNA and this reflects in the absolute implementation certainty. Our aggressive delivery excellence programme is called D-3 OTIF – which translates to delivery 3 days before time, in full. The framework is built on the pillars of Design and Diagnostics .

Four dimensions relate to 'In Full', which drives the behaviour of the implementation - **User Journey map, Engineering blueprint, Blueprint execution, Product support and Service delivery. The 'On-Time' dimensions focus on Planning, Monitoring & Control, Stakeholder Management** and on how we can participate as a partner with the customer for higher throughput.

Consistent delivery, 3 days ahead of schedule and in full is the ultimate test of customer- centric design. We use engineering centres, specially designed on agile principles, where six-people teams work as unit cell structures, ensuring high productivity delivery excellence along the 8 dimensions.

Consistent performance requires high performance engines around domain efficiency, technology efficiency, process efficiency, customer knowledge, re-usability, IP innovation and people energy. Deep diagnostics unearth blind spots. Design principles engineer for predictability. Chemistry is the secret sauce that makes D-3 OTIF possible.

At Intellect, we honour the commitments we make. Our aggressive delivery excellence programme is called D-3 OTIF.

Chapter 12

Brand Beacons

Visibility to the enterprise brand and cutting-edge products of Intellect, have been amplified manifold through product launches, thought leadership in global events and forums, recognition through awards and exposure through media features.

Awards and Accolades

Intellect Design named a **Leader in the IDC MarketScape**: Worldwide Trade Finance Report, highlighting its keen focus on transforming the corporate customer's experience.
2nd June, 2020

Intellect Revolutionary Contextual Banking Technology ranked #1 in the world for both **Retail Banking and Transaction Banking** by IBS Annual Sales League Table 2020.
29th June, 2020

Emirates NBD wins **Celent's Model Bank Award** for Transaction Banking Transformation.
11th May, 2020

Intellect CBX Retail Digital Onboarding wins **XCelent Functionality Award** from Analyst Firm Celent.
25th March, 2020

Intellect Design rated as a **Strong Performer** in The Forrester Wave™: Digital Banking Engagement Platforms.
1st July, 2019

Intellect Design Arena has been **recognised as a Challenger** in the July 2019 Gartner Magic Quadrant for Global Retail Core Banking.
22nd July, 2019

Events

iGTB Oxford Alumni Dinner

iGTB Oxford School of Transaction Banking networking event brought some new insights to the advance transaction banking business by a curated program content, meeting fellow bankers, corporate guests and graduates of the School.

22nd January, 2020

Cambridge Intellect Leadership Program

Intellect collaborated with the renowned Cambridge Judge Business School for a prestigious Executive Leadership programme on Digital Transformation by Design in Cambridge, UK.

20th - 22nd January, 2020

Hubbis Wealth Management Forum 2019-2020

Intellect presented powerful insights into the current landscape of the Wealth Market and Intellect's 'RM-First' design approach, recognising the importance of relationship managers.

4th July, 2019 - Malaysia; 22nd August, 2019 - India; 17th October, 2019 - Indonesia; 21st January, 2020 - Middle East

Insuretech Connect

Intellect SEEC was the Title Sponsor at ITC, the premiere event for the insurtech industry in Las Vegas.

23rd – 26th September, 2019

Sibos 2019 London

Intellect showcased what Transaction Banking 2020 is and how it surpasses current, traditional approaches to Transaction Banking by covering various touch points at the Sibos 2019.

23rd - 26th September, 2019

Launches

C.ALM 20

Intellect launches C.ALM 20, a unified contextual ALM platform to manage balance sheet risks.
28th May, 2020

CBX-FX

Intellect launches CBX-FX - a contextual FX platform, combining trading and hedging needs for the bank's corporate customers.
22nd May, 2020

iTurmeric

Intellect Launches iTurmeric; Will Deliver Offerings Through IBM's Financial Services-Ready Public Cloud.
14th May, 2020

CBX-O

CBX-O, an end-to-end loan origination platform, launched to empower the customers with improved data analysis and automation for delivery of smarter & faster decisions.
19th February, 2020

Contextual Sentiment API on AWS

Intellect SEEC launches the Contextual Sentiment API on AWS.
29th January, 2020

ARX

ARX, a new integrated suite of security services launched to redefine security with modern identity.
18th December, 2019

Media

IBS Intelligence

Intellect Revolutionary Contextual Banking Technology ranked #1 in the world for both Retail Banking and Transaction Banking by IBS
29th June, 2020

The Week

Intellect Launches iTurmeric FinCloud; Will Deliver Offerings Through IBM's Financial Services-Ready Public Cloud
18th May, 2020

Banking Frontiers

New contextual sentiment API from Intellect SEEC
4th February, 2020

Enterprise Talk

iGTB Announces World's First 100%, 45-minute Robotic Deployment of its fully-featured Transaction Banking Portal CBX
21st January, 2020

Business Standard

Intellect Design Arena launches RM Office 2020 for wealth managers
4th December, 2019

Chapter
13

Intellect Executive Council

Arun Jain
Chairman & Managing Director

Manish Maakan
Chief Executive Officer,
Global Transaction Banking

Rajesh Saxena
Chief Executive Officer,
Global Consumer Banking

TV Sinha
Head – Risk, Treasury and
Capital Markets

Andrew England
Director and Head – Strategy,
Global Transaction Banking

Banesh Prabhu
Chief Strategy Advisor,
Global Consumer Banking

Venkateswarlu Saranu
Chief Financial Officer

Govind Singhal
Chief Human Resources and
Group Enablement Officer

Chapter
14

Board of Directors

Arun Jain
Chairman & Managing Director

Anil Verma
Executive Director

Aruna Rao
Independent Director

Arun Shekhar Aran
Independent Director

Andrew England
Non-Executive Director

Vijaya Sampath
Independent Director

Abhay Gupte
Additional Independent Director
(Effective 15th June 2020)

Chapter
15

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ANZ

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IMEA

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Silver Metropolis, Unit No. 801, 802, 901, 902, 1001, 1002,
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INTELLECT DESIGN ARENA LIMITED

Annual Report for the year ended March 31, 2020

Regd. Office: No.244, Anna Salai, Chennai - 600 006. INDIA.

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Bankers
Citibank N.A
HSBC Ltd.
HDFC Bank Ltd.
IDFC Bank Ltd.
Axis Bank Ltd.
State Bank of India
Barclays Bank
Bank of America

Auditors
M/s. S.R.Batliboi & Associates LLP
6th & 7th Floor, A Block
(Module 601, 701 – 702), Tidel Park, No.4,
Rajiv Gandhi Salai, Taramani,
Chennai – 600 113. India.

DIRECTORS' REPORT

DIRECTORS' REPORT

To the members,

We are pleased to present the 9th Annual Report on our business and operations for the year ended 31st March 2020, of Intellect Design Arena Limited ("Company"). This is our Sixth year of business operations.

1. Results of operations (In Rs. Millions, except EPS data)

Description	Standalone		Consolidated	
	Year ended March 31			
	2020	2019	2020	2019
Total Income (Including Other Income and exceptional item)	7,693.73	9,927.63	13,788.97	15,122.75
Expenses	7,247.56	8,036.23	12,760.48	13,220.33
Profit/(Loss) before Interest, Depreciation & Tax (PBIDTA)	446.17	1,891.40	1,028.49	1,902.42
Finance Charges	158.03	114.05	173.67	114.42
Depreciation & amortization	485.65	349.37	689.57	415.57
Net Profit/(Loss) Before Tax (excluding share of profit / (Loss) from Associate Companies)	(197.51)	1,427.98	165.25	1,372.43
Provision for tax including Deferred Tax	115.25	57.12	50.90	89.47
Net Profit/(Loss) after tax	(312.76)	1,370.86	114.35	1,282.96
Add / (Less): Share of Profit / (Loss) on Associate Companies	-	-	62.11	29.66
Net Profit / (Loss)	(312.76)	1,370.86	176.46	1,312.62
Re-measurement gains/(losses) on defined benefit plans	(26.09)	(16.47)	(26.23)	(16.44)
Exchange differences on translation of foreign operations	-	-	151.54	10.19
Net movement on cash flow hedges	(287.06)	(55.42)	(287.06)	(55.42)
Other comprehensive income for the year, net of tax	(313.15)	(71.89)	(161.75)	(61.67)
Total comprehensive income for the year, net of tax (before considering Non controlling Interest)	(625.91)	1,298.97	14.71	1,250.95
Less: Non Controlling Interest	-	-	27.58	(0.85)
Total comprehensive income for the year, net of tax	(625.91)	1,298.97	(12.87)	1,251.79
EPS				
Basic Rs.	(2.37)	10.63	1.21	10.18
Diluted Rs.	(2.37)	10.39	1.19	9.95

Table No. 1.1

Function wise classification of statement of consolidated Profit and Loss

In Rs. Millions

PARTICULARS	Year Ended	
	March 31, 2020	March 31, 2019
INCOME		
Income from software product license and related services	13,508.67	14,587.32
EXPENDITURE		
Software development expenses	6,986.66	7,371.76
Selling and marketing & General and administrative expenses	4,213.24	4,496.85
Research & Engineering expenses	1,218.82	1,003.98
ESOP Cost	169.80	55.79
Provision for Debts and Write Offs	171.91	173.92
Total Expenditure	**12,760.43**	**13,102.30**
EBITDA	**748.25**	**14,85.02**
Less:		
Depreciation/Amortisation	689.57	415.57
Finance Charges	173.67	114.43
Hedge Impact	39.83	91.63
Profit / (Loss) before other income / minority interest	**(154.83)**	**863.39**
Other Income including exceptional items/ Restatements	320.01	509.03
Share of profit / (loss) of Associate Companies including Minority Interest	45.57	30.50
Profit/(Loss) before tax (excluding Minority interest)	**210.75**	**1,402.92**
Provision for taxation	50.90	89.47
Profit / (Loss) after tax (excluding Minority interest)	**159.85**	**1,313.45**

Table No. 1.2

2. State of Company's Affairs

The consolidated revenue of the Company for the year ended 31st March, 2020 stood at Rs.13,733.52 Millions as against Rs.15,122.75 Millions for the previous year and there is a decline in the revenue to the tune of 9.19%. The consolidated Net Profit / (Loss) for the fiscal year ended March 31st, 2020 stood at Rs.176.46 Millions as against the previous year's Net Profit/(Loss) of Rs.1,312.62 Millions. The Consolidated Reserves and Surplus as of 31st March 2020 stood at Rs.9,788.44 Millions as against Rs.9,538.46 Millions as of 31st March, 2019. For the financial year ended 2019-2020, the Company has not transferred any amount to the reserves.

3. Material Changes and Commitments

There were no material changes and commitments from the end of the financial year till the date of this report.

4. COVID-19

The WHO declared COVID-19, as a global pandemic in March 2020. The threat of the rapid spread of COVID-19 triggered various state governments and the Union Government of India to declare an unprecedented lockdown. For the safety and well- being of all the employees, the Company declared work from home. With the new approach, the Company has been able to provide continuous services to all the customers across the globe. This approach has strengthened the customers' confidence in the Company. Our stakeholders have expressed their appreciation for ensuring that business continues despite the challenging conditions.

4. Subsidiaries

Details of Subsidiary Companies, Joint Ventures and Associate Companies, and their financial position.

Your Company has 19 (9 direct and 10 step down) Subsidiary Companies and 2 associates and 1 joint venture Companies for the financial year ended on March 31st, 2020. The information as required under the first provision to sub-section (3) of Section 129 is given in Form AOC-1 in Annexure [1]. During the year under review, SFL Properties Private Ltd was disinvested and entered into Share Purchase agreement with Mahalakshmi Properties Management Services Pvt., Ltd., on June 13, 2019.

5. Cash Reserves

Your Company has cash reserve of Rs. 1,343.13 Millions.

6. Share Capital

The paid-up Capital of the Company was increased to Rs. 661.69 Million through share allotments made against exercise of Options (563,915 equity shares) under the ASOP Schemes, comprising of 13,23,38,630 equity shares of Rs. 5/- each as on March 31st, 2020.

The details of all the stock option plans, including terms of reference, and the requirements are set out in Annexure 2.

7. Corporate Governance

Your Company has been complying with the provisions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). A separate report on Corporate Governance, along with the Auditors' Certificate on Compliance of the Corporate Governance norms as stipulated under Chapter IV of the Listing Regulations and Management Discussion & Analysis forming part of this report, is provided elsewhere in this Annual Report.

8. Transfer to Investor Education and Protection Fund

As required under the provisions of Section 125 and other applicable provisions of Companies Act, 2013 (hereinafter "the Act"), dividends that remain unpaid/unclaimed for a period of seven years, are to be transferred to the account administered by the Central Government viz: Investor Education and Protection Fund ("IEPF"). Any person claiming to be entitled to the amount transferred to IEPF, may apply to the Investor Education and Protection Fund Authority (IEPF Authority) by submitting an online application in Form IEPF-5 available on the website www.iepf.gov.in, along with the fee specified by the IEPF Authority. The Company had not declared any dividend so far, hence the above provisions are not applicable to our Company. Keeping in view growth of the business, your Directors do not recommend any dividend for the financial year ended 2019 – 2020.The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is uploaded on the Company's website. The weblink of the Dividend Distribution Policy is https://www.intellectdesign.com/investor/corporate-governance.asp.

9. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars as prescribed under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in the Annexure 3 of this Report.

10. Particulars of employees

(a) The statement containing particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not form part of this report. In terms of Section 136 of the Act, the same is open for inspection during working hours at the registered office of your company. A copy of this statement may be obtained by the members by writing to the Company Secretary.

(b) The ratio of remuneration of each director to the median remuneration of the employees of the company and other details in terms of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are part of this report as Annexure 4.

11. Directors' responsibility statement as required under Section 134 (5) of the Companies Act, 2013

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013 the Directors of your Company confirm that:

a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed, along with the proper explanation relating to material departures.
b) The Directors have selected such accounting policies, applied them consistently, and made judgements and estimates that are reasonable and prudent so as to give a true` and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the company, and for preventing and detecting fraud and other irregularities.
d) The Directors have prepared the Annual Accounts on a "going concern basis".
e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Board Meetings, Board of Directors, Key Managerial Personnel & Committees of Directors

(a) Board Meetings:

The Board of Directors of the Company met 6 times during the year 2019-20. The details of various Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is as prescribed in the Act.

(b) Changes in Executive Directors, Non- Executive Directors& Key Managerial Personnel

During the year under review, there is no change in Executive Director, Non-Executive Director and Key Managerial Personnel.

(c) Re-Appointment

As per Article 34(l) of the Articles of Association of the Company, one third of the Directors are liable to retire by rotation at the Annual General Meeting of the Company. Mr. Andrew Ralph England, Non-Executive Director is liable to retire by rotation and offers himself for re-appointment.

Mr. Arun Jain was appointed as a Managing Director at the 06th Annual General meeting to hold office for a period of 3 (three) years, w.e.f., 21st August, 2017 and his term expires at the closure of 09th AGM to be held on 21st August, 2020. Now, it is recommended to re-appoint him as a Managing Director for a term of 5 (five) years, subject to the approval of the Shareholders at the 9th AGM.

(d) Independent Directors

Mr. V. Balaraman was re-appointed as Independent Director at the 06th AGM held on 21st August, 2017 for a period of two (2) years and his second term as an Independent Director ended on the conclusion of the 08th Annual General Meeting of the Company.

Ms. Aruna Krishnamurthy Rao was re-appointed as an Independent Director at the 6th AGM held on 21st August, 2017 for a period of three (3) years and her second term as an Independent Director will end on the conclusion of 09th Annual General Meeting of the Company.

Mr. Arun Shekhar Aran was re- appointed as an Independent Director at the 8th AGM held on 21st August, 2019 for a period of five (5) years.

Ms. Vijaya Sampath was appointed as an Additional Independent Director of the Company at the Board of Directors' Meeting held on 25th October,2018. Subsequently, she was regularised as an Independent Director by the Members in the meeting held on 21st August,2019 for a period of five (5) years W.e.f. October 25, 2018.

Mr. Abhay Anant Gupte was appointed as an Additional Director (Independent Category) of the Company at the Board of Directors' meeting held on 15th June2020, who shall hold office till the next Annual General Meeting of the Company. He will be appointed as an Independent Director subject to the approval of the members in the ensuing Annual General Meeting for a period of 5 years w.e.f from 15th June, 2020 till the conclusion of 14th Annual General Meeting.

No Directors resigned during the year 2019-2020.

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down in Section 149(6) of the Act and in accordance with SEBI (LODR) Regulations, 2015. Further, no Independent Director is a non-Independent Director of another Company on the Board on which any non-independent Director of the listed entity is an Independent Director.

(e) Details of remuneration to Directors: The information relating to remuneration of directors as required under Section 197(12) of the Act, is given elsewhere in the report.

(f) Board Committees

The Company has the following Board Committees:

1. Audit Committee
2. Nomination and Remuneration & Compensation Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Sub-committees:

1. Share Transfer Committee
2. Cyber Security Committee (the Committee was constituted on 2nd May, 2019 as per Listing Regulations, 2015)

The composition of each of the above Committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

The policy framed by the Remuneration and Compensation Committee under the provisions of Section 178(4) of the Act, is as below:

(g) Remuneration policy

The remuneration policy of the Company has been so structured as to match the market trends of the IT industry. The Board, in consultation with the Nomination and Remuneration & Compensation Committee, decides the remuneration policy for Directors. The Company has made adequate disclosures to the members on the remuneration paid to the Directors from time to time. Remuneration/ Commission payable to Directors is determined by the contributions made by the respective Directors for the growth of the Company.

The remuneration policy of the Company and other matters as required under Section 178 sub-section 3 of the Act is available. There has been no change in the policy since the last fiscal year. We affirm that the remuneration paid to the Directors are as per the terms laid out in the remuneration policy of the Company.

Weblink of the Nomination and Remuneration Policy:
policyhttps://www.intellectdesign.com/investor/corporate-governance.asp.

(h) Board Evaluation

As required under the provisions of Section 134(3)(p) and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance and that of its committees and individual directors. The manner in which such performance evaluation was carried out is as under:

The performance evaluation framework is in place. Prof. Ashok Korwar was appointed to evaluate the performance of the Directors and made a presentation to the Board summarising the views and suggestions made by the individual Directors and the Board. The performance of the Board was evaluated on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board, and the Nomination and Remuneration Committee reviewed the performance of Individual Directors on the basis of criteria such as exercise of responsibilities in a bona fide manner in the interest of the Company, striving to attend meetings of the Board of Directors/Committees of which he/she is a member/general meetings, participating constructively and actively in the meetings of the Board /committees of the Board, etc.

In a separate meeting of independent directors, performance of Non-Independent Directors, performance of the Chairman of the Company and the performance of the Board as a whole was evaluated.

(i) Vigil Mechanism

The Company has established a whistle-blower policy and also a mechanism for Directors and employees to report their concerns. The details of the same is explained in the Corporate Governance Report.

(j) Related Party Transactions

All related party transactions that were entered during the financial year were on arm's length basis and were in the ordinary course of business. There are no other materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The details of the related party transactions as required under Section 134(3)(h) r/w Rule 8 of the Companies (Accounts) Rules, 2014, is attached as Annexure [5].

13. Auditor reports and auditors

Statutory Auditors: During the year under review, M/s. S.R. Batliboi & Associates LLP, Chennai, Chartered Accountants has been appointed at the Annual General Meeting held on 21st August, 2019 to hold office as statutory auditors until the conclusion of the 13th Annual General Meeting of the Company. There are no qualifications or adverse remarks in the Auditor's Report for the financial year ended 31st March, 2020.

Secretarial Auditors: Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by M/s SAE & Associates, LLP, Practising Company Secretaries, and their report is annexed as Annexure [6]. There are no qualification or adverse remarks in the Secretarial Audit report for the financial year ended 31st March, 2020.

Cost Records and Cost Audit: Maintenance of cost records and requirements of cost audit as prescribed under Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

14. Fixed Deposits

Our Company has not accepted any deposits during the financial year and as such, no amount of principal or interest was outstanding as on 31st March, 2020.

15. Social Connect

Ullas Trust

22 Years of Igniting Young Minds since Polaris.

The Beginning:

Ullas Trust began in 1997 as a social initiative with an aim to integrate associates with the larger community, for them to experience the bliss of working with young minds in the country. This has now grown into a movement across 8 States and 2 Union Territories. In its 22 year journey, the Ullas movement has grown beyond our associate community, to include committed partners, who have joined us in this endeavour of igniting young minds. These partners include family and friends of our associates, associates from our clients, Civil Society Organisations, and youth from colleges. They are all united by the common purpose of shaping the thinking of adolescent young students. Over the 2 decades, Ullas has ignited nearly 17 lakh young minds!

Highlights of this Academic Year:

- **Our reach:** Ullas ignited the dreams of **2.39 lakh young minds** from **1,506 schools** across **121 districts** in **8 states and 2 Union Territories**!
- **Friends of Ullas: 2,400+ passionate volunteers** (associate community, and their family and friends, along with other corporate partners) ignited and shaped young minds across all chapters. They are truly the force behind the Ullas movement.
- **Gift of Time:** The collective gift of time from every volunteer across all our Chapters and our flagship programs is more than **40,000 volunteer hours**!
- **Expanding our Footprint:** In partnership with a like-minded NGO, Ullas stepped foot into **Jammu - Rajauri and Poonch** in 3 schools - 2 Army schools and 1 Govt. School - igniting 300+ grade 9 young minds. Ullas also stepped into Kerala, in partnership with the 3rd generation IIT - **IIT Palakkad,** igniting 200+ young minds from Grade 9-11 at Jawahar Navdaya Vidyalaya School, Palakkad; and with **IIT Tirupati**, igniting 250+ young minds from 3 schools near the campus!
- **Youngsters continue to lead the way: 570+ college student volunteers** (youth partner organisations and NSS / BSW / MSW students from premier institutions across Tamil Nadu, Telangana and Maharashtra) - ignited the "Can Do" spirit of **12,000+ Young Minds**, from **53 schools**, in **29 districts** and further nurtured their horizontal and vertical skills through Summit Enrichment program.
- **College Connect:** Ullas partners with 11 colleges today across Tamil Nadu, Telangana and Maharashtra. Over **220+ NSS and MSW students** engage with schools near their campus - igniting young minds through "Can Do" and "Planning" workshops, and Summit program.
- **Wardha as a Chapter:** Today, Ullas is igniting the minds of **2,519 (Grade 9 and 10) students** in **26 schools including a Tribal school** in Yavatmal. The Chapter is also enthusiastically engaging with NSS and MSW students from **3 colleges** - 2 Social Work colleges and 1 University, to deliver "Can Do" workshops in their premises. A small army of committed **40+ student volunteers** are visiting **8 schools** to deliver Summit programs for **480+ Grade 9 students**!

From our Flagship programs:

Summit Enrichment Program:

As part of the uniquely-created self-enrichment module SUMMIT, mentors have delivered 20 life changing interventions over 4 years (Grade 9-12) with focus on igniting dreams, planning, influencing and persuasive articulation, to the students (Young Achievers as they are called). They are aimed at building the horizontal skills of the students – communication, confidence-building, memory skills, active team work, public speaking and leadership skills.

This academic year, mentors delivered SUMMIT to 6559 young minds from Corporation, Government, and Govt-Aided schools in 5 cities – Chennai, Delhi, Jammu, Mumbai and Pune. These positive interventions shape their thinking, aids in their transformation, furthers their "Can Do" attitude towards achieving their aspirations.

Touch The Soil Program:

The program is an opportunity for associates to "reconnect with their roots", along with their teams and conduct the **"Can Do"** workshops in the districts of rural India. This helps motivate young minds in the rural canvas, where they get an opportunity to interact with role models who made it big from within their environment. This academic year, Ullas ignited 2.3 lakh young minds from Grade 9-12 from 1088 schools across 121 districts in 8 States and 2 UTs. To encourage their "Can Do" spirit, 10,357 merit scholarships were awarded to the top 5 students of Grade 9 and Grade 10 from these schools.

Higher Education Scholarships:

Across our Chapters, 228 active Higher Education Scholars continue to co-mentor and inspire their juniors in Summit sessions. Mentoring programs for these Scholars, help them stay the course in marching towards their aspirations.

The Road Ahead:

Stepping into its 23rd year, the Ullas movement continues to be strengthened not just by our associates, but also their family and friends, and strong like-minded partners driven by the common purpose of "igniting young minds" and seeding the "CAN DO" spirit.

16) Audit Committee Recommendation

During the year, all the recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as described in the Corporate Governance Report.

17) Extract of Annual Return

The details forming part of the Extract of the Annual Return in Form MGT 9 is annexed herewith as Annexure [7].

18) Significant & Material Orders passed by the Regulators or Courts

During the Financial Year 2019-20, no order has been passed by any regulatory authorities or Courts.

19) Particulars of Loans, Guarantees and Investments u/s 186*

Investments made during the year 2019-20: NIL

* The Company has not granted Loans and Guarantees under Section 186 of the Companies Act, 2013

20) Risk Management Policy

Being a pioneer in the Intellectual Property-led Business in India, the company is continuously focussing and committing itself to have a Risk Management system suited for the Products business.

Towards this, the Board has formed a Risk Management Committee with Directors, the Chief Financial Officer & the Chief Risk Officer as members of the committee. The Committee works to mitigate any inherent risks faced by the Business and to meet the increasing demand of Customer's liability through different means within the overall framework listed below:

Risk Management Framework

Objective

The Organisation is subject to certain risks that may affect our ability to operate, may disrupt our business model due to changes in competitive landscape, changes in Technology which may render our capabilities obsolete, and thus hamper our ability to serve our Customers and protect assets. These risks could adversely affect Customer projects, Employees, Shareholders, liability to Third Party and risks to Property among others. Controlling these risks through a formal process is necessary for the well-being of the Organisation and its Stakeholders.

The Organisation's Risk Policy facilitates identification of these Risks on a continuous basis and proposes mitigation measures. Our risk policy aims to minimise adverse impact of these risks on the Company's growth, Profit margins and People engagement besides Regulatory Compliance. Risk Management has been made an integral part of the Organisation by encouraging Risk Awareness among employees.

Risk Management Framework

The Audit Committee of the Board of Directors oversees the Risk Management process done by the Risk Committee under the overall direction of the Board of Directors. The Risk Management Committee consists of the Board of Directors, Chief Financial Officer & the Chief Risk Officer. The Organisation uses BELIEF (Brand, End Customer, Leadership, Intellectual Property, Execution & Finance) framework for its risk classification.

Risk Management Process

Risk Management is a continuous and developing process which runs throughout the Organisation's strategy and the implementation of that strategy. The Risk Management helps the Organisation to proactively manage uncertainties in the internal and external environment, limit the negative impacts and benefit on the opportunities. The process includes risk identification, risk evaluation, risk prioritsation, risk mitigation, risk monitoring & review.

Some of the major risks are classified using BELIEF framework as follows:

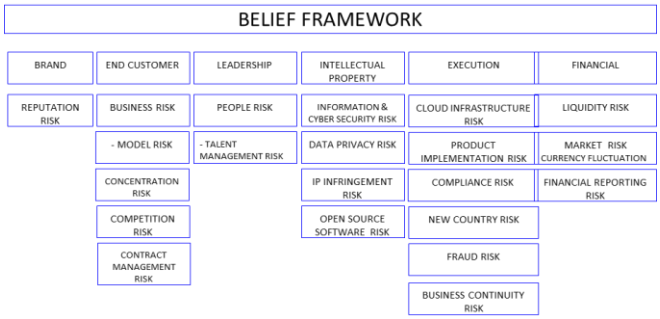

Table No. 1.3

BRAND

1. Reputation Risk:

The brand/reputation risk may arise in case of issues around product implementation, customer relationships & escalations, etc. Risk may accentuate due to increased use of social media & other internet-based applications in the corporate world. The risk is mitigated by adoption of Product, Delivery & Customer Excellence processes to manage implementations & relationships effectively.

END CUSTOMER

2. Business Risk

2.1 Business Concentration Risk

The company is specialised in BFSI space and could face the risk of concentration in a single space. Significant reliance on a particular product, customer, segments or geography may heighten the risk of revenue loss & consequential impact on the profitability, in case of adverse conditions, such as customer exit, volatile geo-political scenarios, sector-specific slowdown, etc. However, this risk is mitigated to a large extent by fairly diversifying the concentration across lines of business, market segments & geographies.

The company has presence in all the 4 sub-segments of BFSI, namely Corporate Banking, Retail Banking, Capital Markets and Insurance. These 4 sub-segments have different boom and bust cycle, and therefore protect the Company. Further, the Company has multiple products and client base to further de-risk the product/business concentration. The Company mitigates its geography concentration risk by having its presence across different geographies.

2.2 Business Model Risk

With increased usage of cloud hosting across the industry, a strategic shift from Traditional License/AMC-based model to Cloud model may pose risk to the Company's existing business model. The Company keeps a close eye on the

changing business model scenario and takes appropriate required actions. A certain portion of our revenue is already derived from the Cloud model through SaaS & subscription.

2.3 Market Competition Risk

The company faces competition from large multinational companies, local companies in the geography in which we operate and Indian product companies. While many of these are established companies, the startups may also disrupt our business. This may pose a challenge to maintain or sustain the business growth or profitability in the long run.

The Company makes focussed investments in R&D with continuous evaluations of product endurance across segments/geographies to keep products relevant & competitive in the marketplace. Ongoing efforts made to enhance the customer experience through deployments of innovative products, competitive pricing through operational efficiencies, cost optimisation measures & improved implementations with minimal number of defects helps us to stay ahead in the innovation curve.

2.4 Contractual Compliance Risk

Product development companies are exposed to legal risk arising from Infringement of IP right and non-performance of contractual obligation. Further, risk may accentuate, in case contract formulations are not commensurate to the Organisation's risk appetite, commitments, delivery capabilities and customer expectations. The Company has established a strong process to review and appraise all contracts. As a policy, it restricts its obligation under each contract. The Company has adequate Insurance to mitigate against risk of Errors and Omissions, Commercial General Liabilities, etc.

3. LEADERSHIP

People Risk

The Company operates in niche BFSI product space which requires people with specialised skills, as against mass recruitment that was followed in Services business. The Company minimises the risk through in-depth in-house training & recruitment from top-end Engineering colleges and B-schools.

Background Checks (BGC) is mandated for all new employees and is audited from time to time.

4. INTELLECTUAL PROPERTY:

4.1 Information & Cyber Security Risk:

Internal & external cyber threats, if not appropriately managed, can potentially result in data leakage, source code compromise, etc. which may significantly disrupt core operations & may damage the Company's brand image/reputation. The risk is mitigated through Information & Cyber Security Forum and the Central Security Group which administer the Information & Cyber security programme for the Organisation. Moreover, Cyber liability insurance is obtained to safeguard against any loss arising out of any security breaches.

4.2 Data Protection & Privacy

The confidential data of the customers/associates are subject to data privacy laws of various states. Procedures to effectively handle the confidentiality & privacy, if not robust, can lead to data breaches. The risk gets accentuates on account of heightened regulations or guidelines such as GDPR and widespread usage of emerging technologies used to enhance customer experience which pose challenges to protect data & the privacy elements. The risk is mitigated by putting data authorisation process in place and making provisions for necessary guidance for the delivery teams with data security practices. GDPR-related compliance reviews are facilitated for applicable business/functional teams.

21) Corporate Social Responsibility

The Company has formed Corporate Social Responsibility Committee on 15th October, 2014 and reconstituted on 24th July,2019. Following are the members of the Committee :

a) Mr. Anil Kumar Verma – Chairman

b) Ms. Aruna Rao – Member

c) Mr. Arun Jain – Member

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities. However, the Company, as a responsible corporate citizen, has risen above itself to make contributions of more than 2% in the area of education, through Ullas Trust. The details of the policy developed and implemented by the Company is given as a part of annual report on CSR as Annexure 8.

22) Secretarial Standards

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

23) Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of the complaints received and disposed off during the financial year 2019-20:

a) No. of complaints filed during the year:1

b) No. of complaints disposed during the year: 1

c) No. of complaints pending as on end of the financial year: NIL

24) Listing Fees

The Company confirms that it has paid the annual listing fees for the year 2019-20 to both the National Stock Exchange of India Limited and BSE Limited.

25) Certifications

Your Directors would like to appreciate the achievements of the Quality Department, which enabled your Company to get certified at CMMi level 5 by CMMI Institute, USA for its Global Consumer Banking (iGCB) business. Your Directors would also like to appreciate the achievements of Cards Business team and Corporate Security Group for PCI - DSS certification, and the achievements of iSEEC business team and Corporate Security Group for SOC 2 certification for Insurance products.

26) Change in Registrar and Transfer Agent (RTA)

The Board of Directors at its meeting held on 23rd March, 2020, approved the change of Registrar and Share Transfer agent from M/s Kfin Technologies Private Limited, Hyderabad(formerly known as Karvy Fintech Private Limited)to M/s Cameo Corporate Services Ltd, Chennai. Depositories vide its approval letter dated July 13, 2020 has confirmed the transfer of database and electronic connectivity and to commence the services of Cameo Corporate Services Limited w.e.f 14th July, 2020.

27) Acknowledgment

Your Directors take this opportunity to express the gratitude to all investors, clients, vendors, bankers, Regulatory and Government authorities, Stock Exchanges and business associates for their cooperation, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the Associates for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance at all levels.

By Order of the Board
For **Intellect Design Arena Limited**

Place: Chennai
Date : June 15, 2020

Arun Jain
Chairman and Managing Director
DIN:00580919

Annexure 1

Form AOC - 1

Statement (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries as on 31st Mar 2020

PART "A" : Subsidiaries

In Rs. Millions

Sl No	Name of the Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investment other than Investment in Subsidiary	Turnover	Profit before Tax	Provision for Tax	Other Comprehensive income	Profit after Tax	Proposed Dividend	% of Holding
1	Intellect Design Arena Pte Ltd., Singapore (+)	April-March	SGD	53.03	235.54	328.54	1,309.48	745.40	-	691.22	24.34	11.03	3.50	16.81	Nil	100.00%
2	Intellect Design Arena Limited., United Kingdom (+)	April-March	GBP	93.50	61.75	997.19	3,382.08	2,323.14	-	4,364.73	117.17	15.94	21.04	122.28	Nil	100.00%
3	Intellect Design Arena SA, Switzerland (+)	April-March	CHF	78.29	11.28	466.26	531.13	53.59	-	180.58	5.12	2.34	53.06	55.84	Nil	100.00%
4	Intellect Design Arena, PT Indonesia**	April-March	IDR	0.0047	14.51	(31.47)	76.47	93.43	-	24.18	0.75	0.06	0.76	1.44	Nil	100.00%
5	FT Grid Pte Ltd, Singapore** (refer note no. 8)	April-March	SGD	53.03	-	-		-	-	-	-		-	-	Nil	100.00%
6	Intellect Design Arena Ltda. Chile*	January - December	CLP	0.09	0.50	(117.59)	88.73	205.82	-	159.97	3.71	0.75	12.02	14.98	Nil	100.00%
7	Intellect Design Arena Inc., US**	April-March	USD	75.67	418.73	(935.74)	1,605.52	2,122.53	-	1,362.14	22.32	(82.43)	(36.90)	67.85	Nil	100.00%
8	Intellect Commerce Ltd, India (Formerly Known as Polaris Enterprise Solutions Ltd) (+)	April-March	INR	1.00	90.00	(43.49)	73.83	27.32	-	82.47	30.74	7.27	(0.14)	23.33	Nil	100.00%
9	Intellect Design Arena Co. Ltd, Vietnam (+)	April-March	VND	0.0032	2.25	0.20	389.71	387.26	-	105.76	13.82	0.17	(0.81)	12.85	Nil	100.00%
10	SFL Properties Private Ltd, India (+) (refer note no. 8)	April-March	INR	1.00	-	-	-	-	-	-	(0.18)	-	-	(0.18)	Nil	100.00%
11	Intellect Design Arena FZ LLC, Dubai (+)	April-March	AED	20.60	20.37	633.71	914.21	260.13	-	1,136.70	45.34	-	74.09	119.43	Nil	100.00%
12	Intellect Design Arena Phillipines, INC **	January - December	PHP	1.47	27.61	(164.44)	231.68	368.52	-	90.62	4.28	(1.10)	(14.11)	(8.74)	Nil	100.00%
13	Sonali Polaris FT Ltd, Bangladesh (+)	April-March	BDT	0.90	46.82	194.03	324.19	83.35	-	164.48	33.77	-	17.67	51.44	Nil	51.00%
14	SEEC Asia Technologies Private Limited, India***	April-March	INR	1.00	34.99	182.87	239.74	21.88	-	51.10	(3.29)	2.26	-	(5.55)	Nil	100.00%
15	Intellect Design Arena Inc., Canada*	April-March	CAD	53.08	57.28	(225.29)	768.18	936.20	-	923.14	25.96	-	(15.22)	10.73	Nil	100.00%
16	Intellect Design Arena, SDN BHD, Malaysia**	April-March	MYR	17.52	7.71	34.51	244.67	202.45	-	236.71	8.80	5.05	0.78	4.53	Nil	100.00%
17	Intellect Payments Limited, India (+)	April-March	INR	1.00	25.50	8.06	152.58	119.02	-	196.94	8.96	2.15	-	6.81	Nil	100.00%
18	Intellect India Limited, India (+)	April-March	INR	1.00	0.50	(0.70)	0.83	1.04	-	-	(0.17)	-	-	(0.17)	Nil	100.00%
19	Intellect Design Arena Pte Ltd, Australia**	April-March	AUD	46.08	5.10	79.81	300.03	215.12	-	343.26	13.30	(34.10)	(1.01)	46.39	Nil	100.00%
20	Intellect Design Arena Ltd, Thailand**	January - December	THB	2.31	45.93	33.17	243.06	163.97	-	164.11	5.76	0.12	4.95	10.58	Nil	100.00%
21	Intellect Design Arena, Kenya (+)	April-March	KES	0.72	13.20	(29.61)	40.63	57.04	-	30.88	0.15	8.41	0.55	(7.71)	Nil	100.00%

Table No. 1.4

Notes:

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31st Mar, 2020.
2. *Subsidiaries of Intellect Design Arena Limited, UK
3. ** Subsidiaries of Intellect Design Arena Pte Ltd, Singapore
4. *** Subsidiaries of Intellect Design Arena Inc, USA
5. Investment includes investments made in step down subsidiaries
6. Information provided above is based on the IND AS Financial statement of the Subsidiaries for the financial year ended March 31, 2020
7. (+) Direct Subsidiaries of Intellect Design Arena ltd
8. Names of subsidiaries which have been liquidated or sold during the year

a) FT Grid Pte Ltd, Singapore** (Voluntary liquidated)

b) SFL Properties Private Limited (Whole Owned Subsidiary) divested on 13th June, 2019

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

In Rs. Millions

S. No.	Name of Associates / Joint Ventures	Adrenalin eSystems Limited	NMS Works Software Private Limited	Intellect Polaris Design, LLC
1.	Latest audited Balance Sheet Date	March 31st,2020	March 31st,2020	March 31st, 2020
2.	Shares of Associates / Joint Ventures held by the company on the year end			
	Number of shares	29,485,502	11,04,870	45
	Amount of Investment in Associates/Joint Venture	172.60	273.34	156.70
	Extent of Holding %	44.54%	42.74%	50%
3.	Description of how there is significant influence	The Company has the control in excess of 20% of total share capital of Adrenalin eSystems Limited as per Section 2(6) of the Companies Act, 2013 and comes under the definition of Associate Company.	The Company has the control in excess of 20% of total share capital of NMS Works Software Private Limited as per Section 2(6) of the Companies Act, 2013 and comes under the definition of Associate Company.	The Company has the control in excess of 20% of total share capital of Intellect Polaris Design, LLC as per Section 2(6) of the Companies Act, 2013 and comes under the definition of Associate Company including Joint Venture.
4.	Reason why the associate / joint venture is not consolidated	Holds less than 51% of Share Capital, Hence no Control.	Holds less than 51% of Share Capital, Hence no Control.	Holds less than 51% of Share Capital, Its a Joint Control*
5.	Networth attributable to Shareholding as on 31st March 2020.	172.60	273.34	156.70
6.	Profit/ Loss for the year	(0.49)	146.74	(0.78)
i.	Considered in Consolidation	(0.22)	62.72	(0.39)
ii.	Not Considered in Consolidation	(0.27)	84.02	(0.39)

Table No. 1.5

* The Group holds 50% of shareholding of Intellect Polaris Design, LLC. This is Joint Venture entity and hence the Company uses Equity Method of Accounting for consolidation.

1. Names of associates or joint ventures which are yet to commence operations - Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year - Nil

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

Arun Jain
Chairman & Managing Director
DIN:00580919

Arun Shekhar Aran
Director
DIN:00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Company Secretary &
Compliance Officer

Place: Chennai
Date : June 15, 2020

ANNEXURE 2

Employee Stock Option Plans

Your Company currently administers 6 stock option programs, viz., ASOP 2003, ASOP 2004, ASOP 2011 which were inherited from the Demerged Company, ISOP 2015 which was approved by the members in the meeting held on 29th January 2015, ISOP 2016 which was approved by the members in the meeting held on 21st July, 2016 and Intellect Incentive scheme 2018 which was approved by the members in the meeting held on 23rd August, 2018. Summary information of these various stock option programs of the Company is provided under Notes to Accounts under Standalone Financial Statements of this Annual Report.

All the ESOP schemes are available on the website of the Company. Web link for the same is http://www.intellectdesign.com/investor/corporate-governance.asp

ANNEXURE 3

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflow

[Clause (m) of sub-section (3) of Section 134 of the Act, r/w Rule 8 of the Companies (Accounts) Rules, 2014]

Conservation of energy:

The steps taken/impact on conservation of energy:

- We are continuing to optimise the usage of chiller/split/package AC set point to maintain condition space temperature at 24 degrees centigrade.
- We switch off the lights through Manual Control Board, thus conserving energy.
- Auto shut down of systems to reduce UPS power consumption.
- Installation of more Solar streetlights in NxT LvL campus at the new two-wheeler parking area.
- Effective Savings achieved in Group captive power.
- All motors in HVAC system run through VFD to reduce power consumption.
- Operating the passenger lifts based on usage.
- In FY 2019-20, HSD consumption reduced to an extent of 15 KL cost worth INR 1.12 Millions, last FY 2018-19 the consumption was 31 KL
- In 2019-20, we saved 1.81 lakhs units, 6.22% of annual energy and cost saved INR 1.99 Millions.
- Water Conservation – In FY 2019-20, we had installed nozzles in taps which enabled us to save 5-7 KL of fresh water every day (average).
- In FY 2019-20, we installed Rain Water Harvesting System, through which unit rain water from building terrace gets filtered and used for utility purpose.

Technology Innovation/ Technology Absorption

There were multiple areas in which Technology innovation has been brought into our products in the last year. This has been a result of applying Design Thinking in coming up with solutions with a clear focus and purpose. Following are the products and services in which we have invested significant time and effort:

1. iTurmeric
2. CBX-O
3. ARX
4. Remittance Repository
5. Virtual Accounts Management
6. Sigma MIS

iTurmeric

Turmeric is an API Fin cloud designed to provide flexibility, versatility and Do-it-yourself capability based on API's on top of existing solutions / infrastructure present within the organization. This consists of a smart suite of designers that aid in "Application" of functionality with least disruption to existing systems. It provides a ready suite of API specifications for banking (as a starting point) that can be stitched together with the existing systems to make available an API-led developer portal + sandbox for any institution. Packed with its innovative concept of Domain Object modelling, it brings about smart reuse of capability within API's and drives towards standards-based API modelling.

CBX-O

CBX-O (Origination) is our cloud-native offering for smart origination solutions for commercial lending. Using its smart process automation sequences, CBX-O can bring down commercial lending decisioning process to as little as 3 days from the current 45-60 days activity! It supports contextual data capture screens, enabling consultative decision-making. It provides real-time tracking, backed by an intuitive user experience with the capability to enable origination with zero human intervention!

ARX

ARX is the security solution used across all product implementations of the Company. With its battle-hardened capabilities on enabling Identity and Access Management as a single solution compliant to standards, ARX was launched as a security product suite available in subscription, as well as, licensed models.

Remittance Repository

This is an innovative solution that focusses on the specific area of Invoice reconciliation for suppliers, compliant to ISO standards. This solution acts as an ISO 20022 enabler on top of the existing payment systems that the banks have invested in. This also enables corporates to send/receive additional data that enables better automated reconciliation. This, by itself, will help the banks to avoid huge changes to their mission critical payments landscape and enable value-added offerings to their corporate customers.

Virtual Accounts Management

In an age where payments are increasingly digital and pushed (rather than pulled), the speed to reconcile payments (with impetus on automation) is absolutely critical for business. Lack of this efficiency could result in corporates facing increasing cost and even end up with solvency risk. This solution helps corporates manage their liquidity by rationalising physical accounts and establishing a network of virtual accounts to facilitate smooth reconciliation of the payments. The solution provides multiple variant offerings like POBO, COBO, LOBO, and interest on intra corporate positions. For banks, this is a boon as they do not have to create a parallel cash management infrastructure just to support virtual accounts.

Sigma MIS

While there is a plethora of reporting and visualisation products, these have effectively been a specialist area of operation. A CXO of a business will have dynamic data requirement needs for helping them being agile in their decision-making capabilities. Sigma provides an innovative approach to reporting and visualisation by providing a solution that can be plugged onto a live system, and start configuring and generating reports immediately! It enables real-time reporting with access and data level security incorporated by design. In effect, it brings to life the principle – My data My way.

IT Infrastructure

New and major upgrades

1. IT Infrastructure upgrade planned and implemented:
   (a) LAN Infrastructure at Goregaon & Hyderabad offices are upgraded.
   (b) Laptops & Desktops are upgraded to Windows 8 & Windows 10.
   (c) Active directory and servers are upgraded to Windows 2012, as Windows server 2008 is obsolete.
2. Mail and Collaboration systems are migrated to G Suite. Adaption of collaboration systems of G Suite is >80%. 15% productivity increase by effectively communicate and co-work on G Suite.
3. Information Security Enhancements – End point security enhancement on laptops and DLP & Mobile Devices Management on Mail & Collaboration services.

IT Operations

1. The network and location availability was 100% during FY 2019-20. The traffic is regularly monitored and managed for better performance.
2. Zero incidents reported on recent Ransomware attacks: Major attacks in the past year such as Maze Ransomware hit many organisations,

threatening secure access. Advance Threat Protection implementation helped to prevent the infection and zero incidents in your Company.

3. Cloud Workshop was conducted in September, 2019 across business units where the experts shared their knowledge, helped on Cloud consolidation, selection of service providers and cost optimisation.
4. Platform for Micro services - DevOps and Openshift are implemented for product development.

Cost measures on IT Infrastructure

Cost has been controlled and maintained at an efficient level through better negotiation and adaption of right Technology.

1. Enhancement of Internet links for better performance, but at reduced rates. Upgraded at Hyderabad, Chennai and Gurgaon, by consolidating the links and adding more bandwidth. There is cost save of INR 3.6 Millions per annum.
2. Mobile service performance enhanced (a) By site survey at all offices (b) New tower at Nheights building © Change of service provider, Rates are revised 30 GB data plan and Free STD / Local. There is INR 0.25 Millions reduction on monthly cost.
3. Landline at Offices are replaced for better availability which are 100% available with 50 % cost reduction. The rates are dropped by INR 0.4 Million per month.
4. Cost optimisation on cloud. The best practices are implemented. The cloud rates are brought down INR 2.6 Millions per month.

(C) Foreign exchange earnings and Outgo :–

Rs. In Millions

	2019-20	2018-19
Foreign exchange earnings	5,738.91	7,710.62

Table No. 1.6

Rs. In Millions

Particulars	2019-20	2018-19
Foreign exchange outgo	762.61	1,816.69

Table No.1.7

By Order of the Board
For **Intellect Design Arena Limited**

Place: Chennai
Date : June 15,2020

Arun Jain
Chairman and Managing Director
DIN: 00580919

ANNEXURE 4

Details of ratio of remuneration to Directors & KMP

[Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	**Name of the Director**	**Ratio to the Median**
	Anil Kumar Verma, Executive Director	20.61
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name of the Director	% increase
	Mr. Arun Jain, Managing Director	NIL
	Mr. Anil Kumar Verma	NIL
	Mr. Venkateswarlu Saranu, Chief Financial Officer	NIL
	Mr. V V Naresh, Company Secretary and Compliance Officer	11.55%
(iii) the percentage increase in the median remuneration of employees in the financial year;	5.39%	
(iv) the number of permanent employees on the rolls of company;	4,279 (including 2 whole time directors)	
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Increase – 8.49% Key Managerial Personnel : Company Secretary – 11.55% Chief Financial Officer – NIL	
(vi) Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per the Remuneration Policy of the Company.	

Table No. 1.8

ANNEXURE 5

Details of Related Party Transactions

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	-	-
(b)	Nature of contracts/arrangements/transactions	-	-
(c)	Duration of the contracts/arrangements/transactions	-	-
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-	-
(e)	Justification for entering into such contracts or arrangements or transactions	-	-
(f)	Date(s) of approval by the Board	-	-
(g)	Amount paid as advances, if any:	-	-
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-	-

Table No. 1.9

2. Details of material contracts or arrangement or transactions at arm's length basis

in Rs. Millions

NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	Intellect Design Arena Pte Ltd, Singapore ('Intellect Singapore')	Intellect Design Arena Inc. ('Intellect Canada')	Intellect Design Arena Inc, USA ('Intellect Inc. – SEEC US')	Intellect Design Arena Limited, United Kingdom ('Intellect UK')	Intellect Design Arena SA, Switzerland ('Intellect Switzerland')
Nature of contracts / arrangements / transactions	Advances Given Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company	Advances Given Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company	Advances Given Software development service income Software Development expenses/(recoveries) Reimbursement of expenses by the company Reimbursement of expenses to the company	Advances Given Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company	Advances Given Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company
Duration of the contracts / arrangements / transactions	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract
Salient terms of the contracts or arrangements or transactions including the value, if any	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020
Date of approval by the Board, if any	15.06.2020	15.06.2020	15.06.2020	15.06.2020	15.06.2020
Amount paid as advances, if any	Advances Given 0.33 Software development service income 241.48 Reimbursement of expenses by the company 43.59 Reimbursement of expenses to the company 39.08	Advances Given 1.58 Software development service income 434.46 Reimbursement of expenses by the company 60.02 Reimbursement of expenses to the company 31.82	Advances Given 0.44 Software development service income 432.29 Software Development expenses/(recoveries) 217.75 Reimbursement of expenses by the company 83.61 Reimbursement of expenses to the company 78.99	Advances Given 6.99 Software development service income 1374.95 Reimbursement of expenses by the company 380.35 Reimbursement of expenses to the company 383.26	Advances Given 0.69 Software development service income 126.40 Reimbursement of expenses by the company 7.37 Reimbursement of expenses to the company 1.58

in Rs. Millions

NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	Intellect Design Arena Pty Ltd.('Intellect Australia')	Intellect Design Arena FZ-LLC, Dubai ('Intellect Dubai')	Intellect Design Arena, PT Indonesia ('Intellect Indonesia')
Nature of contracts / arrangements / transactions	Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company	Advances Given Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company	Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company
Duration of the contracts / arrangements / transactions	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract
Salient terms of the contracts or arrangements or transactions including the value, if any	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020

Date of approval by the Board, if any	15.06.2020	15.06.2020	15.06.2020
Amount paid as advances, if any	Software development service income 219.94 Reimbursement of expenses by the company 19.97 Reimbursement of expenses to the company 15.80	Advances Given 0.06 Software development service income 596.16 Reimbursement of expenses by the company 11.08 Reimbursement of expenses to the company 19.91	Software development service income 14.10 Reimbursement of expenses by the company 0.33 Reimbursement of expenses to the company 0.74

in Rs. Millions

NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	Intellect Design Arena Limited.('Intellect Thailand')	Intellect Design Arena Philippines Inc.(' Intellect Philippines')	Intellect Design Arena, SDN BHD.('Intellect Malaysia')	Intellect India Limited ('Intellect India')
Nature of contracts / arrangements / transactions	Software development service income Software Development expenses/(recoveries) Reimbursement of expenses by the company Reimbursement of expenses to the company	Software Development expenses/(recoveries)	Advances Given Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company	Advances Given
Duration of the contracts / arrangements / transactions	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract
Salient terms of the contracts or arrangements or transactions including the value, if any	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020
Date of approval by the Board, if any	15.06.2020	15.06.2020	15.06.2020	15.06.2020
Amount paid as advances, if any	Software development service income 60.97 Software Development expenses/(recoveries) 35.92 Reimbursement of expenses by the company 8.50 Reimbursement of expenses to the company 12.17	Software Development expenses/(recoveries) 17.58	Advances Given 0.81 Software development service income 161.60 Reimbursement of expenses by the company 1.91 Reimbursement of expenses to the company 1.56	Advances Given 0.80

in Rs. Millions

NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	Intellect Design Arena Limited ('Intellect Kenya')	Intellect Commerce Limited, India('Intellect Commerce')	Intellect Design Arena Co. Ltd, Vietnam ('Intellect Vietnam')	Intellect Payments Limited ('Intellect Payments')	Intellect Chile
Nature of contracts / arrangements / transactions	Software Development expenses/(recoveries)	Advances Given Reimbursement of expenses by the company Reimbursement of expenses to the company	Software development service income Reimbursement of expenses by the company Reimbursement of expenses to the company	Software Development expenses/(recoveries) Reimbursement of expenses by the company Reimbursement of expenses to the company Purchase of Intangible Software	Reimbursement of expenses by the company
Duration of the contracts / arrangements / transactions	The Contract will continue till any party terminate the contract	The Contract will continue till any party terminate the contract	The Contract will continue till any party terminate the contract	The Contract will continue till any party terminate the contract	
Salient terms of the contracts or arrangements or transactions including the value, if any	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020
Date of approval by the Board, if any	15.06.2020	15.06.2020	15.06.2020	15.06.2020	15.06.2020

Amount paid as advances, if any	Software Development expenses/(recoveries) 30.88	Advances Given 0.32 Reimbursement of expenses by the company 0.11 Reimbursement of expenses to the company 4.19	Software development service income 23.00 Reimbursement of expenses by the company 2.11 Reimbursement of expenses to the company 0.06	Software Development expenses/(recoveries) 54.52 Reimbursement of expenses by the company 9.19 Reimbursement of expenses to the company 54.23. Purchase of Intangible Software 142.41	Reimbursement of expenses by the company 2.80

in Rs. Millions

NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP	Polaris Banyan Holding Private Limited	Adrenalin eSystems Limited, India ('Adrenalin eSystems')	Maveric Systems Limited
Nature of contracts / arrangements / transactions	Rental Expenses	Software Development Expenses Reimbursement of Expenses to the company	Software Development Expenses
Duration of the contracts / arrangements / transactions	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract	The Contract will continue till any party terminates the contract
Salient terms of the contracts or arrangements or transactions including the value, if any	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020	The transactions entered into are in the usual course of business and at arm's length basis. The board took note of the same in the meeting of the directors held on 15.06.2020
Date of approval by the Board, if any	15.06.2020	15.06.2020	15.06.2020
Amount paid as advances, if any	Rental Expenses 4.50	Software Development Expenses 7.12 Reimbursement of Expenses to the company 17.47	Software Development Expenses 17.32

ANNEXURE 6

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

To,
The Members,
Intellect Design Arena Limited,
No. 244, Anna Salai,
Chennai – 600006.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Intellect Design Arena Limited (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

(i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  b) Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  d) SEBI (Share Based Employee Benefits) Regulations, 2014.
  e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India
(ii) The Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

(A) Under Companies Act, 2013:

1. *The Company has the process of carrying the appointment of employees one level below the Board through Nomination & Remuneration Committee and the Board. However in one instance, such appointment didn't go through the Nomination & Remuneration Committee and the Board.*

(B) Under The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. *As per regulation 39(3), the Company is required to intimate the stock exchange the issue of duplicate share certificate. The Company has issued a duplicate share certificate on 17th July 2019. Though Company has intimated to the stock exchange, the loss of share certificate, the intimation with respect to issue of duplicate share certificate is missed.*
2. *There was a revision in credit rating for banking facility availed by the Company on 29th June 2019. As per regulation 30 read with Schedule III revision in ratings is considered as material event and has to be intimated to the stock exchange within 24 hours of the event. The Company has intimated this revision in rating to the stock exchange with a delay on 13th September 2019.*

(C) Under SEBI (Prohibition of Insider Trading) Regulations, 2015:

1. *There have been instances of violation of the Company's code of conduct by Designated Persons during the period, for which the Company is in the process of taking suitable action against the Designated Persons.*
2. *The Company is in the process of implementing certain amendments brought in by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.*

(D) Under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017:

The Company has granted stock options to Non-residents during the period of audit on 2nd May 2019, 2nd August 2019 and 24th February 2020, for which the Company has filed the form ESOP belatedly on 30th April 2020.

(vi) As represented by the Company, we further report that, there are no industry specific laws which are applicable to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors. During the period under review , at the Annual General Meeting held on 21st August 2019: (i) Mr. Arun Shekhar Aran was re-appointed as Independent Director for the second term of five years by way of special resolution. (ii) Mr. V Balaraman, has completed his second term as an Independent Director at the conclusion of the AGM.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent / tabled at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

Based on the compliance system prevailing in the Company, and after carrying out test checks of the relevant records and documents maintained by the Company, **We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following were the events or actions having a major bearing on the Company's affairs:

1. During the audit period, the Company has divested its subsidiary SFL Properties Private Limited to a third party vide a Share Purchase Agreement dated 13th June 2019.
2. The Board has approved to borrow (i) working capital loan to an extent of Rs.100 Crores (ii) term loan to an extent of USD 20 mn (iii) loan from Polaris Banyan Holdings Private Limited upto an amount of Rs.100 Crores (not availed).
3. The Company has allotted 5,63,915 equity shares, under various stock option schemes, during the audit period.

Place: Chennai
Date:15th June, 2020

For S.A.E & Associates LLP
Company Secretaries

Adit N Bhuva,
Partner
ACS: 29660; CP.No. 10999
UDIN: A029660B000359143

To,
The Members,
Intellect Design Arena Limited
No. 244, Anna Salai,
Chennai – 600006.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. It is the Management's Responsibility to maintain secretarial records, and to devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility as the Secretarial Auditor is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai
Date: 15th June, 2020

For S.A.E & Associates LLP
Company Secretaries

Adit N Bhuva,
Partner
ACS: 29660; CP.No. 10999

Annexure 7

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L72900TN2011PLC080183
2.	Registration Date	18.04.2011
3.	Name of the Company	Intellect Design Arena Limited
4.	Category/Sub-category of the Company	Public Limited Company Limited by shares and Non-Government Company
5.	Address of the Registered office & contact details	244, Anna Salai, Chennai-600 006 Phone :- 044 – 3987 4000
6.	Whether listed company	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Kfin Technologies Private Ltd (till the closing hours of July 13, 2020) (formerly known as Karvy Fintech Private Limited) Plot no. 31-32, Karvy Selenium, Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Ph : 040 - 6716 1529 Cameo Corporate Services Limited (with effect from 14th July, 2020) "Subramanian Building" No. 1, Club House Road, Chennai- 600 002 Ph:- 044- 4002 0700, Fax: 044 2846 0129 Email: cameo@cameoindia.com

Table No. 1.10

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Software Development and Implementation	**62013**	100%

Table No. 1.11

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Intellect Design Arena Pte Ltd., Singapore No. 10 UBI Crescent, #04-48 Loby C UBI Tech Park, Singapore 408564	199701040R	Subsidiary	100%	2 (87)(ii)
2	Intellect Design Arena Limited., United Kingdom Level 35, 25 Canada Square, London, E14 5Lq, United Kingdom	3574904	Subsidiary	100%	2 (87)(ii)
3	Intellect Commerce Limited (formerly known as Polaris Enterprise Solutions Limited) No. 244 Anna Salai, Chennai – 600 006	U30006TN1998PLC041456	Subsidiary	100%	2 (87)(ii)
4	Intellect Design Arena Co. Ltd, Vietnam M Level, HSC Tower, 162B Dien Bien Phu Street, Ward 6, District 3, HCMC	411043001297	Subsidiary	100%	2 (87)(ii)

5	Intellect Design Arena FZ LLC, Dubai Building No. 14, Office 118-120, Dubai Internet City, Dubai, UAE	20228	Subsidiary	100%	2 (87)(ii)
6	Intellect Design Arena Philippines, INC* 10th Floor, Philamlife Tower, 8767 Paseo de Roxas, Makati, 1226 Metro Manila, Philippines.	CS201110259	Subsidiary	100%	2 (87)(ii)
7	Sonali Intellect Limited, Bangladesh 35, Kemal Ataturk Avenue, 7th Floor, Abedin Tower, Banani C/A Dhaka – 1213, Bangladesh		Subsidiary	51%	2 (87)(ii)
8	Intellect Design Arena SA,Switzerland Avenue de la Gare 49, Case Postale, 2067, CH 2001, Neuchatel, Switzerland	CH-645-1009822-6 & (IDE/UID). CHE 105.625.426	Subsidiary	100%	2 (87)(ii)
9	PT Intellect Design Arena, Indonesia* Menara BCA 50th Fl, Jl MH. Thamrin No.1, Jakarta 10310 Indonesia	09.05.1.62.85075	Subsidiary	100%	2 (87)(ii)
10	Intellect Design Arena Ltda,Chile ** Nuncio Monseñor Sotero Sanz N° 161, Piso 8, Oficina Intellect Providencia - Santiago - Chile Postal Code 7500007 Ph: +56 2 796 55 30	76.639.860-k	Subsidiary	100%	2 (87)(ii)
11	Intellect Design Arena Inc.,USA* 2730 Sidney Street, Suite 200, Pittsburgh, PA 15203	55-0686906	Subsidiary	100%	2 (87)(ii)
12	NMS Works Software Private Limited C3,6TH FLOOR, IIT MADRAS RESEARCH PARK TARAMANI CHENNAI TN 600113	U64202TN2001PTC046928	Associate	Preference Shares : 63.40% Equity Shares: 36.54%	2 (6)
13	Adrenalin eSystems Limited NO.244, CAREX CENTRE,ANNA SALAI, CHENNAI-6.	U72200TN2002PLC048860	Associate	44.54%	2(6)
14	Intellect Payments Limited No. 244 Anna Salai, Chennai – 600 006	U72900TN2015PLC102491	Subsidiary	100%	2 (87)(ii)
15	Intellect India Limited No. 244 Anna Salai, Chennai – 600 006	U72300TN2016PLC103532	Subsidiary	100%	2 (87) (ii)
16	SEEC Technologies Asia Private Limited *** Plot No.6, APIIC Software Units Layout Hi-Tec City, Madhapur Hyderabad Kurnool TG 500081	U72200TG1998PTC029093	Subsidiary	100%	2 (87) (ii)
17	Intellect Design Arena SDN BHD Malaysia* Suite 1007, 10th Floor, Wisma Lim Foo Yong,No. 86, Jalan Raja Chulan, 50200 Kuala Lumpur.	1152795 W	Subsidiary	100%	2 (87)(ii)
18	Intellect Design Arena Inc, Canada** 130 King Street West Suite 1800 Toronto, ON M5X 1E3	920513-6	Subsidiary	100%	2 (87)(ii)
19	Intellect Design Arena Limited, Thailand* Level 33 Interchange21, 399 Sukhumvit Road, North Klongtoey, Wattana, Bangkok, 10110 Thailand	0105555108078	Subsidiary	100%	2 (87)(ii)
20	Intellect Design Arena PtyLtd. – Australia* Level 12, 31 Market Street Sydney, NSW 2000	608 978 043	Subsidiary	100%	2 (87)(ii)
21	Intellect Polaris Design LLC No.20, Corporate Place - South, Piscataway, New Jersey, 08854, USA	-	Joint venture	50%	2 (6)
22	Intellect Design Arena Limited, Kenya #1, 10th Floor, Tower 3, 'The Mirage' Waiyaki Way, Westlands Nairobi, Kenya	PVT/2016/011057	Subsidiary	100%	2 (87) (ii)
23.	SFL Properties Pvt Ltd****	U70101TN2006PTC059938	Subsidiary	100%	2 (87) (ii)

Table No. 1.12

* Subsidiaries of Singapore

** Subsidiaries of UK

*** Subsidiaries of Intellect US

**** SFL Properties Pvt Ltd., (Wholly owned subsidiary) was disinvested on June 13, 2019.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I) Category-wise Share Holding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01/04/2019				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2020				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**PROMOTER AND PROMOTER GROUP**									
(1)	**INDIAN**									
(a)	Individual /HUF	9665429	0	9665429	7.33	9665429	0	9665429	7.30	-0.03
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	31861000	0	31861000	24.18	31861000	0	31861000	24.08	-0.10
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**41526429**	**0**	**41526429**	**31.51**	**41526429**	**0**	**41526429**	**31.38**	**-0.13**
(2)	**FOREIGN**									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0	0
(b)	Others - Individuals									
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0	0
(d)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0	0
(e)	Others (specify)	0	0	0	0.00	0	0	0	0	0
	Sub-Total A(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0**	**0**
	Total A=A(1)+A(2)	**41526429**	**0**	**41526429**	**31.51**	**41526429**	**0**	**41526429**	**31.38**	**-0.13**
(B)	**PUBLIC SHAREHOLDING**									
(1)	INSTITUTIONS									
(a)	Mutual Funds	10564631	0	10564631	8.02	8081692	0	8081692	6.11	-1.91
(b)	Financial Institutions /Banks	937773	0	937773	0.71	179596	0	179596	0.14	-0.58
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	20218135	150	20218285	15.34	28567140	150	28567290	21.59	6.24
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**31720539**	**150**	**31720689**	**24.07**	**36828428**	**150**	**36828578**	**27.83**	**3.76**
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate	5345793	584	5346377	4.06	3724980	584	3725564	2.82	-1.24
(b)	Individuals									
(i)	Individuals holding nominal share capital upto Rs.1 lakh	23495916	153955	23649871	17.95	21585107	153002	21738109	16.43	-1.52
(ii)	Individuals holding nominal share capital in excess of Rs.1 lakh	25880612	0	25880612	19.64	25086528	0	25086528	18.96	-0.68
(c)	Others (specify)									
	CLEARING MEMBERS	251476	0	251476	0.19	134470	0	134470	0.10	-0.09
	NBFC	39038	0	39038	0.03	300	0	300	0.00	-0.03
	NON RESIDENT INDIANS	1171580	3800	1175380	0.89	1130233	3800	1134033	0.86	-0.04
	NRI Non Repatriable	854498	0	854498	0.65	826274	0	826274	0.62	-0.02
	OVERSEAS CORPORATE BODIES	250	50	300	0.00	250	50	300	0.00	0.00
	TRUSTS	48048	0	48048	0.04	7240	0	7240	0.01	-0.03
	TRUSTS	1256829	25168	1281997	0.97	1305637	25168	1330805	1.01	0.03
(d)	**Qualified Foreign Investor**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Sub-Total B(2) :	**58344040**	**183557**	**58527597**	**44.41**	**53801019**	**182604**	**53983623**	**40.79**	**-3.62**
	Total B=B(1)+B(2) :	**90064579**	**183707**	**90248286**	**68.49**	**90629447**	**182754**	**90812201**	**68.62**	**0.13**
	Total (A+B)	**131591008**	**183707**	**131774715**	**100.00**	**132155876**	**182754**	**132338630**	**100.00**	**0.00**
(C)	Shares held by custodians, against which Depository Receipts have been issued									
1	Promoter and Promoter Group									
2	Public	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C) :	**131591008**	**183707**	**131774715**	**100.00**	**132155876**	**182754**	**132338630**	**100.00**	

Table No. 1.13

II). Shareholding of Promoter-

Sl.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	POLARIS BANYAN HOLDING PRIVATE LIMITED	3,18,61,000	24.18	0	3,18,61,000	24.08	0	-
2	ARUN JAIN	75,56,321	5.71	0	75,56,321	5.71	0	-
3	ARUN JAIN (HUF)	21,09,108	1.60	0	21,09,108	1.60	0	-

Table No. 1.14

III) Change in Promoters' Shareholding (please specify, if there is no change) (details of persons who are promoters at the end of the financial year 31st March 2020)

Sr. No.	Particulars	Shareholding at the beginning of the year (April 01, 2020)		Date	Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of Shares	% total shares of the Company	No. of shares	% of total shares of the company
	At the beginning of the year (April 01, 2019)	4,15,26,429	31.51					4,15,26,429	31.38
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):								
1	POLARIS BANYAN HOLDING PRIVATE LIMITED	3,18,61,000	24.18	-	-	-	-	3,18,61,000	24.08
2	Arun Jain	75,56,321	5.73	-	-	-	-	75,56,321	5.71
3	Arun Jain(HUF)	21,09,108	1.60	-	-	-	-	21,09,108	1.59
	At the End of the year (March 31, 2020)	4,15,26,429	31.51					4,15,26,429	31.38

Table No. 1.15

IV) Shareholding Pattern of top ten Shareholders as on 31.03.2020: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name of the Share Holder	No. of shares at the beginning (01-04-19 / end of the year (31-03-20)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reasons	Cumulative shareholding during the year	
							No. of shares	% of total shares of the Company
1	Reliance Capital Trustee Co Ltd A/C- Reliance Value	8912754	6.76	01/04/2019				
				07/06/2019	-150000	Sale	8762754	6.64
				19/07/2019	-2796810	Sale	5965944	4.52
				02/08/2019	83790	Purchase	6049734	4.58
				03/01/2020	25000	Purchase	6074734	4.59
		6074734	4.59	31/03/2020				4.59
2	Amansa Holdings Private Limited	0	0	01/04/2019				
				10/05/2019	420411	Purchase	420411	0.32
				17/05/2019	698015	Purchase	1118426	0.85
				24/05/2019	210185	Purchase	1328611	1.01
				31/05/2019	218157	Purchase	1546768	1.17
				07/06/2019	58790	Purchase	1605558	1.22
				14/06/2019	306615	Purchase	1912173	1.45
				21/06/2019	126641	Purchase	2038814	1.55
				28/06/2019	138898	Purchase	2177712	1.65

Sl. No	Name of the Share Holder	No. of shares at the beginning (01-04-19 / end of the year (31-03-20)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reasons	Cumulative shareholding during the year	
							No. of shares	% of total shares of the Company
				05/07/2019	215333	Purchase	2393045	1.81
				12/07/2019	356381	Purchase	2749426	2.08
				19/07/2019	18602	Purchase	2768028	2.10
				26/07/2019	2299954	Purchase	5067982	3.84
				02/08/2019	541630	Purchase	5609612	4.25
				09/08/2019	218791	Purchase	5828403	4.41
				16/08/2019	30215	Purchase	5858618	4.44
				23/08/2019	95710	Purchase	5954328	4.51
				30/08/2019	345965	Purchase	6300293	4.77
				06/09/2019	200495	Purchase	6500788	4.92
				13/09/2019	425878	Purchase	6926666	5.24
				20/09/2019	13134	Purchase	6939800	5.25
				04/10/2019	191500	Purchase	7131300	5.39
				11/10/2019	147145	Purchase	7278445	5.51
				18/10/2019	67222	Purchase	7345667	5.56
				08/11/2019	132292	Purchase	7477959	5.66
				15/11/2019	104454	Purchase	7582413	5.73
				22/11/2019	146164	Purchase	7728577	5.84
				29/11/2019	153612	Purchase	7882189	5.96
				06/12/2019	188381	Purchase	8070570	6.10
				13/12/2019	193592	Purchase	8264162	6.25
				20/12/2019	70366	Purchase	8334528	6.30
				10/01/2020	218070	Purchase	8552598	6.47
				24/01/2020	100359	Purchase	8652957	6.54
		8652957	6.54	31/03/2020				6.54
3	Gothic Corporation	3734820	2.83	01/04/2019				
				25/10/2019	17010	Purchase	3751830	2.84
		3751830	2.84	31/03/2020				
4	Manju Jain	3564891	2.71	01/04/2019				
		3564891	2.69	31/03/2020				2.69
5	Atyant Capital India Fund I	3104675	2.36	01/04/2019				
				30/09/2019	50000	Purchase	3154675	2.39
				08/11/2019	225000	Purchase	3379675	2.56
		3379675	2.55	31/03/2020				2.55
6	Yogesh Andlay	2556047	1.94	01/04/2019				
		2556047	1.93	31/03/2020				1.93
7	Mukul Mahavirprasad Agarwal	21,00,000	1.59	01/04/2019				
				05/04/2019	100000	Purchase	2200000	1.67
				31/05/2019	100000	Purchase	2300000	1.74
		2300000	1.74	31/03/2020				1.74
8	AL MEHWAR COMMERCIAL INVESTMENTS LLC - (WHITING)	1786636	1.36	01/04/2019				
				28/06/2019	-62000	Sale	1724636	1.31
				12/07/2019	-65000	Sale	1659636	1.26
				23/08/2019	-60000	Sale	1599636	1.21
				06/09/2019	-54000	Sale	1545636	1.17
				13/09/2019	100000	Purchase	1645636	1.24
				04/10/2019	-59000	Sale	1586636	1.20
		1586636	1.20	31/03/2020				1.20
9	VANDERBILT UNIVERSITY - ATYANT CAPITAL MANAGEMENT	1740961	1.32	01/04/2019				
				08/11/2019	175000	Purchase	1915961	1.45

Sl. No	Name of the Share Holder	No. of shares at the beginning (01-04-19 / end of the year (31-03-20)	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reasons	Cumulative shareholding during the year	
							No. of shares	% of total shares of the Company
				24/01/2020	160000	Purchase	2075961	1.57
				31/01/2020	223341	Purchase	2299302	1.74
				07/02/2020	112638	Purchase	2411940	1.82
				21/02/2020	50000	Purchase	2461940	1.86
				28/02/2020	50000	Purchase	2511940	1.90
		2511940	1.90	31/03/2020				1.90
10	India Acorn Fund Ltd	1612166	1.22	01/04/2019				
				28/06/2019	-55800	Sale	1556366	1.18
				12/07/2019	-90000	Sale	1466366	1.11
				09/08/2019	-51000	Sale	1415366	1.07
				06/09/2019	-30000	Sale	1385366	1.05
				13/09/2019	-38000	Sale	1347366	1.02
		1347366	1.02	31/03/2020				1.02

Table No. 1.16

V) Shareholding of Directors and Key Managerial Personnel:

Name of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year April 01, 2019		Changes during the year – Purchase/ (Sales) (2019-20)		Cumulative Shareholding of the year (2019-20)		Shareholding at the end of the year March 31, 2020	
	No. of Shares	% of total shares of the company	No. of Shares	Date of Change	No. of Shares	% of total Shares of the company	No. of Shares	% of total shares of the company
Ms. Aruna Krishnamurthy Rao Independent Director	6,860	0.01	NIL	NIL	6,860	0.01	6,860	0.01
Mr. Arun Shekhar Aran Independent Director	5,82,413	0.44	NIL	NIL	5,82,413	0.44	5,82,413	0.44
Mr. Arun Jain Managing Director	75,56,321	5.73	NIL	NIL	75,56,321	5.73	75,56,321	5.73
Mr. Anil Kumar Verma Executive Director	1,07,433	0.08	40,000	30.08.2019	1,47,433	0.11	1,47,433	0.11
Mr. Andrew Ralph England (Non-Executive Director)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Ms. Vijaya Sampath (IndependentDirector)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mr. Venkateswarlu Saranu Chief Financial Officer	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mr. V.V.Naresh Company Secretary	9,020	0.00	900 500 750 500	02.08.2019 30.08.2019 27.09.2019 14.02.2019	11,670	0.01	11,670	0.01

Table No. 1.17

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

In Rs. Millions

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,22.52	-	-	13,22.52
ii) Interest due but not paid	1.61	-	-	1.61
iii) Interest accrued but not due			-	
Total (i+ii+iii)	13,24.13	-	-	13,24.13
Change in Indebtedness during the financial year				
*** Addition**	19,25.38	-	-	19,25.38
*** Reduction**	(6,94.18)	-	-	(6,94.18)
Net Change	12,31.20	-	-	12,31.20
Indebtedness at the end of the financial year				
i) Principal Amount	25,50.70	-	-	25,50.70
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.64	-	-	4.64
Total (i+ii+iii)	**25,55.33**	**-**	**-**	**25,55.33**

Table No. 1.18

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Millions except share and stock option data)

Sl.No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		Arun Jain Chairman and Managing Director*	Anil Kumar Verma Executive Director	
1	Gross salary	--	16.922	16.922
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961	--	--	--
2	Stock Option (in number)	--	99,450	9,9450
3	Sweat Equity	--	--	--
4	Commission - as % of profit - others, specify…	--	--	--
5	Others, please specify	--	--	--
	Total (A)	--	16.922	16.922
	Ceiling as per the Act	The remuneration paid to Mr. Anil Kumar Verma is within the ceiling as specified under Schedule V of the Companies Act, 2013.		

Table No. 1.19

**** No Compensation is paid to the Chairman & Managing Director***

B. Remuneration to other directors

(In Rupees)

Sl.No.	Particulars of Remuneration	Name of Directors					
1	Independent Directors / Other Non-Executive Directors	Aruna Rao	Arun Shekhar Aran	V Balaraman***	Vijaya Sampath	Andrew Ralph England	Total Amount
	Fee for attending board committee meetings	15,00,000	13,50,000	5,50,000	12,50,000	6,50,000	53,00,000
	Commission	-	10,00,000	10,00,000	5,00,000	-	25,00,000
	Others, please specify Consultancy fee *	-	-	-	-	2,51,75,402	2,51,75,402
	Total	**15,00,000**	**23,50,000**	**15,50,000**	**17,50,000**	**2,58,25,402**	**3,29,75,402**
	Total Managerial Remuneration	15,00,000	23,50,000	15,50,000	17,50,000	2,58,25,402	3,29,75,402
	Overall Ceiling as per the Act**						

Table No. 1.20

* Consultancy fees paid to Mr. Andrew England for the services provided in the capacity of Consultant for Intellect Design Arena Limited., United Kingdom (Material Subsidiary).

** Ceiling : It is in accordance with the ceiling as specified under Section 197(1) of the Companies Act, 2013

*** Mr. V Balaraman retired as Independent Director w.e.f 21st August, 2019

C.REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(In Rupees except stock option data)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Venkateswarlu Saranu Chief Financial Officer	V.V. Naresh Company Secretary	Total
1	Gross salary (a+b+c)	1,10,20,139	33,93,710	14,413,849
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,08,90,035	30,23,535	1,39,13,570
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,30,104	3,70,175	5,00,279
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2	Stock Option (in number)	63,750	11,500	75,250
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total	1,10,20,139	33,93,710	14,413,849

Table No. 1.21

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties or punishments levied on the Company during the year. Also, there was no necessity for the Company to compound any offence.

By Order of the Board
For **Intellect Design Arena Limited**

Place: Chennai
Date : June 15, 2020

Arun Jain
Chairman and Managing Director
DIN:00580919

Annexure 8

ANNUAL REPORT ON CSR ACTIVITIES

Particulars	**Remarks**
Date of Formation of CSR Committee	15/10/2014
Composition of Committee	**Chairman:** Mr.Anil Kumar Verma, Director **Members:** Mr.Arun Jain, Managing Director, Ms.Aruna Rao, Independent Director,
CSR Activity	The Company is undertaking its CSR activity through Ullas Trust which qualifies as CSR activity under Schedule VII (ii) of the Companies Act, 2013. The CSR Policy is available on the mentioned weblink https://www.intellectdesign.com/investor/corporate-governance.asp Ullas Trust objective is to recognize and promote academic excellence for the lesser privileged

Total amount to be spent for the financial year:

Particulars	**Amount (in Millions)**
Avg.net profit of three years	117.48
2% of Avg. net profits -Sec 135	2.35

Table No. 1.22

Details of CSR spent during the financial year:

Date of payment	**Amount (in Millions)**
15-05-2019	4.00
04-06-2019	3.50
18-09-2019	2.50
25-09-2019	2.50
03-10-2019	2.68
06-11-2019	1.50
28-11-2019	2.20
Total	18.88

Amount unspent – Nil

Manner in which the amount spent during the financial year is detailed below :-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl.No	**CSR project or activity identified.**	**Sector in which the Project is covered**	**Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or Programs Subheads: (1)Direct expenditure on projects or programs. (2) Overheads:**	**Cumulative expenditure upto the reporting period**	**Amount spent: Direct or through implementing agency**
1	The Company is undertaking its CSR activity through Ullas Trust* which qualifies as CSR activity under Schedule VII (ii) of the Companies Act, 2013.	Promotion of Education	Ullas Trust	2% of Average of net profit for the past 3 years	18.88 Millions (This amount forms part of the contribution upto 2 % of licence revenue to Ullas Trust which was approved by the shareholders in the general meeting held in 2016.)	18.88 Millions	18.88 Millions
	TOTAL			**2.350 Millions**	**18.88 Millions**	**18.883 Millions**	**18.883 Millions**

- In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report – Not Applicable
- A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company – Not Applicable

CSR committee Responsibility statement:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company

By Order of the Board
For **Intellect Design Arena Limited**

Place: Chennai
Date : June 15, 2020

Arun Jain
Chairman and Managing Director
DIN:00580919

INTELLECT DESIGN ARENA LIMITED
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are denominated in INR and expressed in Millions, unless otherwise stated)

INDEPENDENT AUDITOR'S REPORT

To the Members of Intellect Design Arena Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Intellect Design Arena Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint venture comprising of the consolidated Balance sheet as at March 31 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2020, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group, associates, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 54 of the Consolidated Financial Statements which describes the impact of Covid-19 pandemic, and its possible consequential implications on the Group's operations and financial metrics. Our opinion is not modified in respect of the matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting for revenue from Licenses and Services Contracts We focused on these areas because of its significance of license and services revenue and its risks related to judgements involved in the measurement, timing and presentation/disclosure of revenue from operations. Refer Notes 3(H) to the Consolidated financial Statements	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: a) We read the Group's revenue recognition policy and related disclosures. We performed walkthroughs of each significant class of revenue transactions and assessed and tested the design effectiveness and operating effectiveness for key controls. b) For revenue from license contracts where control is transferred at a point in time, we tested license revenue deals in excess of a certain threshold and a random sample of smaller contracts. For each of the sample selected, we performed the following: • Read the customer contract and obtained evidence of delivery of license. • Read the contracts and assessed potential impact of any unusual clause on revenue recognition. Tested the fair value allocations between the various elements of the contract in accordance with Group's revenue recognition policy. • We performed cut off procedures by reference to the contract and evidence of delivery. c) For services where control is transferred over a period of time, we tested a sample of transactions to test revenue recognised in the year was calculated based on the stage of completion of the contract. • We selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations, possible delays in achieving milestones and verified whether those variations have been considered in estimating the remaining efforts to complete the contract. When needed, we also inquired with service project managers to understand the progress, difficulties associated with implementation, if any and likely impact on the future effort estimates. We performed other substantive transactional testing, journal entry testing and analytical procedures to validate the recognition of revenue throughout the year.

Key audit matters	How our audit addressed the key audit matter
Capitalization and valuation of Intangible Asset and Intangible asset under development Intangible Asset and Intangible asset under development are deemed significant to our audit, as specific criteria that need to be met for capitalization. This involves management judgment, such as technical feasibility, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure the costs reliably. In addition, determining whether there is any indication of impairment of the carrying value of assets, requires management judgment and assumptions which are affected by future market or economic developments including uncertainty arising from the possible impact from COVID 19. Refer Notes 3(K) to the Consolidated financial Statements	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: a) Read the Group's accounting policies for compliance with IND AS and on a sample basis tested available documentation to consider whether the criteria for capitalisation were met. b) We performed walkthroughs of Intangible assets/Intangible assets under development process and assessed the design effectiveness and operating effectiveness for key controls. c) Performed tests of details on a sample of capitalized costs in the current year and obtained evidence to verify whether the costs qualify for capitalization. We analysed this evidence and evaluated whether it reflects the use of the asset for the Group and the Group's intention to complete the capitalized projects. d) We evaluated the assumptions and methodology used by the Group to test the Intangible asset and Intangible asset under development for impairment. e) We assessed the disclosures made by the Group in this connection in the accompanying financial statements.
Recoverability of accounts receivables and revenue accrued not billed We focused on this risk as the balances are material and there are significant judgments involved in assessing recoverability of accounts receivables and revenue accrued not billed. There are many factors that need to be considered when concluding that a balance needs to be impaired including default or delinquency in payments, length of the outstanding balances, implementation difficulties and possible effect on collections consequent to COVID - 19. Given the complexity, the size and the length of certain implementation projects, there is risk that a provision is not recognized in a timely or sufficient manner. Refer to note 3(R) of the Consolidated financial statements.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: a) We obtained management's analysis on recoverability of accounts receivables and revenue accrued not billed for all significant cases. This analysis includes background information of the customer, existing contractual relationships, balance outstanding, delays in collection, and operational reasons and summaries of discussions with customers and collection plans together with a detailed legal analysis where applicable. b) We Tested the ageing of accounts receivables, revenue accrued not billed and circularized confirmations on selected material customer balances and checked subsequent collections from recoverability perspective. We have performed test of alternate nature in case where confirmation has not been responded to by the customer. c) In addition, we evaluated the recoverability of accounts receivable and accrued revenue selected balances (significant and randomly selected) through discussion with project managers and with senior management when necessary. d) We assessed the disclosures made by the Group in this connection in the accompanying financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of 18 subsidiaries, whose Ind AS financial statements include total assets of Rs 7,294.94 million as at March 31, 2020, and total revenues of Rs 5,893.16 million and net cash outflows/(inflows) of Rs 32.28 million for the year ended on that date. These Ind AS financial statement and other financial information have been audited 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 statements also include the Group's share of net profit of Rs. 62.11 million for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 2 associates and 1 joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates, is based solely on the report of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies, none of the directors of the Group's companies and its associates, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;

g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company, its subsidiaries and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated Ind AS financial statements – Refer Note 34 to the consolidated Ind AS financial statements;

ii. The Group, its associates and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates incorporated in India during the year ended March 31, 2020.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 20210934AAAABH1816

Place of Signature: Chennai
Date: June 15, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INTELLECT DESIGN ARENA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Intellect Design Arena Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Intellect Design Arena Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these 5 subsidiary companies, 2 associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, associate and jointly controlled companies incorporated in India.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
Place of Signature: Chennai
Date: June 15, 2020

Consolidated Balance Sheet

In Rs. Millions

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4(a)	1,642.17	1,799.68
Capital work-in-progress	4(b)	43.23	42.99
Goodwill on consolidation	5	304.09	364.49
Other intangible assets	5	1,313.17	1,176.72
Intangible assets under development	4(b)	3,072.01	2,233.54
Right-of-use-assets	4(a)	421.25	-
Investment in Joint ventures and Associates	47, 48	602.64	524.49
Financial assets			
- Investments	6(a)	0.05	0.05
- Loans and deposits	6(b)	120.46	112.05
- Non current bank balances	6(c)	114.53	109.77
Income tax assets (net)	7	638.56	762.73
Deferred tax assets (net)	8	446.58	441.76
Other non-current assets	9	463.22	491.02
CURRENT ASSETS			
Financial asset			
- Investments	10(a)	165.72	156.06
- Trade receivables	10(b)	2,847.08	2,027.26
- Cash and Cash equivalents	10(c)	997.24	752.92
- Bank balances other than cash and cash equivalents	10(d)	65.64	65.80
- Loans and deposits	10(e)	57.67	65.44
- Other financial assets	10(f)	4,393.50	4,211.25
Other current assets	11	987.96	975.77
TOTAL		**18,696.77**	**16,313.79**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	661.69	658.87
Other Equity	13	9,788.44	9,538.46
Equity Attributable to equity shareholders of the parent		**10,450.13**	**10,197.33**
Non-Controlling Interest	49	118.01	90.44
Total Equity		**10,568.14**	**10,287.77**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
- Borrowings	14	347.07	635.46
- Lease Liabilities	15	291.44	-
- Derivative Instruments	16	179.18	24.16
- Other Long Term Liabilities	17	6.00	-
Deferred Tax Liabilities (Net)	18	2.23	1.67
CURRENT LIABILITIES			
Financial Liabilities			
- Borrowings	19(a)	1,858.45	371.80
- Lease Liabilities	19(b)	144.54	-
- Trade payables	19(c)		
- Total outstanding dues of micro enterprises and small enterprises		14.29	22.34
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 35 for balances due to related parties)		2,065.44	1,641.78
- Other financial liabilities	19(d)	928.36	1,397.67
- Derivative instruments	19(e)	162.76	30.71
Other current liabilities	20	1,693.71	1,473.50
Provisions	21	426.92	367.04
Current Tax liabilities (Net)	22	8.24	59.89
TOTAL		**18,696.77**	**16,313.79**

Table No. 2.1

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President &
Company Secretary

Consolidated Statement of Profit and Loss

In Rs. Millions

Particulars	Note	For the Year ended March 31, 2020	2019
INCOME			
Revenue from operations	23	13,468.84	14,495.69
Other Income	24(a)	164.89	568.69
Finance Income	24(b)	99.79	58.37
TOTAL INCOME		**13,733.52**	**15,122.75**
EXPENSES			
Employee Benefit Expenses	25	8,120.88	8,388.74
Depreciation and amortization expense	26	689.57	415.57
Finance Cost	27	173.67	114.42
Other Expenses	28	4,639.60	4,831.59
TOTAL EXPENSES		**13,623.72**	**13,750.32**
PROFIT BEFORE SHARE OF PROFIT OF ASSOCIATES AND JOINT VENTURE, EXCEPTIONAL ITEM AND TAX		**109.80**	**1,372.43**
Exceptional item	51	55.45	-
Share of profit of Associates and Joint venture	47, 48	62.11	29.66
PROFIT BEFORE TAX		**227.36**	**1,402.09**
Tax Expenses	29		
- Current tax		48.46	373.66
- Deferred tax		2.44	(21.99)
- MAT credit entitlement		-	(262.20)
PROFIT FOR THE YEAR		**176.46**	**1,312.62**
OTHER COMPREHENSIVE INCOME	30		
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(26.23)	(16.44)
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		151.54	10.19
Net movement on cash flow hedges		(287.06)	(55.42)
Other Comprehensive Income / (loss) for the year, net of tax		**(161.75)**	**(61.67)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**14.71**	**1,250.95**
PROFIT FOR THE YEAR		**176.46**	**1,312.62**
Attributable to:			
Equity shareholders of the parent		159.91	1,313.47
Non - Controlling Interest		16.55	(0.85)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**14.71**	**1,250.95**
Attributable to:			
Equity shareholders of the parent		(12.87)	1,251.80
Non - Controlling Interest		27.58	(0.85)
EARNINGS PER SHARE	31		
Equity shares par value Rs 5 each (March 19 Rs 5 each)			
Basic		1.21	10.18
Diluted		1.19	9.95

Table No. 2.2

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President &
Company Secretary

Consolidated Statement of Changes in Equity

a. Equity Share Capital:

(All amounts are in Millions unless otherwise stated)

Equity shares of Rs 5 each issued, subscribed and fully paid	No. of shares	in millions
As at April 1, 2018	12,55,29,084	627.64
Issue of share capital	62,45,631	31.23
As at March 31, 2019	13,17,74,715	658.87
Issue of share capital	5,63,915	2.82
As at March 31, 2020	**13,23,38,630**	**661.69**

b. Other equity

For the year ended March 31, 2020

In Rs. Millions

Particulars	Reserves & Surplus				Items of OCI		Total Equity
	Securities premium	Share option outstanding account	General reserve	Retained earnings	Effective portion of Cash flow hedge reserve	Foreign Currency Translation Reserve	
As at April 1, 2019	5,025.88	268.04	1,265.55	2,536.89	(54.87)	496.97	9,538.46
Profit for the year	-	-	-	159.91	-	-	159.91
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	(26.23)	-	-	(26.23)
Fair value movement in cash flow hedge	-	-	-	-	(287.06)	-	(287.06)
Movement in Foreign Currency Translation Reserve (FCTR) through OCI	-	-	-	-	-	151.54	151.54
Exercise of share options	73.21	(34.86)	-	-	-	-	38.35
Share-based payments for the year	-	213.32	-	-	-	-	213.32
Transfer on account of options not exercised for the year	-	(18.61)	18.61	-	-	-	-
Others	-	-	-	0.15	-	-	0.15
As at March 31, 2020	**5,099.09**	**427.89**	**1,284.16**	**2,670.72**	**(341.93)**	**648.51**	**9,788.44**

Table No. 2.3

For the year ended March 31, 2019

In Rs. Millions

Particulars	Reserves & Surplus				Items of OCI		Total Equity
	Securities premium	Share option outstanding account	General Reserve	Retained earnings	Effective portion of Cash flow hedge reserve	Foreign Currency Translation Reserve	
As at April 1, 2018	3,924.53	289.18	1,254.11	1,436.39	0.55	486.78	7,391.54
Profit for the year	-	-	-	1,312.61	-	-	1,312.61
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	(16.44)	-	-	(16.44)
Fair value movement in cash flow hedge	-	-	-	-	(55.42)	-	(55.42)
Movement in Foreign Currency Translation Reserve (FCTR) through OCI	-	-	-	-	-	10.19	10.19
Exercise of share options	127.39	(65.54)	-	-	-	-	61.85
Issue of Shares on Preferential allotment	973.96	-	-	-	-	-	973.96
Ind AS 115 transition adjustment for the year	-	-	-	(194.16)	-	-	(194.16)
Merger of Indigo & Lasersoft for shares issued to Lasersoft Shareholder	-	-	-	-	-	-	-
Share-based payments for the year	-	55.84	-	-	-	-	55.84
Transfer on account of options not exercised for the year	-	(11.44)	11.44	-	-	-	-
Minority Dividend Share	-	-	-	(1.51)	-	-	(1.51)
As at March 31, 2019	**5,025.88**	**268.04**	**1,265.55**	**2,536.89**	**(54.87)**	**496.97**	**9,538.46**

Table No. 2.4

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements 3

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004
per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President & Company Secretary

Consolidated cash flow statement for the year ended March 31, 2020

In Rs. Millions

Particulars	For the Year ended March 31,	
	2020	2019
A. CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES		
Profit / (Loss) for year before tax	227.36	1,402.09
Exceptional item (Refer Note 51)	(55.45)	-
Adjustments to reconcile profit / (loss) for the year to net cash flows	-	-
Depreciation / amortisation	689.57	415.57
Expense on Employee Stock Option Scheme (ESOP) (Refer Note 25)	169.85	55.84
Dividend income	(8.37)	(7.05)
Allowances for credit impaired on receivables and revenue accrued not billed	171.91	167.92
Unrealised foreign exchange loss (net) (Including impact of foreign currency translation)	51.05	20.80
Loss on sale of non-current investments (net)	-	0.38
Adjustments to the carrying amount of investments;	(1.29)	-
Net gain on disposal of Property, Plant and Equipment	(97.22)	(494.46)
Bad debts / advances written off	-	6.00
Finance Cost	173.67	114.42
Interest income	(91.43)	(51.32)
Share of Loss/(Profit) in Associate	(62.11)	(29.66)
Operating Profit / (Loss) before working capital changes	**1,167.54**	**1,600.53**
Movement in working capital		
Decrease / (Increase) in trade receivables	(871.47)	217.42
Decrease/(Increase) in financial assets and other assets	(106.75)	(2,633.49)
Increase/(Decrease) in financial liabilities, other liabilities and provisions	175.29	640.68
Cash flow from / (used in) operations	**364.61**	**(174.86)**
Income taxes (paid) / net of refunds	71.08	(328.58)
Net cash (used in) / from operating activities (A)	**435.69**	**(503.44)**
B. CASH FLOW USED IN INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment including intangible assets, changes in capital work in progress and capital advances	(1,350.02)	(1,301.33)
Proceeds from sale of Property, Plant and Equipment	106.42	508.35
Net Increase / (decrease) in non-trade investments	205.00	50.78
Net Increase / (decrease) in bank deposit	8.00	703.36
Interest received	31.80	42.82
Dividend received	-	7.05
Net cash (used in) / from investing activities (B)	**(998.80)**	**11.03**
C. CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES		
Proceeds from share capital issued on exercise of stock options	2.82	5.18
Proceeds from share premium on exercise of stock options	38.03	61.85
Proceeds from share capital issued on Preferential allotment	-	26.04
Proceeds from securities premium on Preferential allotment	-	973.96
Payment of principal portion of lease liabilities	(138.02)	-
(Repayment) / Proceeds from Long term secured loans	(399.81)	(323.87)
(Repayment) / Proceeds from Short term borrowings	1,449.72	2.49
Finance Cost (Interest paid)	(151.73)	(114.43)
Dividends paid during the year	-	(1.51)
Net cash (used in) / from financing activities (C)	**801.01**	**629.71**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**237.90**	**137.30**
Effect of exchange differences on Cash & Cash Equivalents held in foreign currency	6.42	0.88
Cash and Cash Equivalents at the beginning of the year	752.92	614.74
Cash and cash equivalents at the end of the year	**997.24**	**752.92**
Cash and cash equivalents As per Note 10 (c)	**997.24**	**752.92**

Table No. 2.5

Notes:

a) The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash flows" specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

b) Figures have been regrouped/rearranged wherever necessary.

As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President &
Company Secretary

Notes to the Consolidated Financial Statements

(All amounts are in Rupees in millions unless otherwise stated)

1. Corporate Information

The consolidated financial statements comprise financial statements of Intellect Design Arena Limited ('Intellect' or 'the Company') and its subsidiaries (collectively, the Group) for the year ended March 31, 2020. The Company is a public limited company domiciled in India and was incorporated under the provisions of the Companies Act, 1956 in 2011. The shares of the Company have been listed on the National Stock Exchange and Bombay Stock Exchange with effect from December 18, 2014. The registered office of the Company is located at 244, Anna Salai, Chennai-600 006.

The Group has a comprehensive portfolio of products across Global Consumer Banking, Central Banking, Risk & Treasury Management, Global Transaction Banking and Insurance and is engaged in the business of software development.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on June 15, 2020.

2. Basis of preparation

The consolidated financial statements of the Group have been 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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The consolidated financial statements are presented in INR and all values are rounded to the nearest millions, except when otherwise indicated

3. Significant Accounting Policies

a) Basis of consolidation

Consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. For supporting such situations and also those situations the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, are eliminated in full). Accounting as per Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- The carrying value of Goodwill arising on consolidation is tested for impairment, if there are any indicators for impairment and also tested at the end of each reporting period.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable in all cases. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share - based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

c) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognized.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

d) Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these consolidated financial statements have been disclosed in Note 32. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

e) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset has been classified as current when it satisfies any of the following criteria;

- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability has been classified as current when it satisfies any of the following criteria;

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting date; or
- The Group does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting date.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

f) Foreign currency translation

The functional currency of the group is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to millions). For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency exchange rates at the reporting date. Non-monetary assets and liabilities that are carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the qualifying cash flow hedges, to the extent the hedges are effective, which are recognised in other comprehensive income (OCI).

Foreign operations:

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Any goodwill arising in the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

g) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. The Valuation Committee comprises of the head of the treasury operations, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Valuation Committee analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Valuation Committee, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Group's external valuers present the valuation results to the Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

h) Revenue recognition

The Group derives revenues primarily from software development and related services, and from the licensing of software products and related services (together referred to as "software related services").

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the entity expects to receive in exchange for those products or services arrangements with customers for software related services are either on a fixed-price, fixed-bid or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as revenue accrued not billed. Revenue from fixed-price, fixed-bid contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. The Group recognises revenue based on relevant output measures, such as the achievement of any project milestones stipulated in the contract, or internal quality milestones to assess proportional performance. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

Revenue accrued not billed represents earnings on ongoing fixed-price, fixed - bid and time and material contracts over amounts invoiced to customers. Billings in excess of revenues represents amounts billed in case of ongoing fixed bid, fixed price and time and material contracts wherein amounts have been

billed in accordance with the billing cycle and efforts would be incurred subsequent to the balance sheet date.

In arrangements for software development and related services and maintenance services, the entity has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the entity has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the entity is unable to determine the standalone selling price, the entity uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Maintenance Services. The entity has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. Annual Maintenance Services revenue is recognized rateably over the period in which the services are rendered.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The entity presents revenues net of indirect taxes in its statement of Profit and loss.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the entity expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the entity has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis or fixed price basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations and adjustment for revenue that has not materialized and adjustments for currency.

Other Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

Dividend income

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

Profit on sale of mutual funds

Profit on sale of units of mutual funds is recognised at the time of redemption and is determined as the difference between the redemption price and the carrying value

Profit on sale of land / flats

Profit on sale of land / flats is recognised at the time of sale and is determined as the difference between the sales price and the carrying value.

i) Taxes on income

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Minimum alternate tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is recognised as "MAT Credit Entitlement" as deferred tax asset, and is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

j) Property, plant and equipment

Capital work in progress, plant and equipment are stated at cost, less accumulated depreciation and impairment losses if any. Freehold land is measured at cost and not depreciated. Cost comprises the purchase price and any cost attributable in bringing the asset to its working condition for its intended use.

Material replacement cost is capitalized provided it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced in derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful life. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on plant, property and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The useful lives considered for depreciation of Property, plant and equipment are as prescribed in Schedule II of the Companies Act:

Asset Category	Estimated useful life (in years)
Buildings	30 years
Plant and machinery	15 years
Computer equipment	3 years
Servers and computer accessories	6 years
Electrical fitting, furniture and fixtures	10 years
Office equipment	5 years
Leasehold improvements	Over the lease period or 10 years, whichever is lower
Leasehold land	Over the tenure of the lease (99 years)

Categories of assets for which depreciation has been provided based on the estimated useful life of the Group based on management evaluation, etc. are:

Asset Category	Estimated useful life (in years)
Vehicles	4 - 8 years

Table No. 2.6

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital advances under other non-current assets and the cost of asset not put to use before such date are disclosed under "Capital Work in Progress". Subsequent expenditure relating to property, plant and equipment is capitalised only when it's probable that future economic benefit associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance cost are recognised in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from financial statement upon sale or retirement of the asset and the resultant gains or loss are recognised in the Statement of profit and loss. Asset to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation of software development and intellectual property costs is allocated on a straight-line basis over the best estimate of its useful life after the product is ready for use. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors. The amortization period and the amortization method are reviewed at each year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. The estimated useful life of Group's intangible assets is in the range of 3 to 5 Years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and development costs:

Research costs are expensed as incurred. Development expenditure incurred on an individual new project is recognized as an intangible asset when the Group can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment. Right-of-use assets mainly consists of buildings, having a lease term of 2 to 5 years.

b. Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in financial liabilities (see Note 15 and 19(b)).

c. Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of Buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Group as Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

n) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of three years (five years in the case of Internally Generated Intangible assets (IPR)). For longer periods, a long term growth rate is calculated and applied to project future cash flows after the third year / fifth year in case of IPR.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods. Goodwill is tested annually for impairment by management.

o) Provisions and contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

p) Employee Benefits

Provident Fund

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Group make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employee's salary. The Group recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. The Group has no further obligations under the plan beyond its monthly contributions.

Gratuity

The Group provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. A trust by name "Polaris Software Lab Group Gratuity Trust" has been constituted to administer the gratuity fund. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period.

Re-measurement, comprising of actuarial gain or loss and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The defined benefit obligation recognised in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled and adjusted for unrecognised past service cost, if any. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

Superannuation

The Group contributes a specified percentage of the eligible employees' basic salary towards superannuation (the Plan) to a fund. A trust has been created and approved by the Income-tax authorities for this purpose. This Plan provides for various options for payment of pension at retirement or termination of employment as per the trust rules. The Group recognizes contribution payable to the fund as expenditure, when an employee renders the related service. The Group has no further obligations under the plan beyond its monthly contributions.

Compensated Absences

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

q) Share-based payments

Stock options are granted to the employees under the stock option scheme, the costs of stock options granted to the employees (equity-settled awards) of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves/stock options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

r) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any financial asset under this category

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement: and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the

credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, trade and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

s) Loans and Borrowings

This is the category most relevant to the group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information Refer 19.

t) Derivative Instruments and Hedge Accounting:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and type of hedge relationship designated.

The Group uses forward contracts and (Derivative Contracts) to hedge its risks associated with foreign currency fluctuations relating to firm commitment or highly probable forecast transactions. The Group designates these in a hedging relationship by applying the hedge accounting principles set out in IND AS 109 – "Financial Instruments" as 'cash flow hedges'

The use of Derivative Contracts is governed by the Group's policies on the use of such financial derivatives consistent with the Group's risk management strategy. The Group does not use derivative financial instruments for speculative purposes.

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The ineffective portion relating to the hedging instrument is recognised in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

u) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

v) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as rights issue, bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

w) Transactions Costs Relating to Equity Transactions

The Group defers costs in issuing or acquiring its own equity instruments to the extent they are incremental costs directly attributable to an equity transaction that otherwise would have been avoided. Such costs are accounted for as a deduction from equity (net of any related income tax benefit) upon completion of the equity transaction. The costs of an equity transaction which is abandoned is recognized as an expense.

x) Segment Reporting

The Executive Management Committee monitors the operating results of its business as a single primary segment "Software Product Licence and related services" for the purpose of making decisions about resource allocation and performance assessment.

The business of the Group falls under a single primary segment i.e. 'Software Product License & related services' for the purpose of Ind AS 108.

y) Other Assets

Cost incurred in fulfilling a contract are capitalised if all the following conditions are satisfied:

1. The costs relate directly to a contract
2. The costs generate or enhance resources of the entity that will be used to satisfy future performance obligation
3. The costs are recoverable

z) Changes in accounting policies and disclosures

New and amended standards and interpretations

a. Ind AS 116

Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 - Operating Leases-Incentives, Appendix B of Ind AS 17 - Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17 - Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Balance Sheet.

Lessor accounting under Ind AS 116 remains unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption in accordance with Para C8 (c) (ii) to Ind AS 116 with the date of initial application being 1st April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 1, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

The Group has lease contracts for various items of Buildings. Before the adoption of Ind AS 116, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases. Refer to Note 3(M) - Leases for the accounting policy beginning April 1, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Group. Leases previously classified as Finance Leases. The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified for as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from 1st April 2019.

Leases previously accounted for as operating leases. The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The Right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Based on the above, as at 1st April 2019:

- Right-of-use assets of Rs. 550.39 million were recognised and presented separately in the Balance Sheet.
- Corresponding lease liabilities of Rs. 550.39 million were recognised.

The lease liabilities as at April 1, 2019 can be reconciled to the operating lease commitments as of March 31, 2019, as follows:

In Rs. Millions

Assets	Amount
Operating lease commitments as at March 31, 2019	517.92
Less:	
Discounting effect (Weighted average incremental borrowing rate as at 1 April 2019: 9.08%)	(47.03)
Commitments relating to short-term leases	(53.12)
Add:	
Lease payments relating to renewal periods not included in operating lease commitments as at March 31, 2019	132.62
Lease liabilities as at April 1, 2019	550.39

A) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions. The Group determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the Financial Statements of the Group.

4(a). PROPERTY, PLANT AND EQUIPMENT

In Rs. Millions

Particulars	Land	Buildings	Plant and machinery	Electrical Equipments	Furniture and Fittings	Office equipments	Vehicles	Leasehold Land*	Leasehold improvement	Total	Right of use assets (Building) Refer Note 42
Gross block											
As at April 1, 2018	**298.34**	**1,214.94**	**948.81**	**159.74**	**415.60**	**200.69**	**83.66**	**28.05**	**93.92**	**3,443.75**	**-**
Additions	-	8.25	81.74	5.83	30.37	9.75	-	-	12.21	148.15	-
Translation Difference	11.44	2.10	4.86	0.01	1.23	1.15	0.23	-	4.23	25.25	-
Deletions	3.10	14.89	73.47	-	9.24	7.34	7.32	-	36.88	152.24	-
As at March 31, 2019	**306.68**	**1,210.40**	**961.94**	**165.58**	**437.96**	**204.25**	**76.57**	**28.05**	**73.48**	**3,464.91**	**-**
Additions	-	0.90	36.10	3.95	22.41	9.35	1.99	-	4.03	78.73	598.30
Translation Difference	18.71	3.43	4.98	0.04	1.24	0.71	0.28	-	4.91	34.30	8.31
Deletions	63.36	12.40	53.01	2.47	18.05	4.17	0.86	-	-	154.32	7.14
As at March 31, 2020	**262.03**	**1,202.33**	**950.01**	**167.10**	**443.56**	**210.14**	**77.98**	**28.05**	**82.42**	**3,423.62**	**599.47**
Accumulated Depreciation											
As at April 1, 2018	**-**	**283.26**	**741.74**	**87.75**	**205.53**	**151.18**	**68.62**	**3.58**	**47.73**	**1,589.39**	**-**
For the year (Refer Note 26)	-	40.86	78.63	12.77	34.52	20.15	9.65	0.28	8.23	205.09	-
Translation Difference	-	0.32	4.43	-	0.66	0.68	0.23	-	2.80	9.12	-
Deletions	-	5.58	72.65	-	9.24	7.50	6.50	-	36.90	138.37	-
As at March 31, 2019	**-**	**318.86**	**752.15**	**100.52**	**231.47**	**164.51**	**72.00**	**3.86**	**21.86**	**1,665.23**	**-**
For the year (Refer Note 26)	-	39.91	69.10	13.02	36.73	18.71	4.07	0.28	8.78	190.60	175.79
Translation Difference	-	0.59	3.89	-	0.39	0.50	0.33	-	1.69	7.39	2.43
Deletions	-	5.00	51.41	2.44	17.90	4.16	0.86	-	-	81.77	-
As at March 31, 2020	**-**	**354.36**	**773.73**	**111.10**	**250.69**	**179.56**	**75.54**	**4.14**	**32.33**	**1,781.45**	**178.22**
Net book value											
As at March 31, 2019	306.68	891.54	209.79	65.06	206.49	39.74	4.57	24.19	51.62	1,799.68	-
As at March 31, 2020	262.03	847.97	176.28	56.00	192.87	30.58	2.44	23.91	50.09	1,642.17	421.25

Table No. 2.7

* represents 13.35 acres of land at Chennai taken on 99 years lease from SIPCOT under terms of MOU dated 3rd January, 2005 (modified on 10th March, 2015) with Government of Tamil Nadu. Leased assets and assets under hire purchase contracts are pledged as security for the related finance lease and hire purchase liabilities

Land and buildings with a carrying amount of Rs 831.10 million (March 31, 2019: Rs 598.26 million) are subject to a first charge to secure the Company's bank loans.

4(b). CAPITAL WORK-IN-PROGRESS

In Rs. Millions

Particulars	Buildings	Plant & Machinery	Electrical fittings	Furniture and fixtures	Total	Intangible assets under development (Refer Note 41)
Capital Work in Progress (CWIP) as at April 1, 2018	**32.73**	**-**	**7.64**	**2.54**	**42.91**	**1,919.65**
Add:						
Additions during the year	-	0.08	-	-	**0.08**	1,143.19
Less:						
Translation Difference						17.88
Capitalisation of assets	-	-	-	-	**-**	(847.18)
CWIP as at March 31, 2019	**32.73**	**0.08**	**7.64**	**2.54**	**42.99**	**2,233.54**
Add:						
Additions during the year	-	-	-	0.24	**0.24**	1,109.00
Less:						
Translation Difference	-	-	-	-	-	43.73
Capitalisation of assets	-	-	-	-	-	(314.26)
CWIP as at March 31, 2020	**32.73**	**0.08**	**7.64**	**2.78**	**43.23**	**3,072.01**

Table No. 2.8

5. GOODWILL AND OTHER INTANGIBLE ASSETS

In Rs. Millions

Particulars	Computer software	Internally generated Intangible asset	Total Intangible Assets	Goodwill
As at April 1, 2018	**219.08**	**1,424.72**	**1,643.80**	**348.49**
Additions	15.21	847.18	862.39	-
Translation Difference	-	(11.19)	(11.19)	16.00
Total intangible asset	-	-		-
As at March 31, 2019	**234.29**	**2,260.71**	**2,495.00**	**364.49**
Additions	145.98	310.39	456.37	-
Translation Difference	-	24.69	24.69	26.16
Deletions	-	-	-	(86.56)
As at March 31, 2020	**380.27**	**2,595.79**	**2,976.06**	**304.09**
Accumulated Amortization and Impairment				
As at April 1, 2018	**198.43**	**908.35**	**1,106.78**	**-**
For the year (Refer Note 26)	24.07	186.42	210.49	-
Translation Difference	-	1.01	1.01	-
Deletions	-	-	-	-
As at March 31, 2019	**222.50**	**1,095.78**	**1,318.28**	**-**
For the year (Refer Note 26)	30.50	292.68	323.18	-
Translation Difference	-	21.43	21.43	-
Deletions	-	-	-	-
As at March 31, 2020	**253.00**	**1,409.89**	**1,662.89**	**-**
Net Book Value				
As at March 31, 2020	**127.27**	**1,185.90**	**1,313.17**	**304.09**
As at March 31, 2019	**11.79**	**1,164.93**	**1,176.72**	**364.49**

Table No. 2.9

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or group of CGU's, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the individual subsidiary level.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the discounted cash flow method. The value-in-use is determined based on specific calculations. These calculations use pre-tax cash flow projections for a CGU / groups of CGU's over a period of five years. An average of the range of each assumption used is mentioned below. As of March 31, 2020 and March 31, 2019 the estimated recoverable amount of the CGU exceeded its carrying amount. The recoverable amount was computed based on the fair value less cost to sell being higher than value-in-use. The carrying amount of the CGU was computed by allocating the net assets to operating segments for the purpose of impairment testing. The key assumptions used for the calculations are as follows:

Particulars	As at March 31,	
	2020	2019
Long term growth rate	15-20%	8-10%
Operating margins	10-15%	10-15%
Discount rate	13.50%	13.50%

Table No. 2.10

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. The Management believes that any reasonable possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

6. FINANCIAL ASSET

In Rs. Millions

	Particulars	As at March 31,	
		2020	2019
	NON-CURRENT ASSETS		
6(a)	**Investments in Financial Instrument**		
	Investment in financial instrument, carried at fair value through Profit & Loss		
	Quoted equity shares		
	(A) Investment in equity shares of Andhra Bank Ltd	0.02	0.02
	237 shares (March 31, 2019 - 237 shares) face value of Rs. 10 each		
	(B) Investment in equity shares of Catholic Syrian Bank Ltd	0.03	0.03
	100 shares (March 31, 2019 - 100 shares) face value of Rs 10 each		
	Investment in financial instrument, carried at amortized cost		
	Unquoted debt securities		
	(A) Investment in Equity Shares of Gamma Green Power Private Limited (Unquoted)		
	306,977 (March 31, 2019 – 2,62,473) Equity Shares of Face Value of Rs. 10 each	3.07	2.63
	Less: Impairment in value of investment	(3.07)	(2.63)
		0.05	**0.05**
	Aggregate book value of Quoted Investments	0.05	0.05
	Aggregate market value of Quoted Investments	0.05	0.05
	Aggregate value of Unquoted Investments	3.07	2.63
	Aggregate amount of impairment in value of Investment	3.07	2.63
6(b)	**Loans and deposits, carried at amortized cost**		
	Unsecured considered good		
	- Security Deposits*	93.19	90.63
	- Loans to employees**	27.27	21.42
		120.46	**112.05**

*Security deposit are non-derivative financial assets which generate a fixed or variable interest income for the Company.

**Loan to employees are non-derivative financial assets which generate a fixed or variable interest income for the Company.

6(c)	**Non current bank balances, carried at amortized cost**		
	Deposits with Banks with more than 12 months maturity	114.53	109.77
		114.53	**109.77**

The above balances have been pledged as security by the Company for availing non-fund based facilities (Bank guarantee)

Table No. 2.11

7. INCOME TAX ASSETS (NET)

In Rs. Millions

Particulars	As at March 31,	
	2020	2019
Advance income tax (Net of provision for tax)	638.56	762.73
	638.56	**762.73**

Table No. 2.12

8. DEFERRED TAX ASSETS (NET)

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset / (Liability)		
Difference between Depreciation as per books of accounts & Income Tax Act,1961	(494.66)	(526.28)
Revaluation of cash flow hedge	118.34	18.99
Revaluation of FVTPL investments to fair value	0.10	0.10
Impact of disallowance under Section 36(1)(viia) of the Income Tax Act	55.91	46.06
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	55.28	213.50
Carry forward business loss and unabsorbed depreciation	430.16	297.91
MAT credit entitlement	281.45	391.48
	446.58	**441.76**

Table No. 2.13

9 OTHER NON-CURRENT ASSETS

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Capital Advances	0.52	0.82
Loans to Employees Welfare Trust	0.11	0.11
Prepayments	462.59	416.00
Balance with Government Authorities	-	74.09
	463.22	**491.02**

Table No. 2.14

10 FINANCIAL ASSET

10(a) Investments

In Rs. Millions

Particulars	March 31, 2020 Units	March 31, 2020 Amount	March 31, 2019 Units	March 31, 2019 Amount
Trade Investments (Carried at fair value through profit or loss)				
Investment in Mutual Funds - (Unquoted)				
ICICI Prudential Banking and PSU Debt Fund – Daily Dividend	92,33,924	93.57	87,46,386	88.10
Nippon India Short Term Fund-DM	63,61.862	72.15	60,59,298	67.96
		165.72		**156.06**
Aggregate book value of Quoted Investments		165.72		156.06
Aggregate market value of Quoted Investments		165.72		156.06
Aggregate amount of impairment in value of Investment		-		-

Table No. 2.15

10 (b) Trade receivables

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	2,847.08	2,027.26
	2,847.08	**2,027.26**
- Unsecured considered good	3,374.90	2,394.08
- Trade Receivables - Credit impaired	75.75	64.35
(A)	**3,450.65**	**2,458.43**
Impairment Allowance (allowance for bad and Doubtful debts)		
- Unsecured considered good	(527.82)	(366.82)
- Trade Receivables - Credit impaired	(75.75)	(64.35)
(B)	**(603.57)**	**(431.17)**
(A)– (B)	**2,847.08**	**2,027.26**

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing.

In Rs. Millions

10(c)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalent carried at amortized cost		
- Balance with banks		
- On Current accounts	927.23	743.62
- On Deposit accounts	70.01	9.30
	997.24	**752.92**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.
Deposit account balances have been pledged as security by the Group for availing non-fund based facilities (Bank guarantee). The changes in liabilities arising from financial activities are only on account of changes in the Cash Flows.
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

10(d)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Balances other than Cash and Cash Equivalents		
Deposits having a maturity period more than 3 months and less than 12 months	65.64	65.80
	65.64	**65.80**

Table No. 2.16

The above balances have been pledged as security by the Company for availing non-fund based facilities (Bank guarantee)

10(e)

Loans and deposits carried at amortized cost		
Unsecured, considered good		
- Security Deposits*	21.05	19.05
- Loans to employees**	36.62	46.39
	57.67	**65.44**

Table No. 2.17

*Security deposit are non-derivative financial assets which generate a fixed or variable interest income for the Company.
**Loan to employees are non-derivative financial assets which generate a fixed or variable interest income for the Company.

10(f)

Other financial assets carried at amortized cost		
Unsecured considered good		
Revenue accrued & not billed *	4,354.22	4,137.32
Others receivable	39.28	73.93
	4,393.50	**4,211.25**

Table No. 2.18

* The balance as at March 31, 2020 is net of allowance for credit loss of Rs. 94.65 million (Previous year ended March 31, 2019 Rs.93.91 million).

11 OTHER CURRENT ASSETS

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Advances to related parties (Refer Note 35)	84.25	123.49
Prepayments and other recoveries	651.91	722.09
Salary advance	8.37	11.33
Balances with Government Authorities	243.43	118.86
	987.96	**975.77**

Table No. 2.19

12 SHARE CAPITAL

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Authorised		
19,48,00,000 equity shares of Rs 5 each. (March 31, 2019 : 19,48,00,000 equity shares of Rs. 5 each)	974.00	974.00
	974.00	**974.00**
(b) Issued, Subscribed and Paid up		
13,23,38,630 equity shares of Rs 5 each (March 31, 2019: 13,17,74,715 equity shares of Rs. 5 each) fully paid up	661.69	658.87
	661.69	**658.87**
Shares held by shareholders holding more than 5 percent shares in the Group.		
Polaris Banyan Holding Private Limited	3,18,61,000	3,18,61,000
Arun Jain	75,56,321	75,56,321
Amansa Holdings Private Limited	86,52,957	-
	36.48%	**29.91%**

Table No. 2.20

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share. Equity shares entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

Particulars	Number of shares 2020	Number of shares 2019
Shares outstanding at the beginning of the year/period	13,17,74,715	12,55,29,084
Shares issued under the Preferential Allotment	-	52,08,330
Shares issued Pursuant to Merger of Lasersoft & IndigoTX	-	528
Shares issued under the Employee Stock Option Scheme (Refer Note 34)	5,63,915	10,36,773
Shares outstanding at the end of the year	**13,23,38,630**	**13,17,74,715**

Particulars	2020	2019
Share capital outstanding at the beginning of the year	658.87	627.64
Shares issued under the Preferential Allotment	-	26.04
Shares issued Pursuant to Merger of Lasersoft & IndigoTX	-	0.00
Shares issued under the Employee Stock Option Scheme (Refer Note 34)	2.82	5.19
Share capital outstanding at the end of the year	**661.69**	**658.87**

Table No. 2.21

Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the Group, (Refer Note 34)

13 OTHER EQUITY

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Securities Premium	5,099.09	5,025.88
Share option outstanding account	427.89	268.04
General Reserve	1,284.16	1,265.55
Retained Earnings	2,670.72	2,536.89
Effective portion of Cash flow hedge reserve	(341.93)	(54.87)
Foreign Currency Translation Reserve	648.51	496.97
	9,788.44	**9,538.46**

Table No. 2.22

13 (a) Securities premium

The Securities premium received during the year represents the premium received towards allotment of 563,915 shares. This balance will be utilised in accordance with the provisions of Section 52 of the Companies Act 2013 towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission / discount expenses on issue of shares / debentures, premium payable on redemption of redeemable preference shares / debentures and buy back of its own shares / securities under Section 68 of the Companies Act 2013.

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	5,025.88	3,924.53
Additions during the year	38.35	1,035.80
Transfer from Share option outstanding account for options exercised during the year	34.86	65.55
Balance at the end of the year	**5,099.09**	**5,025.88**

Table No. 2.23

13 (b) Share option outstanding account

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	268.04	289.18
Additions during the year	169.85	55.84
Transfer from Provision on account of issue of Restrictive stock options during the year	43.47	-
Transfer to Securities premium for options exercised during the year	(34.86)	(65.55)
Transfer on account of options not exercised for the year	(18.61)	(11.43)
Balance at the end of the year	**427.89**	**268.04**

Table No. 2.24

13 (c) General Reserve

Additions to the general reserve during the year are on account of cancellation of share options post vesting period.

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	1,265.55	1,254.11
Transfer from Share option outstanding account on account of options not exercised for the year	18.61	11.44
Balance at the end of the year	**1,284.16**	**1,265.55**

Table No. 2.25

13 (d) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported below may not be distributable in entirety.

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	2,536.89	1,436.39
Profit for the year	159.91	1,312.61
Other Comprehensive Income - Re-measurement Loss on Defined Benefit Obligations (Net)	(26.23)	(16.44)
Effect of first time adoption of Ind AS 115	-	(194.16)
Others	0.15	(1.51)
Balance at the end of the year	**2,670.72**	**2,536.89**

Table No. 2.26

13 (e) Cash Flow Hedge Reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	(54.87)	0.55
Additions / (Deductions) during the year (Net)	(287.06)	(55.42)
Balance at the end of the year	**(341.93)**	**(54.87)**

Table No. 2.27

13 (f) Exchange differences on translating the financial statements of a foreign operation

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	496.97	486.78
Additions / (Deductions) during the year (Net)	151.54	10.19
Balance at the end of the year	**648.51**	**496.97**

Table No. 2.28

14 FINANCIAL LIABILITIES

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
Term Loan from Banks	703.16	960.91
Current maturities of Long Term Borrowings (Refer note No 19 (d))	(356.09)	(325.45)
	347.07	**635.46**

Table No. 2.29

Term loan from banks (USD) has a moratorium of 12 months from the date of disbursement and repayable in 16 quarterly installments contractually commencing from December 2018. The classification of "Current Maturities of Long Term Borrowings" is done based on management's intention to repay the loan. The loan is measured at amortised cost (net of processing charges) and carries an effective interest of 6.28% per annum and secured by a charge on the Land and buildings of the Company.

15 LEASE LIABILITIES

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Lease Liabilities (Refer Note 42)	291.44	-
	291.44	**-**

Table No. 2.30

16 DERIVATIVE INSTRUMENTS

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Foreign exchange forward contracts (Net) (Refer Note 40)	179.18	24.16
	179.18	**24.16**

Table No. 2.31

***Financial asset at fair value through OCI**

Financial asset at fair value through OCI reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable future sale in USD.

17 OTHER LONG TERM LIABILITIES

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
- Security Deposits	6.00	-
	6.00	**-**

Table No. 2.32

18 DEFERRED TAX LIABILITIES (NET)

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Difference between Depreciation as per books of accounts & Income Tax Act,1961	2.23	1.67
	2.23	**1.67**

Table No. 2.33

19 FINANCIAL LIABILITIES

In Rs. Millions

	Particulars	As at March 31, 2020	As at March 31, 2019
19(a)	**Borrowings carried at amortized cost**		
	Secured, unless otherwise specified		
	Loans repayable on demand		
	- from Banks	1,852.17	363.22
	Unsecured		
	- from Banks	6.28	8.58
		1,858.45	**371.80**

Particulars	Repayable	Security
Pre-shipment credit in foreign currency & Export bills discounting (Currency of loan - USD)		
Pre-shipment credit in foreign currency March 31, 2020 (March 31, 2019)	60 days to 120 days credit period	Land & Building

19(b)	**LEASE LIABILITIES (Refer Note 42)**	144.54	-
		144.54	**-**

19(c)	**Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises (Refer Note No 52)	14.29	22.34
	Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 35 for balances due to related parties)	2,051.15	1,619.44
		2,065.44	**1,641.78**

Note - Trade payables are non-interest bearing.

19(d)	**Other financial liabilities carried at amortized cost**		
	Current maturities of Long Term Borrowings (Refer Note 14)	356.09	325.46
	Employee benefit payable	494.85	978.79
	Capital creditors	2.83	19.21
	Super Annuation Payable	74.59	74.21
		928.36	**1,397.67**
19(e)	**Derivative instruments**		
	Foreign exchange forward contracts (Net) (Refer Note 40)	162.76	30.71
		162.76	**30.71**

Table No. 2.34

***Financial asset at fair value through OCI**

Financial liabilities at fair value through OCI reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable future sale in USD & GBP.

20 OTHER CURRENT LIABILITIES

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Contract Liabilities	1,337.96	1,206.64
Statutory dues	355.75	266.86
	1,693.71	**1,473.50**

Table No. 2.35

21 PROVISIONS

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Provision for employee benefits		
- Provision for gratuity (Refer note 33)	222.53	167.10
- Provision for leave benefits	134.91	122.54
- Provision for other employee benefit obligations	69.48	77.40
	426.92	**367.04**

Table No. 2.36

22 CURRENT TAX LIABILITIES (NET)

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
- Provision for taxation (net of Advance Income tax)	8.24	59.89
	8.24	**59.89**

Table No. 2.37

23 REVENUE FROM OPERATIONS

Timing of Revenue Recognition

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
At a point in time	1,851.09	2,701.18
Over a period of time	11,617.75	11,794.51
Total revenue from operations	**13,468.84**	**14,495.69**

Summary of Contract Balances

Particulars	Year ended March 31,	
	2020	2019
Trade receivables	2,847.08	2,027.26
Contract assets*	4,354.22	4,137.32
Contract liabilities*	1,337.96	1,206.64

* Contract assets represents revenue accrued and not billed and unbilled revenues. Contract Liabilities represents Billing in excess of revenue

Set out below is the amount of revenue recognised from:

Particulars	Year ended March 31,	
	2020	2019
Amounts included in contract liabilities at the beginning of the year	1,206.64	1,160.61
Revenue recognised from performance obligations satisfied in reporting period	561.72	917.02

Table No. 2.38

Performance obligations & Remaining performance obligiations

Information on Company's performance obligations and remaining performance obligations is summarised in accounting policies (also Refer Note 3(H))

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2020, other than those meeting the exclusion criteria mentioned in Note 3(H), is INR 2,904.20 million (March 31st, 2019 2,901.23 million). Out of this, the Company expects to recognize revenue of around 74% (March 31st, 2019, 82%) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

24(a) OTHER INCOME

(Recurring and related to business unless otherwise stated)

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
(a) Net gain from sale of investments		
Profit/(Loss) on sale of investments, carried at fair value through Statement of profit or (loss)	-	(0.38)
(b) Other non-operating Income		
Net gain on disposal of property, plant and equipment (Non recurring and not related)	97.22	494.46
Net Gain on foreign currency transaction and translation	25.56	-
Miscellaneous Income (Net)	42.11	74.61
	164.89	**568.69**

Table No. 2.39

24(b) FINANCE INCOME

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
(a) Interest Income		
Interest from financial assets carried at amortised cost	91.42	51.32
(b) Dividend Income		
Dividends received on investments in mutual funds	8.37	7.05
	99.79	**58.37**

Table No. 2.40

25 EMPLOYEE BENEFIT EXPENSE

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Salaries and incentives	7,165.13	7,648.83
Contribution to provident and other funds	452.57	441.18
Gratuity contribution scheme (Refer Note 33)	82.18	53.43
Expense on Employee Stock Option Scheme (ESOP) (Refer Note 34)	169.85	55.84
Staff welfare expenses	251.15	189.46
	8,120.88	**8,388.74**

Table No. 2.41

26 DEPRECIATION AND AMORTISATION

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Depreciation of Tangible Assets (Refer Note 4)	366.39	205.08
Amortisation of Intangible Assets (Refer Note 5)	323.18	210.49
	689.57	**415.57**

Table No. 2.42

27 FINANCE COSTS

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Interest Expenses	173.67	114.42
	173.67	**114.42**

Table No. 2.43

28 OTHER EXPENSES

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Cost of software packages, consumable and maintenance	531.21	353.08
Cost of technical sub-contractors	1,746.77	1,645.74
Travelling expenses	701.30	759.31
Communication expenses	263.21	266.80
Professional and legal charges	319.83	435.39
Payment to the auditors		-
- Statutory audit	5.87	6.70
- for other services	0.60	0.88
- for reimbursement of expenses	0.25	0.44
Power and fuel	92.55	83.55
Rent	53.12	187.68
Repairs - Plant and machinery	45.79	56.83
Repairs - Others	15.48	32.64
Business promotion	324.86	304.98
Office maintenance	109.36	111.74
Allowances for credit impaired	171.91	167.92
Bad debts / advances written off	-	6.00
Insurance	26.00	24.30
Printing and stationery	9.44	15.93
Donations	18.88	23.28
Rates and taxes excluding taxes on Income	46.26	48.13
Directors' sitting fees	5.88	4.39
Bank charges & commission	46.27	45.90
Miscellaneous expenses	104.76	131.96
Net Loss on foreign currency transaction and translation	-	118.02
	4,639.60	**4,831.59**

Table No. 2.44

29 INCOME TAX

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

Statement of Profit and Loss:

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Current income tax:		
Current income tax charge (A)	48.46	373.66
MAT credit (entitlement) / availed	-	(262.20)
Net Current Income Tax	**48.46**	**111.46**
Deferred tax:		
Relating to origination and reversal of temporary differences	(112.81)	(21.99)
Ineligible MAT credit written off	115.25	-
Net Deferred tax (B)	**2.44**	**(21.99)**
Total (A) + (B)	**50.90**	**89.47**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	March 31, 2020	March 31, 2019
Profit before income tax	227.36	1,402.09
At India's statutory income tax rate -	34.94%	34.94%
Derived Tax Charge for the year	79.45	489.95
Adjustments:		
Tax impact arising on account of set off of available losses	(64.96)	(441.89)
Ineligible MAT credit written off	115.25	-
Overseas taxes at differential rates	(78.84)	41.41
Net derived tax charge	**50.90**	**89.47**
Income tax expense reported in the statement of Profit and Loss	**50.90**	**89.47**

Table No. 2.45

30 COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

In Rs. Millions

Particulars	Retained Earnings	Net movement on cash flow hedges	Foreign exchange translation difference	Total
During the year ended March 31, 2020				
Re-measurement gains/ (losses) on defined benefit plans	(26.23)			(26.23)
Net movement on cash flow hedges		(287.06)		(287.06)
Exchange differences on translation of foreign operations			151.54	151.54
During the year ended 31 March 31, 2019				
Re-measurement gains/ (losses) on defined benefit plans	(16.44)			(16.44)
Net movement on cash flow hedges		(55.42)		(55.42)
Exchange differences on translation of foreign operations			10.19	10.19

Table No. 2.46

31 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2020	March 31, 2019
Profit after tax (In Rs. Millions)	159.91	1,313.47
Weighted average number of shares		
- Basic	13,23,38,630	12,89,92,229
- Diluted	13,42,91,371	13,19,87,317
Earning per share of Rs.5 each		
- Basic	1.21	10.18
- Diluted	1.19	9.95

Table No. 2.47

32 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Judgements

In the process of applying the Group's accounting policies, management has not made any judgements, which have significant effect on the amounts recognised in the Standalone Financial Statements.

b. Estimates and assumptions

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1.Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

2. Share-based payments

The Group initially measures the cost of Equity-settled transactions with employees using a black scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model

including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

3. Revenue from Contract with Customers

The Group is required to make an assessment for each new software license contract as to whether the underlying software requires significant modification or customization by the Group in order to meet the customer's requirements. If significant modification or customization is required, then the license fee is recognized based on percentage-of-completion. Majority of such modifications or customizations have not been deemed significant in current or prior periods.

In respect of service revenue, the management exercises judgment in determining the percentage of completion utilizing output measures, such as the achievement of any project milestones stipulated in the contract, or internal quality milestones to assess proportional performance.

The Group also exercises judgment in assessing uncertainties surrounding the probability of collection when payment terms are linked to service implementation milestones or other various contingencies exist. These assessments are made at the outset of the contract.

4. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations and sensitivity analysis are given in Note 33.

5. Taxes

Current Tax for the current year is computed as per the provisions of Section 115JB and the Minimum Alternate Tax liability (MAT) is provided for. Significant management judgements have been involved in evaluating and recognising MAT credit, to be set off against the future taxable profits for which the Group has an eligible carry forward period of 15 years.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

6. Provision for Allowance of Credit Loss

The Group has adopted and laid out its Expected Credit Loss Model (ECL) for determination of the Provision for credit loss allowance, which are primarily in the nature of trade receivables and unbilled revenue. In determining its ECL, assumptions and estimates are made in relation to Nature of customers (Public Sector Banks, Non-Banking Finance Companies, Private Banks etc), billing and collection terms as per the contract, average aging of the customer balance and the past trends of collection.

7. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 38 for further disclosures.

8. Leases

Determining the lease term of contracts with renewal and termination options - Group as lessee:

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow.

Refer Note 42 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

33 GRATUITY

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. A trust by name "Intellect Design Group gratuity trust" has been constituted by Intellect Design Arena Limited to administer the gratuity fund.

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Obligations at the beginning of the year	**302.66**	**250.54**
Current service cost	66.28	45.30
Interest cost	33.57	17.31
Benefits paid	(58.27)	(28.86)
Actuarial (gains) / losses	26.22	18.37
Obligations at the end of the year	**370.46**	**302.66**
Change in plan assets		
Plan assets at period beginning, at fair value	**135.56**	**122.67**
Expected Return on plan assets	9.27	9.06
Contributions	30.00	30.45
Actuarial gains / (losses)	(0.01)	1.93
Benefits paid	(26.89)	(28.55)
Plan assets at period end, at fair value	**147.93**	**135.56**
Actual Return on Plan Assets	9.23	11.00
Reconciliation of present value of the obligation and the fair value of plan assets		
Fair value of plan assets at the end of the year	147.93	135.56
Present value of defined benefit obligations at the end of the year	370.46	302.66
Asset / (Liability) recognised in the balance sheet	**(222.53)**	**(167.10)**
a) Non-Current portion	-	-
b) Current portion	(222.53)	(167.10)
Amount recognised in the statement of Profit and Loss under employee benefit expense:		
Service Cost	66.28	45.18
Net interest on the net defined liability asset	24.30	8.25
	90.58	**53.43**
Amount recognised in the statement of Other Comprehensive Income		
(Gain)/Loss from change in demographic assumptions	(9.43)	23.38
(Gain)/Loss from change in financial assumptions	39.09	10.25
Actuarial (Gain)/Loss due to Experience	(3.44)	(15.26)
(Return) / Loss on Plan Assets (greater) / less than discount rate	0.01	(1.93)
	26.23	**16.44**
Defined Benefit Obligation	370.46	302.66
Fair Value of Plan Assets	147.93	135.56
Surplus / (deficit)	(222.53)	(167.10)
Experience adjustments on plan liabilities	26.22	18.37
Experience adjustments on plan assets	(0.01)	1.93
Actual return on plan assets	9.23	11.00

Particulars	Year ended March 31,	
	2020	2019
Actuarial Assumptions		
Discount rate	6.23%	7.33%
Expected return on plan assets	6.23%	7.33%
Salary growth rate	9.00%	8.75%
Attrition rate	25.82%	22.39%

Amounts recognised in current year and previous years

In Rs. Millions

Gratuity	March 31, 2020	March 31, 2019
Defined benefit obligation	370.46	302.66
Plan asset	147.93	135.56
	(222.53)	(167.10)
Experience Adjustment on Plan Liabilities (Gain) / Loss	26.22	18.37
Experience Adjustment on Plan Assets Gain / (Loss)	0.01	(1.93)

Table No. 2.48

Estimated amount of contribution to the fund during the Year Ended March 31, 2020, as estimated by management is INR. 222.53 million (Previous year INR. 167.10 million)

Notes

(a) The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market

(b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation

(c) The Composition of Plan assets which is funded with ICICI Prudential Life Insurance & Kotak Mahindra Life Insurance Ltd.

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets	March 31, 2020	March 31, 2019
Assets under insurance schemes	100%	100%

The average duration of the defined benefit plan obligation at the end of the reporting period is 5.72 years (31 March 2019 - 6.40 years)

A quantitative sensitive analysis of the assumption as at March 31, 2020

Assumptions	Discount Rate		Salary Escalation Rate	
Sensitivity level	1%	1%	1%	1%
Activity	Increase	Decrease	Increase	Decrease
Defined benefit obligation	342.98	401.88	395.28	347.12

Table No. 4.49

Assumptions	Attrition rate		Mortality rate
Sensitivity level	1%	1%	10%
Activity	Increase	Decrease	Increase
Defined benefit obligation	364.88	376.53	370.28

Table No. 4.50

A quantitative sensitive analysis of the assumption as at March 31, 2019

Assumptions	Discount Rate		Salary Escalation Rate	
Sensitivity level	1%	1%	1%	1%
Activity	Increase	Decrease	Increase	Decrease
Defined benefit obligation	280.12	328.31	326.84	281.05

Table No. 4.51

Assumptions	Attrition rate		Mortality rate
Sensitivity level	1%	1%	10%
Activity	Increase	Decrease	Increase
Defined benefit obligation	298.18	307.46	302.47

Table No. 2.52

In Rs. Millions

Maturity Profile of defined benefit obligation	Discounted values / Present value	
Particulars	31-Mar-20	31-Mar-19
Within next 12 months (next annual reporting period)	36.33	30.22
Between 2 and 5 years	92.88	75.22
Between 6 and 10 years	64.61	52.64
More than 10 years	176.64	144.58
Total	**370.46**	**302.66**

Table No. 2.53

34 SHARE BASED PAYMENTS

The Scheme of Arrangement (Demerger) entered into by the Company with Polaris Consulting & Services Limited (Demerged Company) with effect from April 1, 2014 provided for the following in respect of Employee Stock Option Schemes;

(i) The Company has adopted three stock option plans (ASOP 2003, ASOP 2004 and ASOP 2011) from Polaris Consulting & Services Limited, as provided in the Scheme of Arrangement.

(ii) Every employee holding an option in the Demerged Company under the stock option plans of the Demerged Company, shall be issued one option in the stock option plans formed by the Resulting Company upon the Scheme coming into effect.

(iii) The exercise price of the options in the Resulting Company shall be adjusted to 28% of the exercise price of the options granted under the Schemes of the Demerged Company.

Apart from the schemes provided under the Demerger arrangement the company has the following Employee stock option schemes

(i) The Company has formulated two stock option plans (Intellect Stock Option Plan 2015, Intellect Stock Option Plan 2016) of its own.

These plans provide for the granting of stock options to employees including directors of the Company (not being promoter directors and not holding more than 10% of the equity shares of the Company). The objectives of these plans include attracting and retaining the best personnel, providing for additional performance incentives and promoting the success of the Company by providing employees the opportunity to acquire equity shares.

During the year 2017-18, the Company had offered rights issue to its shareholders. Consequent to this corporate action, the market price of the shares reduced from Rs. 130.60 to Rs. 118.20. The ESOP scheme of the Company specifically requires the Compensation/Nomination & Remuneration Committee to make a fair and reasonable adjustment to the option terms in case of corporate action. Considering the above, the Nomination and Remuneration Committee of Intellect on 09th November 2017 has revised/ reduced the exercise prices of outstanding options (both vested and unvested) as on the record date i.e. 18th July, 2017 by 15 %. The fair values before and after the modification have remained unchanged and there is no incremental impact in the Income statement. The option plans are summarized below:

Associate Stock Option Plan 2003

The Plan is effective from October 9, 2014 and the Company has received in principle approval from the National Stock Exchange on February 16, 2015 and from the Bombay Stock Exchange on March 3, 2015. The 2003 Plan provides for issuance of 26,03,850 options, convertible to equivalent number of equity shares of Rs 5 each, to the employees including directors of the Company. The options are granted at the market price on the date of the grant. The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The option vests over a period of 5 years from the date of grant in a graded manner, with 20% of the options vesting each year. The exercise period shall commence from the date of vesting and expires within 36 months from the last vesting date.

No compensation cost has been recorded as the scheme terms are fixed and there were no shares vesting after the transition date of April 1, 2015. A summary of the status of the options granted under 2003 plan at March 31, 2020 is presented below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	15,800	37.79
Granted during the year	-	-
Exercised during the year	(9,000)	41.13
Forfeited during the year	-	
Expired during the year	(6,800)	33.37
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-

Table No. 2.54

Particulars	March 31, 2020
Range of exercise price (Rs.)	30.58 - 41.13
Weighted average remaining contractual life (in years)	-
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	254.68

Table No. 2.55

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	47,100	42.25
Granted during the year	-	-
Exercised during the year	(11,800)	43.46
Forfeited during the year	-	-
Expired during the year	(19,500)	45.14
Outstanding at the end of the year	15,800	37.79
Exercisable at the end of the year	15,800	37.79

Table No. 2.56

Particulars	March 31, 2019
Range of exercise price (Rs.)	30.58 - 49.68
Weighted average remaining contractual life (in years)	0.39
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	198.52

Table No. 2.57

Associate Stock Option Plan 2004

The Plan is effective from October 9, 2014 and the Company has received in principle approval from the National Stock Exchange and the Bombay Stock Exchange on February 16, 2015. The 2004 Plan provides for issuance of 8,24,645 options, convertible to equivalent number of equity shares of Rs. 5 each, to the employees, including directors. The options are granted at the market price on the date of the grant. The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The option vests over a period of 5 years from the date of grant in a graded manner, with 20% of the options vesting each year. The exercise period shall commence from the date of vesting and expires within 36 months from the last vesting date.

No compensation cost has been recorded as the scheme terms are fixed and there were no shares vesting after the transition date of April 1, 2015. A summary of the status of the options granted under 2004 plan at March 31, 2020 is presented below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	5,000	30.58
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	-	-
Expired during the year	(5,000)	30.58
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-

Table No. 2.58

Particulars	March 31, 2020
Range of exercise price (Rs.)	-
Weighted average remaining contractual life (in years)	-
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	-

Table No. 2.59

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	53,000	42.79
Granted during the year	-	-
Exercised during the year	(38,000)	44.05
Forfeited during the year	-	-
Expired during the year	(10,000)	44.26
Outstanding at the end of the year	5,000	30.58
Exercisable at the end of the year	5,000	30.58

Table No. 2.60

Particulars	March 31, 2019
Range of exercise price (Rs.)	30.58 to 44.26
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise (Rs.)	169.68

Table No. 2.61

Associate Stock Option Plan 2011

The Plan is effective from October 9, 2014 and the Company has received in principle approval from the National Stock Exchange on February 16, 2015 and the Bombay Stock Exchange on February 19, 2015. The 2011 Plan provides for issuance of 48,88,450 options, convertible to equivalent number of equity shares of Rs. 5 each, to the employees. The plan shall be administered under 4 different schemes based on the following terms:

Particulars	Swarnam 11	Swarnam 21	Swarnam 31	Swarnam 41
Eligible employees	Senior and Key executives excluding non-executive directors	Members of Business leadership team or equivalent thereof excluding non-executive directors	Associates in the grade of Executive Vice president and above, excluding non executive directors	Non - Executive directors
Maximum number of options grantable	36,48,450 Less: Number of Options granted under Swarnam 21	17,36,000	12,40,000 Less: Number of Options granted under Swarnam 41	2,00,000

Table No. 2.62

Grant price

Market price upto Rs. 49	Market price	Market price	Market price	Market price
Market price between Rs. 49 - Rs. 140	15% discount on market price. (Subject to being Not lower than Rs 49)	30% discount on market price. (Subject to being Not lower than Rs 49)	50% discount on market price. (Subject to being Not lower than Rs 49)	Market price
Market price greater than Rs.140	10% discount on market price	20% discount on market price	50% discount on market price	Market price

Table No. 2.63

The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The options shall be valued using the fair value model.

The option vests over a period of 5 years from the date of grant in a graded manner, subject to fulfillment of vesting conditions as follows:

Vesting Schedule	Swarnam 11	Swarnam 21	Swarnam 31	Swarnam 41
Service conditions				
At the end of Year 1	10%	0%	0%	20%
At the end of Year 2	15%	0%	0%	20%
At the end of Year 3	20%	33%	33%	20%
At the end of Year 4	25%	33%	33%	20%
At the end of Year 5	30%	34%	34%	20%

Table No. 2.64

Performance conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating
Companies target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth.	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth.	NA	NA

Table No. 2.65

The exercise period shall commence from the date of vesting and expires within 60 calendar months from the relevant vesting date.

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	6,13,062	39.33
Granted during the year	-	-
Exercised during the year	(1,95,090)	38.45
Forfeited during the year	(24,500)	48.16
Expired during the year	(55,450)	11.51
Outstanding at the end of the year	3,38,022	39.06
Exercisable at the end of the year	3,38,022	39.06

Table No. 2.66

Particulars	March 31, 2020
Range of exercise price (Rs.)	25.94 to 62.35
Weighted average remaining contractual life (in years)	3.16
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	217.55

Table No. 2.67

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	13,12,380	43.06
Granted during the year	-	-
Exercised during the year	(5,65,618)	35.51
Forfeited during the year	(71,240)	44.65
Expired during the year	(62,460)	37.70
Outstanding at the end of the year	6,13,062	39.33
Exercisable at the end of the year	4,97,842	37.07

Table No. 2.68

Particulars	March 31, 2019
Range of exercise price (Rs.)	25.94 to 62.35
Weighted average remaining contractual life (in years)	4.24
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	196.96

Table No. 2.69

Scheme	ASOP 2011				
Grant ID	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11
Grant date	20-Jan-12	24-Apr-12	24-Jul-12	22-Oct-12	22-Jan-13
Stock Price	134.40	150.75	113.20	126.15	141.95
Stock Price (as at date of revision of Exercise Price)	118.20	118.20	118.20	118.20	118.20
Risk-free interest rate	8.08%	8.47%	8.10%	8.11%	7.90%
Revised Exercise Price	114.24	128.14	96.22	107.23	120.66
Expected life (Years)	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5
Expected volatility	59.31%	20.00%	20.00%	20.00%	43.86%
Expected dividend yield	1.54%	0%	0%	0%	2%

Table No. 2.70

Scheme	ASOP 2011				
Grant ID	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11
Grant date	27-Apr-13	30-Jul-13	22-Oct-13	7-Mar-14	10-Mar-14
Stock Price	114.70	109.00	141.25	153.40	143.70
Stock Price (as at date of revision of Exercise Price)	118.20	118.20	118.20	118.20	118.20
Risk-free interest rate	7.59%	8.74%	8.56%	8.93%	8.96%
Revised Exercise Price	97.50	92.65	120.06	130.39	122.15
Expected life (Years)	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5
Expected volatility	20.00%	20.00%	20.00%	20.00%	44.67%
Expected dividend yield	0%	0%	0%	0%	2.26%

Table No. 2.71

Scheme	ASOP 2011			
Grant ID	Swarnam 21 & 31	Swarnam 21 & 31	Swarnam 11	Swarnam 21 & 31
Grant date	10-Mar-14	30-Apr-14	7-Jan-15	7-Jan-15
Stock Price	143.70	183.55	86.30	86.30
Stock Price (as at date of revision of Exercise Price)	118.20	118.20	118.20	118.20
Risk-free interest rate	9.09%	8.86%	8.07%	8.02%
Revised Exercise Price	122.15	148.75	51.35	51.35
Expected life (Years)	5.5 - 7.5	5.5 - 7.5	3.5 - 7.5	5.5 - 7.5
Expected volatility	20.00%	55.21%	20.00%	20.00%
Expected dividend yield	0%	2.407%	0%	0%

Table No. 2.72

Intellect Stock option Plan 2015

The Shareholders of the Company in the Extraordinary General Meeting held on January 29, 2015 approved the Intellect Stock Option Plan 2015. The 2015 plan provides for issuance of 60,00,000 options convertible into equivalent number of equity shares of Rs. 5/- each to employees but shall exclude independent directors, an employee belonging to the promoter group or a director holding more than 10% of the share capital. The tenure of the Scheme is for 12 years from the date of coming into effect and shall be extended by a period of not more than 5 years as the Board of Directors may decide. The plan shall be administered under 5 different schemes based on the following terms:

Particulars	Swarnam 11	Swarnam 21	Swarnam 31	Swarnam 41
Eligible employees	Senior and Key executives excluding non-executive directors	Members of Business leadership team or equivalent thereof excluding non-executive directors	Associates in the grade of Executive Vice president and above, excluding non executive directors	Non - Executive directors
Maximum number of options grantable	37,20,000 Less: Number of Options granted under Swarnam 21	17,36,000	12,40,000 Less: Number of Options granted under Swarnam 41	2,00,000

Table No. 2.73

Grant price

	Swarnam 101	Swarnam 201	Swarnam 301	Swarnam 401	Swarnam 501
Market price upto Rs. 49	Market price	Market price	Market price	Market price	Market price
Market price between Rs. 49 - Rs. 140	15% discount on market price. (Subject to being Not lower than Rs 49)	30% discount on market price. (Subject to being Not lower than Rs 49)	50% discount on market price. (Subject to being Not lower than Rs 49)	25% discount on market price. (Subject to being Not lower than Rs 49)	Upto 50% discount on market price. (Subject to being Not lower than Rs 49)
Market price greater than Rs.140	10% discount on market price	20% discount on market price	50% discount on market price	25% discount on market price (Subject to being not lower than Rs. 49)	Upto 50% discount on market price. (Subject to being not lower than Rs. 49)

Table No. 2.74

The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The options shall be valued using the fair value model.

The option vests over a period of 5 years from the date of grant in a graded manner, subject to fulfillment of vesting conditions as follows:

Particulars	Swarnam 101	Swarnam 201	Swarnam 301	Swarnam 401	Swarnam 501
Service conditions					
At the end of year 1	10%	0%	0%	0%	0%
At the end of year 2	15%	0%	0%	0%	0%
At the end of year 3	20%	33%	33%	33%	33%
At the end of year 4	25%	33%	33%	33%	33%
At the end of year 5	30%	34%	34%	34%	34%

Table No. 2.75

Performance Conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating.
Company's target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth

Table No. 2.76

The exercise period shall commence from the date of vesting and expires within 60 calendar months from the relevant vesting date.

A summary of the status of the options granted under 2015 plan at March 31, 2020 is presented below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	50,28,770	123.12
Granted during the year	7,10,000	178.35
Exercised during the year	(3,12,825)	92.00
Forfeited during the year	(4,16,050)	135.87
Expired during the year	(1,54,100)	139.04
Outstanding at the end of the year	48,55,795	131.56
Exercisable at the end of the year	22,69,675	120.67

Table No. 2.77

Particulars	March 31, 2020
Range of exercise price	77.18 to 238.59
Weighted average remaining contractual life (in years)	5.29
Weighted average fair value of options granted	114.25
Weighted average market price of shares on the date of exercise	198.86

Table No. 2.78

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	56,33,300	121.99
Granted during the year	4,00,000	163.57
Exercised during the year	(4,31,755)	99.98
Forfeited during the year	(4,64,337)	126.85
Expired during the year	(1,08,438)	137.92
Outstanding at the end of the year	50,28,770	123.12
Exercisable at the end of the year	15,39,250	120.57

Table No. 2.79

Particulars	March 31, 2019
Range of exercise price	77.18 to 184.46
Weighted average remaining contractual life (in years)	5.80
Weighted average fair value of options granted	114.10
Weighted average market price of shares on the date of exercise	210.93

Table No. 2.80

The fair value of options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants in FY 19-20

SWARNAM 101- ISOP 2015

Date of Grant: 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023	24-Feb-2024	24-Feb-2025
Market Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.80	49.80	52.66	52.66	52.66
Riskfree Rate (%)	5.83	6.01	6.16	6.29	6.39
Exercise Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rupees)	**59.79**	**69.00**	**78.86**	**85.28**	**90.93**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**80.70**		

Table No. 2.81

SWARNAM 101- ISOP 2015

Date of Grant: 02/August/2019	02-Aug-2020	02-Aug-2021	02-Aug-2022	02-Aug-2023	02-Aug-2024
Market Price (Rupees)	225.10	225.10	225.10	225.10	225.10
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.7	51.9	53.35	53.35	53.35
Riskfree Rate (%)	6.03	6.16	6.28	6.37	6.46
Exercise Price (Rupees)	202.59	202.59	202.59	202.59	202.59
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rupees)	**102.77**	**119.24**	**132.00**	**141.49**	**149.87**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**134.90**		

Table No. 2.82

SWARNAM 101- ISOP 2015

Date of Grant: 22/June/2019	21-Jun-2020	21-Jun-2021	21-Jun-2022	21-Jun-2023	21-Jun-2024
Market Price (Rupees)	265.10	265.10	265.10	265.10	265.10
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	49.77	53.80	53.80	53.80	53.80
Riskfree Rate (%)	6.43	6.57	6.69	6.78	6.86
Exercise Price (Rupees)	238.59	238.59	238.59	238.59	238.59
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rupees)	**123.79**	**144.62**	**157.64**	**168.91**	**178.81**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**161.47**		

Table No. 2.83

SWARNAM 101- ISOP 2015

Date of Grant: 02/May/2019	02-May-2020	02-May-2021	02-May-2022	02-May-2023	02-May-2024
Market Price (Rupees)	227.30	227.30	227.30	227.30	227.30
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	50.82	54.36	54.36	54.36	54.36
Riskfree Rate (%)	6.99	7.12	7.23	7.33	7.51
Exercise Price (Rupees)	204.57	204.57	204.57	204.57	204.57
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rupees)	**108.85**	**126.25**	**137.53**	**147.33**	**155.88**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**140.93**		

Table No. 2.84

Grants in FY 18-19

SWARNAM 101- ISOP 2015

Date of Grant: 06/May/2018	06-May-2019	06-May-2020	06-May-2021	06-May-2022	06-May-2023
Market Price (Rs.)	195.7	195.7	195.7	195.7	195.7
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	54.68	54.68	54.68	54.68	54.68
Riskfree Rate (%)	7.58	7.74	7.83	7.9	7.94
Exercise Price (Rs)	176.13	176.13	176.13	176.13	176.13
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**98.89**	**110.51**	**120.32**	**128.77**	**136.06**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**123.54**		

Table No. 2.85

SWARNAM 101- ISOP 2015

Date of Grant: 25/Jul/2018	25-Jul-2019	25-Jul-2020	25-Jul-2021	25-Jul-2022	25-Jul-2023
Market Price (Rs.)	204.95	204.95	204.95	204.95	204.95
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.07	54.58	54.58	54.58	54.58
Riskfree Rate (%)	7.75	7.88	7.97	8.01	8.04
Exercise Price (Rs)	184.46	184.46	184.46	184.46	184.46
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**102.25**	**115.98**	**126.28**	**135.06**	**142.68**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**129.45**		

Table No. 2.86

SWARNAM 101- ISOP 2015

Date of Grant: 15/Feb/2019	15-Feb-2020	15-Feb-2021	15-Feb-2022	15-Feb-2023	15-Feb-2024
Market Price (Rs.)	162.5	162.5	162.5	162.5	162.5
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	52.38	54.96	54.96	54.96	54.96
Riskfree Rate (%)	6.98	7.11	7.22	7.32	7.40
Exercise Price (Rs)	146.25	146.25	146.25	146.25	146.25
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**79.13**	**90.76**	**98.84**	**105.84**	**111.94**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**101.34**		

Table No. 2.87

The expected life of stock is based on historical data and current expectation and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Intellect Stock option Plan 2016

The Shareholders of the Company in the Extraordinary General Meeting held on May 03, 2016 approved Intellect Stock Option Plan 2016. The 2016 plan provides for issuance of 40,00,000 options convertible into equivalent number of equity shares of Rs. 5/- each to employees but shall exclude independent directors, an employee belonging to the promoter group or a director holding more than 10% of the share capital. The tenure of the Scheme is for 12 years from the date of coming into effect and shall be extended by a period of not more than 5 years as the Board of Directors may decide. A summary of the status of the options granted under 2016 plan at March 31, 2020 is presented as below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	31,26,200	131.58
Granted during the year	12,67,000	185.93
Exercised during the year	(47,000)	96.62
Forfeited during the year	(6,64,000)	139.27
Expired during the year	(17,950)	132.94
Outstanding at the end of the year	36,64,250	149.38
Exercisable at the end of the year	5,78,850	113.67

Table No. 2.88

Particulars	March 31, 2020
Range of exercise price (Rs.)	83.09 to 225.34
Weighted average remaining contractual life (in years)	6.82
Weighted average fair value of options granted	133.18
Weighted average market price of shares on the date of exercise(Rs.)	211.09

Table No. 2.89

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	32,53,100	94.73
Granted during the year	14,19,000	167.26
Exercised during the year	(27,600)	117.39
Forfeited during the year	(15,10,050)	85.17
Expired during the year	(8,250)	91.60
Outstanding at the end of the year	31,26,200	131.58
Exercisable at the end of the year	1,96,650	102.05

Table No. 2.90

Particulars	March 31, 2019
Range of exercise price (Rs.)	77.18 to 174.21
Weighted average remaining contractual life (in years)	7.33
Weighted average fair value of options granted	126
Weighted average market price of shares on the date of exercise(Rs.)	188.77

Table No. 2.91

Service conditions

Particulars	Swarnam 501	Swarnam 101
Service conditions		
At the end of year 1	33%	10.00%
At the end of year 2	33%	15.00%
At the end of year 3	34%	20.00%
At the end of year 4	-	25.00%
At the end of year 5	-	30.00%

Table No. 2.92

Performance Conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating.
Company's target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth

Table No. 4.93

The fair value of options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants in FY 19-20

SWARNAM 101- ISOP 2016

Date of Grant: 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023	24-Feb-2024	24-Feb-2025
Market Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.80	49.80	52.66	52.66	52.66
Riskfree Rate (%)	5.83	6.01	6.16	6.29	6.39
Exercise Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**59.79**	**69.00**	**78.86**	**85.28**	**90.93**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**80.7**		

Table No. 2.94

SWARNAM 101- ISOP 2016

Date of Grant: 02/August/2019	02-Aug-2020	02-Aug-2021	02-Aug-2022	02-Aug-2023	02-Aug-2024
Market Price (Rupees)	225.10	225.10	225.10	225.10	225.10
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.7	51.9	53.35	53.35	53.35
Riskfree Rate (%)	6.03	6.16	6.28	6.37	6.46
Exercise Price (Rupees)	191.34	191.34	191.34	191.34	191.34
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**107.04**	**122.9**	**135.22**	**144.39**	**152.5**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**138.03**		

Table No. 2.95

SWARNAM 101- ISOP 2016

Date of Grant: 22/June/2019	21-Jun-2020	21-Jun-2021	21-Jun-2022	21-Jun-2023	21-Jun-2024
Market Price (Rupees)	265.10	265.10	265.10	265.10	265.10
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	49.77	53.80	53.80	53.80	53.80
Riskfree Rate (%)	6.43	6.57	6.69	6.78	6.86
Exercise Price (Rupees)	225.34	225.34	225.34	225.34	225.34
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**128.74**	**148.79**	**161.37**	**172.27**	**181.84**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**165.08**		

Table No. 2.96

SWARNAM 101- ISOP 2016

Date of Grant: 02/May/2019	02-May-2020	02-May-2021	02-May-2022	02-May-2023	02-May-2024
Market Price (Rupees)	227.30	227.30	227.30	227.30	227.30
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	50.82	54.36	54.36	54.36	54.36
Riskfree Rate (%)	6.99	7.12	7.23	7.33	7.41
Exercise Price (Rupees)	193.21	193.21	193.21	193.21	193.21
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**113.02**	**129.77**	**140.68**	**150.16**	**158.42**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**143.97**		

Table No. 2.97

Grants in FY 18-19

SWARNAM 101- ISOP 2016

Date of Grant: 06/May/2018	06-May-2019	06-May-2020	06-May-2021	06-May-2022	06-May-2023
Market Price (Rs.)	195.7	195.7	195.7	195.7	195.7
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	54.68	54.68	54.68	54.68	54.68
Riskfree Rate (%)	7.58	7.74	7.74	7.9	7.94
Exercise Price (Rs.)	166.35	166.35	166.35	166.35	166.35
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**102.27**	**113.51**	**122.99**	**131.15**	**138.2**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**126.1**		

Table No. 2.98

SWARNAM 101- ISOP 2016

Date of Grant: 25/Jul/2018	25-Jul-2019	25-Jul-2020	25-Jul-2021	25-Jul-2022	25-Jul-2023
Market Price (Rs.)	204.95	204.95	204.95	204.95	204.95
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.07	54.58	54.58	54.58	54.58
Riskfree Rate (%)	7.75	7.88	7.97	8.01	8.04
Exercise Price (Rs.)	174.21	174.21	174.21	174.21	174.21
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**105.88**	**119.12**	**129.07**	**137.56**	**144.92**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**132.14**		

Table No. 2.99

SWARNAM 101- ISOP 2016

Date of Grant: 14/Oct/2018	14-Oct-2019	14-Oct-2020	14-Oct-2021	14-Oct-2022	14-Oct-2023
Market Price (Rs.)	204.6	204.6	204.6	204.6	204.6
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.07	55.29	55.29	55.29	55.29
Riskfree Rate (%)	7.79	7.87	7.94	7.99	8.04
Exercise Price (Rs.)	173.91	173.91	173.91	173.91	173.91
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**105.79**	**119.62**	**129.51**	**138**	**145.39**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**132.54**		

Table No. 2.100

SWARNAM 101- ISOP 2016

Date of Grant: 25/Oct/2018	25-Oct-2019	25-Oct-2020	25-Oct-2021	25-Oct-2022	25-Oct-2023
Market Price (Rs.)	196.7	196.7	196.7	196.7	196.7
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.22	55.34	55.34	55.34	55.34
Riskfree Rate (%)	7.65	7.75	7.83	7.89	7.94
Exercise Price (Rs.)	167.2	167.2	167.2	167.2	167.2
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**101.55**	**114.77**	**124.28**	**132.45**	**139.55**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**127.2**		

Table No. 2.101

SWARNAM 101- ISOP 2016

Date of Grant: 15/Feb/2019	15-Feb-2020	15-Feb-2021	15-Feb-2022	15-Feb-2023	15-Feb-2024
Market Price (Rs.)	162.5	162.5	162.5	162.5	162.5
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	52.38	54.96	54.96	54.96	54.96
Riskfree Rate (%)	6.98	7.11	7.22	7.32	7.4
Exercise Price (Rs.)	138.13	138.13	138.13	138.13	138.13
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**82.04**	**93.25**	**101.06**	**107.83**	**113.73**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**103.48**		

Table No. 2.102

Intellect Incentive Plan Scheme 2018

The Shareholders of the Company in the Annual General Meeting held on August 23, 2018 approved Intellect Incentive Plan Scheme 2018. The 2018 plan provides for issuance of 30,00,000 options through Restrictive Stock Units (RSU's) 2018 and 32,50,000 options through ISOP 2018 in total 62,50,000 options convertible into equivalent number of equity shares of Rs. 5/- each to employees but shall exclude independent directors, an employee belonging to the promoter group or a director holding more than 10% of the share capital. The tenure of the scheme for RSU 2018 it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Restricted Stock Units available for issuance under the RSU 2018 / Stock Options 2018 have been issued and exercised, whichever is earlier and for ISOP 2018 is 12 years from the date of the Scheme coming to force. The scheme shall be extended by a period of not more than 5 years as the Board of Directors may decide. A summary of the status of the options granted under Intellect Incentive Plan scheme 2018 at March 31, 2020 is presented below:-

RSU 2018

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	-	-
Granted during the year	2,42,688	5.00
Exercised during the year	-	-
Forfeited during the year	(7,050)	5.00
Expired during the year	-	-
Outstanding at the end of the year	2,35,638	5.00
Exercisable at the end of the year	-	-

Table No. 2.103

Particulars	March 31, 2020
Range of exercise price (Rs.)	5.00
Weighted average remaining contractual life (in years)	5.98
Weighted average fair value of options granted	207.00
Weighted average market price of shares on the date of exercise(Rs.)	-

Table No. 4.104

Service conditions

Particulars	Type 1	Type 2
Service conditions		
At the end of year 1	100%	33.00%
At the end of year 2	-	33.00%
At the end of year 3	-	34.00%

Table No. 2.105

The fair value of options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants in FY 19-20

Type 1	Date of Grant: 22/June/2019 & Vesting - 21/June 2020	Date of Grant: 2/August/2019 & Vesting - 2/August/2020
Market Price (Rupees)	265.10	225.10
Expected Life	3.51	3.51
Volatility (%)	49.77	48.70
Risk-free Rate (%)	6.43	6.03
Exercise Price (Rupees)	5.00	5.00
Dividend yield (%)	-	-
Fair Value per vest (Rupees)	261.11	221.05
Vest Percent (%)	100.00	100.00
Option Fair Value (Rupees)	**261.11**	**221.05**

Table No. 2.106

Type 2 - Date of Grant - 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023
Market Price (Rupees)	142.45	142.45	142.45
Expected Life	3.51	4.51	5.51
Volatility (%)	48.80	49.80	52.66
Risk-free Rate (%)	5.83	6.01	6.16
Exercise Price (Rupees)	5.00	5.00	5.00
Dividend yield (%)	-	-	-
Fair Value per vest (Rupees)	138.38	138.64	138.90
Vest Percent (%)	33.33	33.33	33.34
Option Fair Value (Rupees)		**261.11**	

Table No. 2.107

ISOP 2018

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	-	
Granted during the year	5,95,000	173.95
Exercised during the year	-	-
Forfeited during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	5,95,000	173.95
Exercisable at the end of the year	-	-

Table No. 4.108

Particulars	March 31, 2020
Range of exercise price (Rs.)	142.45 -193.21
Weighted average remaining contractual life (in years)	7.86
Weighted average fair value of options granted	120.05
Weighted average market price of shares on the date of exercise(Rs.)	-

Table No. 2.109

Service conditions

Particulars	Swarnam 501	Swarnam 101
Service conditions		
At the end of year 1	10%	0%
At the end of year 2	15%	0%
At the end of year 3	20%	33%
At the end of year 4	25%	33%
At the end of year 5	30%	34%

Table No. 2.110

Performance Conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating.
Company's target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth

Table No. 2.111

Grants in FY 19-20

SWARNAM 101- ISOP 2018

Date of Grant: 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023	24-Feb-2024	24-Feb-2025
Market Price (Rs.)	142.45	142.45	142.45	142.45	142.45
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.80	49.80	52.66	52.66	52.66
Riskfree Rate (%)	5.83	6.01	6.16	6.29	6.39
Exercise Price (Rs.)	142.45	142.45	142.45	142.45	142.45
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**59.79**	**69.00**	**78.86**	**85.28**	**90.93**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**80.7**		

Table No. 2.112

Date of Grant: 02/May/2019	02-May-2020	02-May-2021	02-May-2022	02-May-2023	02-May-2024
Market Price (Rs.)	227.30	227.30	227.30	227.30	227.30
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	50.82	54.36	54.36	54.36	54.36
Riskfree Rate (%)	6.99	7.12	7.23	7.33	7.41
Exercise Price (Rs.)	193.21	193.21	193.21	193.21	193.21
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**113.02**	**129.77**	**140.68**	**150.16**	**158.42**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**143.97**		

Table No. 2.113

SWARNAM 501- ISOP 2018

Date of Grant: 02/August/2019	02-Aug-2020	02-Aug-2021	02-Aug-2022	02-Aug-2023	02-Aug-2024
Market Price (Rs.)	225.10	225.10	225.10	225.10	225.10
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.7	51.9	53.35	53.35	53.35
Riskfree Rate (%)	6.03	6.16	6.28	6.37	6.46
Exercise Price (Rs.)	191.34	191.34	191.34	191.34	191.34
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	107.04	122.9	135.22	144.39	152.5
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**144.12**		

Table No. 2.114

35. Related party transactions

List of related parties

(a) Associates

1. NMS Works Software Private Limited, India ('NMS')
2. Adrenalin eSystems Limited, India ('Adrenalin eSystems')

(b) Joint Venture

Intellect Polaris Design LLC, USA ('IPDLLC USA')

(c) Enterprises that directly or indirectly through one or more intermediaries, over which Key Management Personnel is able to exercise significant influence, "Others"

1.Polaris Banyan Holding Private Ltd, India ('Polaris Banyan')
2.Maveric Systems Limited

(d) Key managerial personnel

1. Mr. Arun Jain, Managing Director
2. Mr.Venkateswarlu Saranu, Chief Financial Officer
3. Mr. Naresh VV, Company Secretary
4. Mr. Balaraman V, Independent Director (retired w.e.f August 21, 2019)
5. Mr. Arun Shekhar Aran, Audit Committee Chairman
6. Mr. Anil Kumar Verma, Director
7. Mrs.Vijaya Sampath, Independent Director
8. Mrs. Aruna Krishnamurthy Rao, Woman Director
9. Mr. Andrew Ralph England, Director

In Rs. Millions

Particulars	Others	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
TRANSACTIONS DURING THE YEAR		
Interest on loans from related parties		
Polaris Banyan Holding Limited	-	4.08
Rental expenses		
Polaris Banyan Holding Limited	4.50	0.88
Software development expenses		
Maveric Systems Limited	17.32	7.28
Security Deposit for Rental Premises		
Polaris Banyan Holding Limited	-	2.94
Repayment of Borrowings		
Polaris Banyan Holding Limited	-	381.98

Particulars	Key Management Personnel	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
Remuneration to Key Managerial Personnel**		
Remuneration & Other Benefits	69.48	61.49
Sitting fees paid to Directors	5.30	3.70
	74.78	**65.19**

** The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the group as a whole.

Particulars	Associates & Joint venture	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
Interest income from Investment in debt instrument of associates		
Adrenalin eSystems	-	-
NMS	-	8.49
	-	**8.49**
Reimbursement of expenses to the Group		
Adrenalin eSystems	17.47	49.70

BALANCE DUE FROM/TO RELATED PARTIES	Others	
Security Deposit for Rental Premises		
Polaris Banyan Holding Limited	2.94	2.94
Trade Payables		
Maveric Systems Limited	1.94	0.90

Trade Payable	Associates & Joint venture	
Adrenalin eSystems	7.32	1.59
Short Term Loans and Advances		
Adrenalin eSystems	80.82	118.20
	KMP	
Remuneration Payable		
Remuneration & Other Benefits	19.28	-

Table No. 2.115

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2020 the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

36 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

(i) Capital commitment:

Contracts yet to be executed on capital account (net of advances) Rs. 12.51 Million (March 31, 2019: Rs.17.97 Million).

(ii) Other Commitment:

Bank guarantees in the nature of Financial guarantees (backed up by Fixed deposits) as at March 31, 2020 amounting to Rs. 437.45 million (March 31, 2019 : Rs 394 million)

(iii) Claims against the Group, not acknowledged as debt includes:

Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums/authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognized in the financial statements.

The Group's pending litigations comprise of proceedings pending with tax authorities. The Group has reviewed all the proceedings and has adequately provided for where provisions are required and disclosed contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Demand from Indian income tax authorities	72.35	116.73
Sales Tax demand from Commercial Tax Officer, Chennai (a deposit of Rs. 0.79 Million is paid against the same)	7.72	7.72
Service tax demand from Commissioner of Central excise, Chennai	-	8.08

Table No. 2.116

The Group is contesting the demands raised by the respective tax authorities, and the management, based on internal assessment and per its tax advisors, believe that its position will likely be upheld in the appellate process and ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

Provident Fund

The honorable Supreme Court of India had passed judgement on February 28, 2019 that all allowances paid to employees are to be considered for the purpose of Provident fund wages determination. There are numerous interpretative issues relating to the above judgement. As a matter of caution, the Group has made a provision on a prospective basis from the date of Supreme Court order. The Group will update its provision, on receiving further clarity on the subject.

37 GOODWILL ON CONSOLIDATION

Goodwill on consolidation represents the excess purchase consideration paid over net asset value of acquired subsidiaries on the date of such acquisition. Such Goodwill is tested for impairment annually or more frequently, if there are indications for impairment. The management does not foresee any risk of impairment on the carrying value of Goodwill as at March 31, 2020.

Goodwill on consolidation as at March 31, 2020 stood at Rs. 304.09 Million (March 31, 2019 Rs. 364.49 Million). On acquistion of Intellect Design Arena INC, USA and the details of the same are given below:

a. The group acquired the entire interest of SFL Properties private Limited ('SFL Properties'), an Indian company engaged in the business of Real estate promotion and construction, on December 1, 2010. The total consideration for acquisition was Rs. 98.11 million. The excess of purchase consideration paid over the net assets of SFL properties to the extent of Rs 86.57 million is recognized as Goodwill as of previous year. During the year, the Group has disposed its investment in SFL Properties and recorded a gain of Rs. 55.45 million. This has been reported as exceptional item in statement of profit and loss during the year.

b. The group acquired the entire interest in Intellect Design Arena INC, USA, a US based Insurance technology provider with effect from October 01, 2008. The excess of purchase consideration paid over the net assets of Intellect Design Arena INC, USA. to the extent of Rs. 304.09 million (March 31, 2019 Rs. 261.94 Million) is recognised as Goodwill.

38 FAIR VALUE

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values. The management assessed that the cash and cash equivalents, trade receivables, trade payables, fixed deposits, bank overdrafts and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

In Rs. Millions

Particulars	Carrying value		Fair value	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Financial assets				
Investments in Mutual Funds (Refer note 10(a))	165.72	156.06	165.72	156.06
Financial Liability				
Derivative Financial Instruments - Foreign exchange forward contracts receivable / (payable)				
- Current Refer note 19(e)	(162.76)	(30.71)	(162.76)	(30.71)
- Non current Refer note 16	(179.18)	(24.16)	(179.18)	(24.16)

Table No. 2.117

39 FAIR VALUE HIERARCHY

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020 & March 31, 2019

In Rs. Millions

Particulars	Date of valuation	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets measured at fair value:				
Investment in Quoted Mutual Funds	March 31, 2020	165.72	-	-
	March 31, 2019	156.06	-	-
Liabilities measured at fair value:				
Derivative financial instruments - Forward Contracts	March 31, 2020	-	(341.94)	-
	March 31, 2019	-	(54.87)	-

Table No. 2.118

Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

There has been no transfer between level 1 and level 2 during the year ended March 31, 2020 and March 31, 2019

40 HEDGING OF FOREIGN CURRENCY EXPOSURES

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to forecasted transactions. The Group does not use forward contracts for speculative purposes. The following are the outstanding Forward Exchange Contracts entered into by the Group as at year ends including forward cover taken for forecasted revenue receivable transactions:

In Rs. Millions

Particulars	March 31, 2020		March 31, 2019	
	Assets	Liabilities	Assets	Liabilities
Derivative Financial Instruments - Foreign exchange forward contracts	-	(341.94)	-	(54.87)
Total	**-**	**(341.94)**	**-**	**(54.87)**

Table No. 4.119

March 31, 2020

Foreign Exchange risk on Cash flow hedge	Nominal value of Hedging Instruments (No. of Contracts)		Carrying value of Hedging Instruments (In INR Millions)		Maturity date
	Asset	Liability	Asset	Liability	
Foreign Currency forward contracts	-	110	-	7,737.13	30-04-2020 to 28-02-2023

Table No. 2.120

Hedge ratio	Weighted Average Rate	Changes in Fair value in Hedging instruments (in Millions INR)	Changes in value of Hedged Item used as basis for recognizing hedge effectiveness (in Millions INR)
1:1	1 USD =76.60 INR 1 GBP = 1.35 USD	(287.06)	287.06

Table No. 2.121

Cash Flow Hedge	Change in value of Hedging instrument recognized in Other comprehensive Income	Hedge Ineffectiveness recognized in Profit & Loss	Amount reclassified from Cash flow hedge reserve to Profit and Loss	Line item affected in Statement of Profit and loss because of reclassification
Foreign Exchange Risk	-	Nil	(39.83)	Revenue

Table No. 2.122

March 31, 2019

Foreign Exchange risk on Cash flow hedge	Nominal value of Hedging Instruments (No. of Contracts)		Carrying value of Hedging Instruments (In INR Millions)		Maturity date
	Asset	Liability	Asset	Liability	
Foreign Currency forward contracts	16	48	16.022	(70.90)	30th April 2019 - 31st March 2021

Table No. 2.123

Hedge ratio	Weighted Average Rate	Changes in Fair value in Hedging instruments (in Millions INR)	Changes in value of Hedged Item used as basis for recognizing hedge effectiveness (in Millions INR)
1:1	1 USD = 70.98	(55.42)	55.42

Table No. 2.124

Cash Flow Hedge	Change in value of Hedging instrument recognized in Other comprehensive Income	Hedge Ineffectiveness recognized in Profit & Loss	Amount reclassified from Cash flow hedge reserve to Profit and Loss	Line item affected in Statement of Profit and loss because of reclassification
Foreign Exchange Risk	-	Nil	(91.63)	Revenue

Table No. 2.125

41 RESEARCH AND DEVELOPMENT EXPENDITURE

The Group continues its significant investments in research and development efforts towards research, technology, engineering and new product development. The Group follows a policy of capitalising new product development, which meets the criteria's of Ind AS 38 Intangible asset and has accordingly recognised such cost as Internally generated Intangible asset under Intangible Under development and Intangible asset (Note 4(b)). During the current year ended March 31, 2020 the Group has incurred a revenue expenditure of Rs. 1,211.88 million (FY March 31, 2019 Rs. 1,003.98 million).

We hereby furnishing the details of expenses under the respective Head of accounts which are recognised as Capital Work in Progress.

In Rs. Millions

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	697.03	779.42
Cost of license	14.03	86.21
Other Direct overheads	397.94	295.45
Total	**1,109.00**	**1,161.08**

Table No. 2.126

42 LEASES

The Group has lease contracts for Land and Building used for the purpose of office space at differnt location. Leases of such assets generally have lease terms between 1 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

Before the adoption of Ind AS 116, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases on Plant and Machinery and leases of low-value assets on office equipments. The standard provides specific transition requirements and practical expedients, which have been applied by the Group

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

In Rs. Millions

Particulars	Amount
Opening Balance as on April 1, 2019	550.39
Additions / (Deletions)	39.82
Translation difference	6.83
Depreciation expense	(175.79)
As at March 31, 2020	**421.25**

Table No. 2.127

Set out below are the carrying amounts of lease liabilities included under financial liabilities and the movements during the year:

In Rs. Millions

Particulars	Amount
Balance as on April 1, 2019	**550.39**
Add: Translation difference	7.53
Add: Additions / (Deletions) during the year	35.48
Add / Less: Accretion of interest	36.00
Less: Payments during the year	(193.42)
Closing Balance	**435.98**
Current	**144.54**
Non Current	**291.44**

Table No. 2.128

Maturity Analysis of Lease Liability

In Rs. Millions

Year Ended	Less than 1 Year	1 - 5 Years
31-Mar-2020	172.38	280.95

Table No. 2.129

The effective interest rate for lease liabilities is 3.92-9.08%, with maturity between 2019-2024.

The following are the amounts recognised in profit or loss:

In Rs. Millions

Particulars	Year Ended 31-Mar-2020
Depreciation expense of right-of-use assets	175.79
Interest expense on lease liabilities	36.00
Expense relating to short-term leases (included in other expenses)	53.12
Total	**264.91**

Table No. 2.130

The Group had total cash outflows for leases of Rs. 191.14 million in 31st March 2020. The Group also had non-cash additions to right-of-use assets and lease liabilities of Rs. 597.40 million in 31st March 2020. There are no future cash outflows relating to leases that have not yet commenced.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The management does not expect undiscounted potential future rental payments due to extension options expected not to be exercised and termination options expected to be exercised.

There are no potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise of short tenured borrowings, trade and other payables and financial guarantee contracts. Most of these liabilities relate to financing Group's working capital cycle. The Group has trade and other receivables, loans and advances that arise directly from its operations. The Group also enters into hedging transactions to cover foreign exchange exposure risk.

The Group is accordingly exposed to market risk, credit risk and liquidity risk.

The Group's senior management oversees management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors, Risk Committee and the Audit Committee. This process provides assurance that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and overall risk appetite. All foreign currency hedging activities for risk management purposes are carried out a team that have the appropriate skills, experience and supervision. In addition, independent views from bankers and currency market experts are obtained periodically to validate risk mitigation decisions. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Risk Committee and the Audit Committee review and agree policies for managing each of these risks which are summarised below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTPL investments and derivative financial instruments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit / (loss) before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies is not material. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

In Rs. Millions

Currency	Increase in Foreign Curreny by	March 31, 2020		March 31, 2019	
		Amount in Foreign Currency	Effect on Pre tax profit / (loss)	Amount in Foreign Currency	Effect on Pre tax profit / (loss)
Amounts receivable in foreign currency					
CAD	5%	1.76	2.91	4.14	10.67
EUR	5%	0.58	2.38	1.19	4.63
USD	5%	52.88	143.54	28.74	96.58
VND	5%	27,775.25	2.44	15,296.71	2.29
Amounts Payable in foreign currency					
USD	5%	21.50	81.36	27.20	94.05

In respect of the Group's forward derivative contracts, a 5% increase in the contract exchange rates of each of the currencies underlying such contracts would have resulted in increase in Other Comprehensive income by Rs. 405.51 million.

Conversely, 5% depreciation in the above mentioned exchange rates on foreign currency exposures as at March 31, 2020 and March 31, 2019 would have had the same but opposite effect, again holding all other variable constant.

Interest Rate Risk:

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows.

Particulars	Impact on pre tax profits before taxes	
	Variation in interest +0.5%	Variation in interest -0.5%
March 31, 2020	7.41	(7.41)
March 31, 2019	4.81	(4.81)

Table No. 2.131

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The allowance for ECL on customer balances for the year ended March 31, 2020 and March 31, 2019:

In Rs. Millions

Particulars	March 31, 2020	March 31, 2019
Balance at the beginning of the year	525.04	394.56
Impairment loss recognised / reversed	171.91	173.92
Translation difference	1.27	(37.44)
Written-off	-	(6.00)
Balance at the end of the year	**698.22**	**525.04**

Table No. 2.132

A. Trade Receivables & Revenue accrued not billed

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10(b) and 10(f). The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers (which are in the nature of reputed banking and financial institutions) are located in several jurisdictions and industries and operate in largely independent markets.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amount as illustrated in Notes 6 and 10.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Group's objective is to, at all times maintain optimum levels of liquidity to meet it cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt and overdraft from both domestic and international banks at an optimised cost.

The table below summarise the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

In Rs. Millions

Particulars	As of March 31, 2020		
	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	2,214.54	347.07	2,561.61
Lease liabilities	172.38	280.95	453.33
Trade Payables	2,079.73	-	2,079.73
Other financial liabilities	572.27	-	572.27
Derivative Financial Instruments - Foreign exchange forward contracts receivable / (payable)	162.76	179.18	341.94
Total	**5,201.68**	**807.20**	**6,008.88**

Table No. 2.133

In Rs. Millions

Particulars	As of March 31, 2019		
	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	697.26	635.46	1,332.72
Trade Payables	1,664.12	-	1,664.12
Other financial liabilities	1,072.21	-	1,072.21
Derivative Financial Instruments - Foreign exchange forward contracts receivable / (payable)	30.71	24.16	54.87
Total	**3,464.30**	**659.62**	**4,123.92**

Table No. 2.134

As at March 31, 2020, the outstanding amount of employee benefit expenses of Rs. 426.92 million (March 31, 2019 - Rs. 367.04 million) which have been substantially funded. Accordingly no liquidity risk perceived.

44 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value. The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

In Rs. Millions

Borrowings	2,561.61	1,363.35
Less: cash and bank balances	(1,062.88)	(818.72)
Net debt	**1,498.73**	**544.63**
Equity		
Total capital*	10,450.12	10,197.33
Capital and net debt	**11,948.85**	**10,741.96**
Gearing ratio	13%	5%

Table No. 2.135

** Includes Equity Share Capital & Other Equity*

45 ADDITIONAL DISCLOSURE REQUIREMENT UNDER SECTION 129 OF THE COMPANIES ACT, 2013 - 31st March 2020

Name of the entity	Net Assets		Share in Profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a% of the Consolidated net assets	Amount (Rs. in Millions)	As a% of the Consolidated Profit and loss	Amount (Rs. in Millions)	As a% of the Consolidated OCI	Amount (Rs. in Millions)	As a% of the Consolidated Total OCI	Amount (Rs. in Millions)
Parent								
Intellect Design Arena Limited	79%	8,930.80	(177%)	(312.75)	194%	(313.15)	(4267%)	(625.90)
Subsidiaries								
Indian								
Intellect Commerce Limited	0%	46.51	13%	23.47	0%	(0.14)	159%	23.33
Intellect Payments limited	0%	33.56	4%	6.81	0%	-	46%	6.81
Intellect India Limited	0%	(0.20)	0%	(0.17)	0%	-	(1%)	(0.17)
Foreign								
Intellect Design Arena Limited., United Kingdom	9%	1,058.94	57%	101.24	(13%)	21.04	834%	122.28
Intellect Design Arena SA, Switzerland	4%	477.54	2%	2.78	(33%)	53.06	381%	55.84
Intellect Design Arena Pte Ltd., Singapore	5%	564.08	8%	13.31	(2%)	3.50	115%	16.81
Intellect Software Lab Chile Limitada, Chile	(1%)	(117.09)	2%	2.96	(7%)	12.02	102%	14.98
Intellect Design Arena Inc., USA*	(5%)	(517.01)	59%	104.75	23%	(36.90)	463%	67.85
Intellect Design Arena PT, Indonesia	0%	(16.96)	0%	0.69	0%	0.76	10%	1.45
Intellect Design Arena Co. Ltd, Vietnam	0%	2.45	8%	13.66	1%	(0.81)	88%	12.85
Intellect Design Arena Philippines Inc, Philippines	(1%)	(136.83)	3%	5.38	9%	(14.11)	(60%)	(8.73)
Intellect Design Arena FZ - LLC, Dubai	6%	654.08	26%	45.34	(46%)	74.09	814%	119.43
Sonali Intellect Ltd, Bangladesh	2%	240.84	19%	33.77	(11%)	17.67	351%	51.44
Intellect Design Arena Pty Ltd, Australia	1%	84.91	27%	47.40	1%	(1.01)	316%	46.39
Intellect Design Arena Inc.Canada	(1%)	(168.01)	15%	25.96	9%	(15.22)	73%	10.74
Intellect Design Arena Limited, Thailand	1%	79.10	3%	5.63	(3%)	4.95	72%	10.58
Intellect Design Arena Limited, Kenya	0%	(16.41)	(5%)	(8.27)	0%	0.55	(53%)	(7.72)
Intellect Design Arena,SDN BHD.Malaysia	0%	42.22	2%	3.75	0%	0.78	31%	4.53
Sub Total		**11,242.52**		**115.71**		**(192.92)**		**(77.21)**
Less:Adjustment arising out of Consolidation		(674.42)	(1%)	(1.40)	(19%)	31.17	203%	29.77
Add:Share of Profit/(Loss) on Associate Companies		-	35%	62.11	-	-	423%	62.11
Total		**10,568.10**		**176.42**		**(161.75)**		**14.67**

* Including SEEC Asia Technologies Private Limited

Table No. 2.136

ADDITIONAL DISCLOSURE REQUIREMENT UNDER SECTION 129 OF THE COMPANIES ACT, 2013 - 31st March 2019

Name of the entity	Net Assets		Share in Profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a% of the Consolidated net assets	Amount (Rs. in Millions)	As a% of the Consolidated Profit and loss	Amount (Rs. in Millions)	As a% of the Consolidated OCI	Amount (Rs. in Millions)	As a% of the Consolidated Total OCI	Amount (Rs. in Millions)
Parent								
Intellect Design Arena Limited	84%	9,302.22	104%	1,370.88	117%	(71.90)	104%	1,372.05
Subsidiaries								
Indian								
Intellect Commerce Limited	0%	23.17	(1%)	(8.83)	0%	0.03	(1%)	(8.83)
SFL Properties Private Limited	1%	63.17	0%	(0.23)	0%	-	0%	(0.23)
Intellect Payments limited	0%	26.75	0%	1.33	0%	-	0%	1.33
Intellect India Limited	0%	(0.03)	0%	(0.17)	0%	-	0%	(0.17)
Foreign								
Intellect Design Arena Limited., United Kingdom	8%	936.66	2%	29.44	29%	(17.94)	2%	29.73
Intellect Design Arena SA, Switzerland	4%	421.70	3%	41.43	(6%)	3.96	3%	41.37
Intellect Design Arena Pte Ltd., Singapore	5%	547.27	8%	111.35	(17%)	10.54	8%	111.18
Intellect Software Lab Chile Limitada , Chile	(1%)	(132.07)	(4%)	(54.26)	(24%)	14.51	(4%)	(54.50)
Intellect Design Arena Inc., USA *	(5%)	(584.86)	(26%)	(346.92)	51%	(31.65)	(26%)	(346.41)
Intellect Design Arena PT, Indonesia	0%	(18.40)	(1%)	(8.63)	(1%)	0.33	(1%)	(8.64)
Intellect Design Arena Co. Ltd, Vietnam	0%	(10.41)	(1%)	(7.88)	19%	(11.63)	(1%)	(7.69)
Intellect Design Arena Philippines Inc, Philippines	(1%)	(128.09)	(5%)	(64.83)	6%	(3.57)	(5%)	(64.77)
Intellect Design Arena FZ - LLC, Dubai	5%	534.65	3%	38.14	(48%)	29.74	3%	37.66
Sonali Intellect Ltd, Bangladesh	2%	189.40	0%	(1.73)	(19%)	11.44	0%	(1.92)
FT Grid Pte Ltd, Singapore	0%	(0.14)	0%	-	0%	(0.00)	0%	0.00
Intellect Design Arena Pty Ltd, Australia	0%	38.52	7%	93.53	(3%)	1.56	7%	93.50
Intellect Design Arena Inc. Canada	(2%)	(178.75)	6%	83.76	25%	(15.14)	6%	84.01
Intellect Design Arena Limited, Thailand	1%	68.52	0%	2.24	3%	(1.61)	0%	2.27
Intellect Design Arena Limited, Kenya	0%	(8.70)	(1%)	(17.68)	(1%)	0.61	(1%)	(17.69)
Intellect Design Arena,SDN BHD.Malaysia	0%	37.69	2%	28.99	(5%)	3.06	2%	28.94
Sub Total		**11,128.27**		**1,289.93**		**(77.66)**		**1,291.19**
Less:Adjustment arising out of Consolidation		(840.50)	(1%)	(6.97)	(26%)	15.99	(1%)	(7.23)
Add:Share of Profit/(Loss) on Associate Companies		-	2%	29.66			2%	29.66
Total		**10,287.77**		**1,312.62**		**(61.67)**		**1,313.62**

* Including SEEC Asia Technologies Private Limited

Table No. 2.137

46 GROUP INFORMATION

The principal activities of all the entities comprising the Group is 'software product development and implementation'. The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name of the Companies	Country of Incorporation	March 31, 2020	March 31, 2019
Intellect Design Arena Pte Ltd	Singapore	100%	100%
Intellect Design Arena Limited	United Kingdom	100%	100%
Intellect Design Arena SA	Switzerland	100%	100%
Intellect Design Arena PT**	Indonesia	100%	100%
FT Grid Pte Ltd**	Singapore	0%	100%
Intellect Design Arena Ltd.*	Chile	100%	100%
Intellect Design Arena Inc.**	United States	100%	100%
Intellect Commerce Limited	India	100%	100%
Intellect Design Arena Co. Ltd	Vietnam	100%	100%
SFL Properties Private Limited	India	0%	100%
Intellect Design Arena FZ LLC	Dubai	100%	100%
Intellect Design Arena Philippines**	Philippines	100%	100%
Sonali Intellect Ltd	Bangladesh	51%	51%
SEEC Asia Technologies Private Limited***	India	100%	100%
Intellect Design Arena Inc.**	Canada	100%	100%
Intellect Design Arena SDN BHD**	Malaysia	100%	100%
Intellect Payments Limited	India	100%	100%
Intellect India Limited	India	100%	100%
Intellect Design Arena Pte Ltd**	Australia	100%	100%
Intellect Design Arena Limited**	Thailand	100%	100%
Intellect Design Arena Limited	Kenya	100%	100%

* Subsidiaries of Intellect Design Arena Limited, UK
** Subsidiaries of Intellect Design Arena Pte Ltd, Singapore
*** Subsidiaries of Intellect Design Arena Inc., USA

Table No. 2.138

The list of associates with percentage holding of Intellect is given below:

Associates	% of share held as of March 31, 2020	Original cost of investment	Share of accumulated profit/(loss) as at March 31, 2020	Carrying amount of Investments as at March 31, 2020
NMS Works Software Private Limited	42.74	85.72	187.62	273.34
Adrenalin eSystems Limited	44.54	226.24	(53.64)	172.60

Table No. 2.139

The list of joint venture with percentage holding of Intellect is given below:

Associates	% of share held as of March 31, 2020	Original cost of investment	Share of accumulated profit/(loss) as at March 31, 2020	Carrying amount of Investments as at March 31, 2020
Intellect Polaris Design LLC,USA	50.00	138.01	18.69	156.70

Table No. 3.140

47 INVESTMENT IN AN ASSOCIATE

The Group has a 44.54% and 42.74% interest in Adrenalin eSystems Limited and NMS Works Software Private Limited, which is involved in the sale of software products and implementation. Adrenalin eSystems Limited and NMS Works Software Private Limited are entities that are not listed on any public exchange. The Group's interest in Adrenalin eSystems Limited and NMS Works Software Private Limited is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in the associates and reconciliation with the carrying amount of the investments as set out below:

A. Adrenalin eSystems Limited

Summarised balance sheet as at March 31, 2020:

In Rs. Millions

Particulars	March 31, 2020	March 31, 2019
Current Assets	563.11	469.61
Non - Current Assets	112.07	116.17
Current Liabilities	(218.37)	(162.49)
Non - Current Liabilities	(69.30)	(21.57)
Equity	**387.51**	**401.72**
Proportion of the Group's ownership	44.54%	44.54%
Carrying amount of investment	172.60	178.93

Summarised statement of Statement of Profit and Loss:

Particulars	March 31, 2020	March 31, 2019
Revenue	528.15	537.47
Other Income	10.57	11.35
Employee Benefit Expense	(351.26)	(332.33)
Finance Cost	(2.51)	(0.26)
Depreciation & Amortisation Expense	(19.74)	(1.62)
Other Expenses	(157.79)	(142.47)
Profit before Tax	**7.42**	**72.14**
Income tax expense	(7.91)	(15.65)
Profit for the year	**(0.49)**	**56.49**
Total Comprehensive Income for the year	(0.49)	56.49
Group's share of profit for the current year	(0.22)	25.16

B. NMS Works Software Private Limited

Summarised balance sheet as at March 31, 2020:

Particulars	March 31, 2020	March 31, 2019
Current Assets	670.80	568.74
Non - Current Assets	50.43	49.13
Current Liabilities	(51.42)	(100.33)
Non - Current Liabilities	(30.27)	(24.74)
Equity	**639.54**	**492.80**
Proportion of the Group's ownership	42.74%	42.74%
Carrying amount of investment	273.34	210.62

Summarised statement of Statement of Profit and Loss:

Particulars	March 31, 2020	March 31, 2019
Revenue	602.77	402.81
Other Income	7.10	0.07
Purchase- Server, other accessories/software/service	(15.21)	(18.78)
Employee Benefit Expense	(298.37)	(287.15)
Finance Cost	(3.49)	(6.20)
Depreciation & Amortisation Expense	(6.78)	(6.20)
Other Expenses	(79.64)	(46.78)
Profit / (Loss) before Tax	**206.38**	**(365.04)**
Income tax expense	(59.64)	(10.28)
Profit / (Loss) for the year	**146.74**	**(375.32)**
Total Comprehensive Income for the year	146.74	(375.32)
Group's share of profit for the year	**62.72**	**(160.41)**
Adjustment of group's share of profit prior to increase in ownership during the current year	-	(1.66)
Group's share of profit for the current year	**62.72**	**(162.07)**

Table No. 2.141

48 INVESTMENT IN A JOINT VENTURE

The Group has a 50% interest in Intellect Polaris Design LLC, a joint venture involved in the leasing and maintenance of office complex. The Group's interest in Intellect Polaris Design LLC is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised balance sheet as at March 31, 2020:

In Rs. Millions

Particulars	March 31, 2020	March 31, 2019
Current Assets	41.49	27.45
Non - Current Assets	279.10	247.14
Current Liabilities	(7.19)	(4.71)
Non - Current Liabilities	-	-
Equity	**313.40**	**269.88**
Proportion of the Group's ownership	50.00%	50.00%
Carrying amount of investment	156.70	134.94

Table No. 2.142

Summarised statement of Statement of Profit and Loss:

Particulars	March 31, 2020	March 31, 2019
Revenue	40.44	23.51
Depreciation & Amortisation Expense	(9.32)	(10.80)
Other Expenses	(31.82)	(18.38)
Profit / (Loss) before Tax	**(0.70)**	**(5.67)**
Income tax expense	(0.08)	(0.07)
Profit / (Loss) for the year	**(0.78)**	**(5.60)**
Other comprehensive Income	44.30	-
Total Comprehensive Income for the year	**43.52**	**(5.60)**
Group's share of profit / (loss) for the year	(0.39)	(2.80)
Group's share of Total Comprehensive Income for the year	21.76	(2.80)

Table No. 2.143

The group had no contingent liabilities or capital commitments relating to its interest in Adrenalin eSystems Limited, NMS Works Software Private Limited and Intellect Polaris Design LLC as at March 31, 2020 and March 31, 2019.

49 NON CONTROLLING INTEREST

The Group has a 51% of Holding in Sonali Intellect Ltd, which is consolidated as a subsidiary. The table below explains the portion attributable to the shareholding holding Non Controlling Interest.

Information Regarding Non Controlling Interest

In Rs. Millions

Particulars	March 31, 2020	March 31, 2019
Accumulated balances of Non Controlling Interest		
Sonali Intellect Ltd	118.01	90.44
Profit/(Loss) allocated to Non Controlling Interest		
Sonali Intellect Ltd	16.55	(0.85)

Table No. 2.144

The summarised financial information of the Subsidiary are provided below. This information is based on amounts before inter-company eliminations

Summarised statement of Statement of Profit and Loss

Particulars	March 31, 2020	March 31, 2019
Revenue	164.48	130.51
Other Income	-	0.19
Employee Benefit Expense	92.24	102.27
Finance Cost	0.34	0.38
Depreciation & Amortisation Expense	2.39	2.54
Other Expenses	35.74	27.24
Profit before Tax	33.77	(1.73)
Income tax expense	-	-
Profit for the year	**33.77**	**(1.73)**
Attributable to Non Controlling Interest	16.55	(0.85)

Table No. 2.145

Summarised Balance Sheet

Particulars	March 31, 2020	March 31, 2019
Current Assets	318.61	308.32
Non - Current Assets	5.58	5.44
Current Liabilities	(83.35)	(124.36)
Non - Current Liabilities	-	-
Attributable to Equity Holders of the Parent	122.83	98.96
Attributable to Non Controlling Interest	118.01	90.44

Table No. 2.146

50 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has ascertained that the amount to be spent on Corporate Social Responsibility (CSR) in compliance with Section 135 of the Companies Act, 2013, read with relevant schedule and rules made thereunder is Rs. 2.35 Million and NIL for year ending March 31, 2020 and March 31, 2019 respectively. The Company has voluntarily contributed Rs. 18.88 million towards CSR during year ending March 31, 2020 (March 31, 2019 – Rs.23.28 million).

In Rs. Millions

Particulars		March 31, 2020	March 31, 2019
a) Gross amount required to be spent by the Company during the year		2.35	-
b) Amount spent during the year ended on March 31, 2020	**In Cash**	**Yet to be paid in cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	18.88	-	18.88
c) Amount spent during the year ended on March 31, 2019	**In Cash**	**Yet to be paid in cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	23.28	-	23.28

51 EXCEPTIONAL ITEM

Exceptional item in consolidated financial statements for the year ended March 31, 2020 represents profit of Rs. 55.45 million from disposal of shares of SFL Properties Private Limited, a wholly owned subsidiary by the Company for an aggregate consideration of Rs. 205 million.

52 REVISION IN TAX RATES

Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 (Ordinance), the Holding Company is not exercising the option to avail concessional Income tax rate in the current year, considering the accumulated MAT credit, losses and other benefits under the Income Tax Act, 1961.

53 MSME NOTE

Based on the information / documents available with the Group, the Group has complied with the provisions of The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 and hence no interest is paid/payable during the year. Further an amount of Rs.14.29 million (Previous year Rs.22.34 million) is remaining unpaid to the suppliers covered under the MSMED Act at the end of the accounting year.

In Rs. Millions

	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year -		
Principal amount due to micro and small enterprises	14.29	22.34
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

Table No. 2.147

54. IMPACT OF COVID 19

The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time and in particular are impacted due to lock downs. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. The Group has considered the possible effects that may result from COVID 19 on its operations including on the carrying amount of trade receivables, revenue accrued not billed, goodwill on consolidation, intangible assets and intangible assets under development. In developing the assumption relating to the possible future uncertainties in the global conditions because of the pandemic, the Group as on date of approval of these financial statements has used various information, as available. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

55. PRIOR YEAR COMPARATIVES

Previous year figures have been regrouped / reclassified, where ever necessary to conform to this years classification.

As per our report of even date
For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President & Company Secretary

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INTELLECT DESIGN ARENA LIMITED
AUDITED STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are denominated in INR and expressed in Millions, unless otherwise stated)

INDEPENDENT AUDITOR'S REPORT

To the Members of Intellect Design Arena Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Intellect Design Arena Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 47 of the Standalone Financial Statements which describes the impact of Covid-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics. Our opinion is not modified in respect of the matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting for revenue from Licenses and Services contracts We focused on these areas because of its significance of license and services revenue and its risks related to judgements involved in the measurement, timing and presentation/disclosure of revenue from operations. Refer Notes 3.10 to the Standalone financial Statements	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: a) We read the Company's revenue recognition policy and related disclosures. We performed walkthroughs of each significant class of revenue transactions and assessed and tested the design effectiveness and operating effectiveness for key controls. b) For revenue from license contracts where control is transferred at a point in time, we tested license revenue deals in excess of a certain threshold and a random sample of smaller contracts. For each of the sample selected, we performed the following: • Read the customer contract and obtained evidence of delivery of license. • Read the contracts and assessed potential impact of any unusual clause on revenue recognition. Tested the fair value allocations between the various elements of the contract in accordance with Company's revenue recognition policy. • We performed cut off procedures by reference to the contract and evidence of delivery. c) For services where control is transferred over a period of time, we tested a sample of transactions to test revenue recognised in the year was calculated based on the stage of completion of the contract. • We selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations, possible delays in achieving milestones and verified whether those

	variations have been considered in estimating the remaining efforts to complete the contract. When needed, we also inquired with service project managers to understand the progress, difficulties associated with implementation, if any and likely impact on the future effort estimates. We performed other substantive transactional testing, journal entry testing and analytical procedures to validate the recognition of revenue throughout the year.
Capitalization and valuation of Intangible Asset and Intangible asset under development Intangible Asset and Intangible asset under development are deemed significant to our audit, as specific criteria that need to be met for capitalization. This involves management judgment, such as technical feasibility, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure the costs reliably. In addition, determining whether there is any indication of impairment of the carrying value of assets, requires management judgment and assumptions which are affected by future market or economic developments including uncertainty arising from the possible impact from COVID 19. Refer Notes 3.7 to the Standalone financial Statements	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: a) Read the Company's accounting policies for compliance with IND AS and on a sample basis tested available documentation to consider whether the criteria for capitalization were met. b) We performed walkthroughs of Intangible assets/Intangible assets under development process and assessed the design effectiveness and operating effectiveness for key controls. c) Performed tests of details on a sample of capitalized costs in the current year and obtained evidence to verify whether the costs qualify for capitalization. We analyzed this evidence and evaluated whether it reflects the use of the asset for the Company and the Company's intention to complete the capitalized projects. d) We evaluated the assumptions and methodology used by the Company to test the Intangible asset and Intangible asset under development for impairment. e) We assessed the disclosures made by the Company in this connection in the accompanying financial statements.
Recoverability of accounts receivables and revenue accrued and not billed We focused on this risk as the balances are material and there are significant judgments involved in assessing recoverability of accounts receivables and revenue accrued and not billed. There are many factors that need to be considered when concluding that a balance needs to be impaired including default or delinquency in payments, length of the outstanding balances, implementation difficulties and possible effect on collections consequent to COVID -19. Given the complexity, the size and the length of certain implementation projects, there is risk that a provision is not recognized in a timely or sufficient manner. Refer to note 3.21 of the Standalone financial statements.	Our audit approach was a combination of test of Internal controls and Substantive procedures which included the following: a) We obtained management's analysis on recoverability of accounts receivables and revenue accrued and not billed balances for all significant cases. This analysis includes background information of the customer, existing contractual relationships, balance outstanding, delays in collection, and operational reasons and summaries of discussions with customers and collection plans together with a detailed legal analysis where applicable. b) We tested the ageing of accounts receivables, revenue accrued and not billed balances and circularized confirmations on selected material customer balances and checked subsequent collections from recoverability perspective. We have performed test of alternate nature in cases where confirmation has not been responded to by the customer. c) In addition, we evaluated the recoverability of accounts receivable and accrued revenue selected balances (significant and randomly selected) through discussions with project managers and with senior management when necessary. d) We assessed the disclosures made by the Company in this connection in the accompanying financial statements.
Revision in Transfer Pricing arrangements with subsidiaries: The Company has international operations and in its normal course of business with its various subsidiaries it is involved in the business of software sale and implementation of its products across various countries. The Company reviews these arrangements on a periodic basis to reflect the current business models and in the current financial year, has implemented a transfer pricing model to reflect its business environment. The complexities of tax rules on transfer pricing involve significant management judgment and has consequent impact on taxes, related accounting and disclosures in the financial statements. Refer to note 46 of the Standalone financial statements.	Our procedures included, amongst others, the following: a) We obtained management's transfer pricing model. This includes managements evaluation of transfer pricing margins across the company's international operations, evaluation of risk and rewards between the company and its subsidiaries, together with agreements executed with its subsidiaries. b) We involved our internal transfer pricing specialists to evaluate the reasonability of benchmarking the transfer pricing margins. This included testing whether the transfer pricing margins considered by the Company after considering the distribution of risk and rewards across the Company's international operations is in line with tax requirements in India. c) We have read a sample of agreements executed by the Company with its subsidiaries. We have performed tests of details on a sample basis to verify if the margins recomputed is in line with arm's length margins determined by the management for its international operations. We assessed the disclosures made by the Company in this connection in the accompanying financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership No. 210934
UDIN: 20210934AAAABG1199

Place of Signature : Chennai
Date: June 15, 2020

Annexure 1 referred to in paragraph 1 of the section "Report on other legal and regulatory requirements" of our report of even date

Re: Intellect Design Arena Limited ("The Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company

(ii) The Company's business does not involve maintenance inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to customs duty and excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, service tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs Millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	45.27	AY 2002-03 AY 2003-04 AY 2006-07	Commissioner Appeal
Income Tax Act 1961	Income Tax	27.15	AY 2006-07	High Court

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to bank. There are no dues to financial institution, government and debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments. The Company utilised monies raised by way of term loans for the purpose for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership No. 210934

Place of Signature : Chennai
Date : June 15, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INTELLECT DESIGN ARENA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Intellect Design Arena Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership No. 210934

Place of Signature : Chennai
Date : June 15, 2020

Balance Sheet

In Rs. Millions

Particulars	Note	As at March 31, 2020	2019
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4(a)	1,275.61	1,389.41
Capital work-in-progress	4(b)	42.99	42.99
Other Intangible assets	5	837.49	932.92
Intangible assets under development	4(b)	2,102.23	1,397.75
Right of use asset	4(a)	159.70	-
Investment in subsidiaries, joint ventures and associates	6	934.07	934.07
Financial assets			
- Investments	7(a)	0.05	0.05
- Loans and deposits	7(b)	71.10	68.64
- Non current bank balances	7(c)	114.53	109.77
Income tax assets (net)	8	539.89	652.83
Deferred tax assets (net)	9	281.45	396.70
Other non-current assets	10	463.22	416.93
CURRENT ASSETS			
Investment in subsidiary	11	-	154.45
Financial asset			
- Investments	12(a)	165.72	156.06
- Trade receivables	12(b)	4,455.36	2,166.77
- Cash and Cash equivalents	12(c)	359.56	187.95
- Bank balances other than cash and cash equivalents	12(d)	65.64	65.80
- Loans and deposits	12(e)	48.98	56.83
- Other financial assets	12(f)	2,347.98	3,716.00
Other current assets	13	960.75	870.77
TOTAL		**15,226.32**	**13,716.69**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	14	661.69	658.87
Other Equity	15	8,269.11	8,643.35
Total Equity		**8,930.80**	**9,302.22**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
- Borrowings	16(a)	347.07	635.46
- Lease Liabilities	16(b)	114.41	-
- Derivative instruments	16(c)	179.18	24.16
- Other Long Term Liabilities	16(d)	6.00	-
CURRENT LIABILITIES			
Financial Liabilities			
- Borrowings	17(a)	1,852.17	363.22
- Lease Liabilities	17(b)	54.04	-
- Trade payables	17(c)		
- Total outstanding dues of micro enterprises and small enterprises		14.29	22.34
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,653.06	1,180.59
- Other financial liabilities	17(d)	552.08	983.28
- Derivative instruments	17(e)	162.76	30.71
Other current liabilities	18	1,027.12	863.70
Provisions	19	333.34	266.05
Current Tax Liabilities (Net)	20	-	44.96
TOTAL		**15,226.32**	**13,716.69**

Table No. 3.1

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President & Company Secretary

Statement of Profit and Loss

In Rs. Millions

Particulars	Note	Year ended March 31,	
		2020	2019
INCOME			
Revenue from operations	21	7,413.30	9,312.56
Other Income	22 (a)	150.83	561.63
Finance Income	22 (b)	79.05	53.44
TOTAL INCOME		**7,643.18**	**9,927.63**
EXPENSES			
Employee Benefit Expense	23	4,616.63	4,907.39
Depreciation and amortization expense	24	485.65	349.37
Finance Cost	25	158.03	114.05
Other Expenses	26	2,630.93	3,128.84
TOTAL EXPENSES		**7,891.24**	**8,499.65**
Profit / (Loss) before exceptional item and tax		**(248.06)**	**1,427.98**
Exceptional Item	43	50.55	-
PROFIT / (LOSS) BEFORE TAX		**(197.51)**	**1,427.98**
Tax Expenses	27		
Income taxes - Current tax		-	341.35
- Deferred tax		115.25	(22.04)
- MAT credit entitlement		-	(262.19)
PROFIT / (LOSS) FOR THE YEAR		**(312.76)**	**1,370.86**
OTHER COMPREHENSIVE INCOME	29		
Items that will not be reclassified subsequently to profit and loss			
Re-measurement gains/ (losses) on defined benefit plans		(26.09)	(16.47)
Items that will be reclassified subsequently to profit and loss			
Net movement on cash flow hedges		(287.06)	(55.42)
Other comprehensive Income / (Loss) for the year, net of tax		**(313.15)**	**(71.89)**
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR, NET OF TAX		**(625.91)**	**1,298.97**

Table No. 3.2

EARNINGS PER SHARE	28		
Equity shares par value Rs 5 each (March 31,2019 Rs 5 each)			
Basic		(2.37)	10.63
Diluted		(2.37)	10.39
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President &
Company Secretary

Statement of Changes in Equity for the year ended March 31, 2020

a. Equity Share Capital:

In Rs. Millions

Equity shares of INR 5 each issued, subscribed and fully paid	No. of shares	Amount (INR)
As at April 1, 2018	12,55,29,084	627.64
Issue of share capital	62,45,631	31.23
As at March 31, 2019	13,17,74,715	658.87
Issue of share capital	5,63,915	2.82
As at March 31, 2020	**13,23,38,630**	**661.69**

Table No. 3.3

b. Other equity

For the year ended March 31, 2020

In Rs. Millions

Particulars	Reserves & Surplus				Items of OCI	Total Equity
	Securities premium	Share based payment reserves	General reserve	Retained earnings	Cash flow hedge reserve	
As at April 1, 2019	5,025.03	268.03	1,310.80	2,094.36	(54.87)	8,643.35
Profit / (Loss) for the year	-	-	-	(312.76)	-	(312.76)
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	-	(26.09)	-	(26.09)
Fair value movement in cash flow hedge	-	-	-	-	(287.06)	(287.06)
Exercise of share options	73.21	(34.86)	-	-	-	38.35
Share-based payments for the year	-	213.32	-	-	-	213.32
Transfer on account of options not exercised for the year	-	(18.61)	18.61	-	-	-
As at March 31, 2020	**5,098.24**	**427.88**	**1,329.41**	**1,755.51**	**(341.93)**	**8,269.11**

Table No. 3.4

For the year ended March 31, 2019

Particulars	Reserves & Surplus				Items of OCI	Total Equity
	Securities premium	Share option outstanding account	General Reserve	Retained earnings	Cash flow hedge reserve	
As at April 1, 2018	3,923.68	289.18	1,299.36	883.20	0.55	6,395.97
Profit for the year	-	-	-	1,370.89	-	1,370.89
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	-	(16.47)	-	(16.47)
Fair value movement in cash flow hedge	-	-	-	-	(55.42)	(55.42)
Exercise of share options	127.39	(65.55)	-	-	-	61.84
Ind As Adj - 115 transition adjustment for the year	-	-	-	(143.24)	-	(143.24)
Issue of shares on Preferential allotment	973.96	-	-	-	-	973.96
Share-based payments for the year	-	55.84	-	-	-	55.84
Transfer on account of options not exercised for the year	-	(11.44)	11.44	-	-	-
Merger of Indigo & Lasersoft for shares issued to Lasersoft Shareholder	-	-	-	(0.02)	-	(0.02)
As at March 31, 2019	**5,025.03**	**268.03**	**1,310.80**	**2,094.36**	**(54.87)**	**8,643.35**

Table No. 3.5

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President & Company Secretary

Statement of Cash Flows

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Cash flows (used in) / from operating activities		
Profit / (Loss) for year before tax	(197.51)	1,427.98
Exceptional item (Refer Note 43)	(50.55)	-
Adjustments to reconcile profit / (loss) for the year to net cash flows:		
Depreciation/Amortisation	485.65	349.37
Unrealised foreign exchange loss (net)	(12.07)	89.20
Expense on Employee Stock Option Scheme (ESOP) (Refer Note 23)	169.85	55.84
Interest income	(70.68)	(39.41)
Dividend income	(8.37)	(14.02)
Allowances for credit impaired on receivables and revenue accrued not billed	160.00	131.80
Bad debts / advances written off	-	6.00
Loss on sale of non-current investments (net)	-	0.38
Net gain on disposal of Property, Plant and Equipment	(96.98)	(494.46)
Adjustments to the carrying amount of investments	(1.29)	(0.30)
Finance cost	158.03	114.05
Operating Profit / (Loss) before working capital changes	**536.08**	**1,626.43**
Movement in working capital		
Decrease / (Increase) in trade receivables	(2,316.47)	286.43
Decrease/(Increase) in financial assets and other assets	1,327.06	(3,269.72)
Increase/(Decrease) in liabilities and provisions	237.23	763.03
Cash flow from / (used in) operations	**(216.10)**	**(593.83)**
Income taxes (paid) / net of refunds	111.47	(253.03)
Net cash (used in) / from operating activities (A)	**(104.63)**	**(846.86)**
Cash flows used in investing activities		
Purchase of Property, Plant and Equipment including intangible assets, changes in capital work in progress and capital advances	(933.00)	(1,033.55)
Proceeds from sale of Property, Plant and Equipment	106.17	508.52
(Purchase) / sale proceeds of other long term investments	-	50.31
Net Increase / (decrease) in non-trade investments	205.00	-
Net Increase / (decrease) in bank deposit	8.01	703.36
Interest received	14.57	30.92
Dividend received	-	14.02
Net cash (used in) / from investing activities (B)	**(599.25)**	**273.58**
Cash flows from financing activities		
Proceeds from share capital issued on exercise of stock options	2.82	5.18
Proceeds from share premium on exercise of stock options	38.03	61.85
Proceeds from share capital issued on Preferential allotment	-	26.04
Proceeds from securities premium on Preferential allotment	-	973.96
Payment of principal portion of lease liabilities	(81.55)	-
(Repayment) / Proceeds from Long term secured loans	(399.81)	(323.87)
(Repayment) / Proceeds from Short term borrowings	1,449.72	(6.10)
Finance charges paid	(136.08)	(114.03)
Net cash (used in) / generated from financing activities (C)	**873.13**	**623.03**
Exchange differences on translation of foreign currency cash and cash equivalents **(D)**	2.36	0.18
Net increase / (decrease) in cash and cash equivalents during the year (A+B+C+D)	**171.61**	**49.93**
Cash and cash equivalents at the beginning of the year	187.95	138.02
Cash and cash equivalents at the end of the year (Refer Note 12)	**359.56**	**187.95**
Cash and cash equivalents As per Note 12(c)	**359.56**	**187.95**

Table No. 3.6

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004
per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President & Company Secretary

Notes forming part of the accounts for the year ended March 31, 2020
(All amounts are in Rupees in Millions unless otherwise stated)

1. Corporate Information

Intellect Design Arena Limited ('Intellect' or 'the Company'), is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 in 2011. Consequent to the approval obtained for listing, the shares of the Company have been listed on the National Stock Exchange and Bombay Stock Exchange with effect from December 18, 2014. The Company has its registered office in 244, Anna Salai, Chennai-600 006.

The Company, has a comprehensive portfolio of products across Global Consumer Banking, Central Banking, Risk & Treasury Management, Global Transaction Banking and Insurance and is engaged in the business of software development.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on 15th June 2020.

2. Basis of Preparation

The standalone financial statements of the Company 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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

a) Derivative financial instruments
b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The standalone financial statements are presented in INR and all values are rounded to the nearest million, except when otherwise indicated.

3. Summary of Significant accounting policies

3.1. Current versus Non-current classification

The Entity presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when:

a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
b) It is held primarily for the purpose of being traded;
c) It is expected to be realized within twelve months after the reporting date; or
d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

A liability has been classified as current when it satisfies any of the following criteria;

a) It is expected to be settled in the Company's normal operating cycle;
b) It is held primarily for the purpose of being traded;
c) It is due to be settled within twelve months after the reporting date; or
d) The Company does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets and liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products/activities, the Company has determined its operating cycle as twelve months for the above purpose of classification as current and non-current.

3.2. Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or
b) In the absence of a principal market, in the most advantageous market for the asset or liability.
c) The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. The Valuation Committee comprises of the head of the treasury operations, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the Valuation Committee analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Valuation Committee, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Company's external valuers present the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.3 Use of Estimates and Judgements

The preparation of the unconsolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these standalone financial statements have been disclosed in Note 30. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.4 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of change in value.

3.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating,

investing and financing activities of the Company are segregated based on the available information.

3.6 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses if any. Freehold land is measured at cost and not depreciated. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Material replacement cost is capitalized provided it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. When replacement cost is eligible for capitalization, the carrying amount of those parts that are replaced is derecognized. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful life.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

Depreciation

Depreciation on plant, property and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The useful lives considered for depreciation of plant, property and equipment are as prescribed in Schedule II of the Companies Act:

Assets Category	Estimated useful life (in years)
Buildings	30
Plant and Machinery	15
Computer Equipment	3
Servers and Computer Accessories	6
Electrical fittings, furniture and fixtures	10
Office Equipment	5
Leasehold Improvements	Over the lease period or 10 years whichever is lower
Leasehold Land	Over the lease period (99 years)

Categories of assets for which depreciation has been provided based on the estimated useful life of the Company based on management evaluation, durability based on use, etc. are:

Assets Category	Estimated useful life (in years)
Vehicles	4-8

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital advances under other non-current assets and the cost of asset not put to use before such date are disclosed under "Capital Work in Progress". Subsequent expenditure relating to property, plant and equipment is capitalised only when it's probable that future economic benefit associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance cost are recognised in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from financial statement upon sale or retirement of the asset and the resultant gains or loss are recognised in the Statement of profit and loss. Asset to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

3.7 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The amortisation of software development and intellectual property costs is allocated on a straight-line basis over the best estimate of its useful life after the product is ready for use. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors. The amortization period and the amortization method are reviewed at each year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. The estimated useful life of the intangible assets is in the range of 3 to 5 Years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and Development Cost

Research costs are expensed as incurred. Development expenditure incurred on an individual new project is recognized as an intangible asset when the company can demonstrate all the following:

1. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
2. Its intention to complete and its ability and intention to use or sell the asset
3. How the asset will generate future economic benefits
4. The availability of resources to complete the asset
5. The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

3.8 Other Assets

Cost incurred in fulfilling a contract are capitalised if all the following conditions are satisfied:

1. The costs relate directly to a contract
2. The costs generate or enhance resources of the entity that will be used to satisfy future performance obligation
3. The costs are recoverable

3.9 Impairment of Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of three years (five years in the case of Internally Generated Intangible assets (IPR)). For longer periods, a long term growth rate is calculated and applied to project future cash flows after the third year / fifth year in case of IPR.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.10 Revenue Recognition

The Company derives revenues primarily from software development and related services, and from the licensing of software products and related services (together referred to as "software related services").

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the entity expects to receive in exchange for those products or services. Arrangements with customers for software related services are either on a fixed-price, fixed-bid or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as revenue accrued not billed. Revenue from fixed-price, fixed-bid contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. The Company recognises revenue based on relevant output measures, such as the achievement of any project milestones stipulated in the contract, or internal quality milestones to assess proportional performance. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

Revenue accrued not billed represents earnings on ongoing fixed-price, fixed -bid and time and material contracts over amounts invoiced to customers. Billings in excess of revenues represents amounts billed in case of ongoing fixed bid, fixed price and time and material contracts wherein amounts have been billed in accordance with the billing cycle and efforts would be incurred subsequent to the balance sheet date.

In arrangements for software development and related services and maintenance services, the entity has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the entity has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the entity is unable to determine the standalone selling price, the entity uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Maintenance Services. The entity has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach.

Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. Annual Maintenance Services revenue is recognized rateably over the period in which the services are rendered.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The entity presents revenues net of indirect taxes in its statement of Profit and loss.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the entity expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the entity has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis or fixed price basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations and adjustment for revenue that has not materialized and adjustments for currency.

Other Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). Interest income is included in finance income in the statement of profit and loss.

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

Profit on sale of units of mutual funds is recognised at the time of redemption and is determined as the difference between the redemption price and the carrying value.

Profit on sale of land and flats is recognised at the time of sale and is determined as the difference between the sales price and the carrying value.

3.11 Foreign Currency Transactions

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Measurement as at Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

Treatment of Exchange Differences

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

3.12 Derivative Instruments and Hedge Accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and type of hedge relationship designated.

The Company uses forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitment or highly probable forecast transactions. The Company designates these in a hedging relationship by applying the hedge accounting principles set out in IND AS 109 – "Financial Instruments" as 'cash flow hedges'

The use of Derivative Contracts is governed by the Company's policies on the use of such financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes.

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts

recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

For the purpose of hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

The Company uses forward contracts and as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

3.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment. Right-of-use assets mainly consists of buildings, having a lease term of 2 to 5 years.

b. Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in financial liabilities (see Note 16(b) and 17(b)).

c. Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of Buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Company as Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.14 Employee Benefits

a. Provident Fund

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employee's salary. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The Company has no further obligations under the plan beyond its monthly contributions.

b. Gratuity

The Company provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. A trust by name "Intellect Design Group gratuity trust" has been constituted to administer the gratuity fund. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period. Re-measurement, comprising of actuarial gain or loss and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The defined benefit obligation recognised in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled and adjusted for unrecognised past service cost, if any. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

c. Superannuation

The Company contributes a specified percentage of the eligible employees' basic salary towards superannuation (the Plan) to a fund. A trust has been created and approved by the Income-tax authorities for this purpose. This Plan provides for various options for payment of pension at retirement or termination of employment as per the trust rules. The company recognizes contribution payable to the fund as an expenditure, when an employee renders the related service. The Company has no further obligations under the plan beyond its monthly contributions.

d. Compensated Absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

3.15 Taxes on Income

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current Tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. The carrying amount of MAT is reviewed at each reporting date and the asset is written down to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of profit and loss is recognised outside Statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.16 Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non – occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

3.17 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.18 Earnings Per Share

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as rights issue, bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.19 Employee Stock Option Scheme

Stock options are granted to the employees under the stock option scheme, the costs of stock options granted to the employees (equity-settled awards) of the Company are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves/stock options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

3.20 Business Combination

Business combinations involving entities under the common control are accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities.

The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. Any consideration in excess of the net worth of the acquire company is adjusted against the reserves of the acquiring company.

3.21 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a. Debt instruments at amortised cost
b. Debt instruments at fair value through other comprehensive income (FVTOCI)

c. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
d. Equity instruments measured at fair value through other comprehensive income FVTOCI

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Company does not have any financial asset under this category

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement? and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay

iv. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables and Unbilled revenue
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:
Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

B. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

After initial recognition, trade and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

3.22. Transactions Costs Relating to Equity Transactions

The Company defers costs in issuing or acquiring its own equity instruments to the extent they are incremental costs directly attributable to an equity transaction that otherwise would have been avoided. Such costs are accounted for as a deduction from equity (net of any related income tax benefit) upon completion of equity transaction. The costs of an equity transaction which is abandoned is recognized as an expense

3.23. Segment reporting

The Executive Management Committee monitors the operating results of its business as a single primary segment "Software Product Licence and related services" for the purpose of making decisions about resource allocation and performance assessment. The business of the Company falls under a single primary segment i.e. 'Software Product License & related services' for the purpose of Ind AS 108.

3.24 Changes in accounting policies and disclosures

New and amended standards and interpretations

a) Ind AS 116

Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 - Operating Leases-Incentives, Appendix B of Ind AS 17 - Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17 - Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Balance Sheet.

Lessor accounting under Ind AS 116 remains unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption in accordance with Para C8 (c) (ii) to Ind AS 116 with the date of initial application being 1st April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April 1, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

The Company has lease contracts for various items of Buildings. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases. Refer to Note 3.13 - Leases for the accounting policy beginning April 1, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Company. Leases previously classified for as Finance Leases. The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from 1st April 2019.

Leases previously accounted for as operating leases. The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The Right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Based on the above, as at 1st April 2019:

- Right-of-use assets of Rs. 239.42 million were recognised and presented separately in the Balance Sheet.
- Corresponding lease liabilities of Rs. 239.42 million. were recognised.

The lease liabilities as at April 1, 2019 can be reconciled to the operating lease commitments as of March 31, 2019, as follows:

In Rs. Millions

Assets	Amount
Operating lease commitments as at March 31, 2019	190.53
Less:	
Discounting effect (Weighted average incremental borrowing rate as at 1 April 2019: 9.08%)	(17.30)
Commitments relating to short-term leases	(18.16)
Add:	
Lease payments relating to renewal periods not included in operating lease commitments as at March 31, 2019	84.35
Lease liabilities as at April 1, 2019	239.42

Table No. 3.7

b) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions. The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the Financial Statements of the Company.

4(a). PROPERTY, PLANT AND EQUIPMENT

In Rs. Millions

Particulars	Land	Leasehold Land*	Buildings	Leasehold improvement	Plant & Machinery	Electrical Equipment	Furniture and Fittings	Office Equipment	Vehicles	Total	Right of use assets (Building) - Also refer Note 39
Gross Block											
As at April 1, 2018	**45.24**	**28.05**	**1,143.24**	**0.06**	**826.00**	**153.20**	**374.20**	**175.09**	**80.53**	**2,825.61**	**-**
Additions	-	-	8.25	-	72.67	5.83	26.73	7.50	-	120.98	-
Deletions	(3.10)	-	(14.89)	(0.06)	(38.29)	-	-	(0.01)	(7.32)	(63.67)	-
As at March 31, 2019	**42.14**	**28.05**	**1,136.60**	**-**	**860.38**	**159.03**	**400.93**	**182.58**	**73.21**	**2,882.92**	**-**
Additions	-	-	0.90	-	33.19	3.74	18.51	4.26	1.99	62.59	239.42
Deletions	-	-	(12.40)	-	(53.01)	(2.30)	(17.98)	(4.17)	(0.86)	(90.72)	(7.14)
As at March 31, 2020	**42.14**	**28.05**	**1,125.10**	**-**	**840.56**	**160.47**	**401.46**	**182.67**	**74.34**	**2,854.79**	**232.28**
Accumulated Depreciation											
As at April 1, 2018	**-**	**3.58**	**268.11**	**0.06**	**634.03**	**81.54**	**178.70**	**129.55**	**64.99**	**1,360.56**	**-**
Depreciation charge for the year	**-**	0.28	39.78	-	70.48	12.73	31.29	18.34	9.66	**182.56**	**-**
Disposals	**-**	-	(5.58)	(0.06)	(37.46)	-	-	(0.01)	(6.50)	**(49.61)**	**-**
As at March 31, 2019	**-**	**3.86**	**302.31**	**-**	**667.05**	**94.27**	**209.99**	**147.88**	**68.15**	**1,493.51**	**-**
Depreciation charge for the year	**-**	0.28	38.83	-	60.89	12.96	33.26	16.92	4.07	**167.21**	72.58
Disposals	**-**	**-**	(5.00)	-	(51.41)	(2.27)	(17.85)	(4.15)	(0.86)	**(81.54)**	**-**
As at March 31, 2020	**-**	**4.14**	**336.14**	**-**	**676.53**	**104.96**	**225.40**	**160.65**	**71.36**	**1,579.18**	**72.58**
Net Book Value											
As at March 31, 2019	**42.14**	**24.19**	**834.29**	**-**	**193.33**	**64.76**	**190.94**	**34.70**	**5.06**	**1,389.41**	**-**
As at March 31, 2020	**42.14**	**23.91**	**788.96**	**-**	**164.03**	**55.51**	**176.06**	**22.02**	**2.98**	**1,275.61**	**159.70**

Table No. 3.8

* represents 13.35 acres of land at Chennai taken on 99 years lease from SIPCOT under terms of MOU dated 3rd January, 2005 (modified on 10th March, 2015) with Government of Tamil Nadu.

Land and Building

Land and buildings with a carrying amount of Rs 831.10 million (March 31, 2019: Rs 598.26 million) are subject to a first charge to secure the Company's bank loans.

4(b). CAPITAL WORK-IN-PROGRESS

In Rs. Millions

Particulars	Buildings	Plant & Machinery (including Computer Equipment, software and accessories)	Electrical fittings	Furniture and fixtures	Total	Intangible assets under development (Refer Note 38)
Capital Work in Progress (CWIP) as at April 1, 2018	32.73	-	7.64	2.54	**42.91**	1,040.12
Add:						
Additions during the year	-	0.08	-	-	**0.08**	905.13
Less:						
Capitalisation of assets	-	-	-	-	**-**	(547.50)
CWIP as at March 31, 2019	**32.73**	**0.08**	**7.64**	**2.54**	**42.99**	**1,397.75**
Add:						
Additions during the year	-	-	-	-	**-**	708.36
Less:						
Capitalisation of assets	-	-	-	-	**-**	(3.88)
CWIP as at March 31, 2020	**32.73**	**0.08**	**7.64**	**2.54**	**42.99**	**2,102.23**

Table No. 3.9

5. OTHER INTANGIBLE ASSETS

In Rs. Millions

Particulars	Computer software	Software Products	Internally generated Intangible asset	Total
Cost				
As at April 1, 2018	**219.08**	**583.82**	**551.48**	**1,354.38**
Additions - acquisition	15.21	-	-	15.21
Additions - internally developed	-	-	547.50	**547.50**
As at March 31, 2019	**234.29**	**583.82**	**1,098.98**	**1,917.09**
Additions - acquisition	150.43	-	-	**150.43**
Additions - internally developed	-	-	-	-
As at March 31, 2020	**384.72**	**583.82**	**1,098.98**	**2,067.52**
Accumulated Amortization and Impairment				
As at April 1, 2018	**198.43**	**583.82**	**35.12**	**817.37**
Amortization for the year	24.07	-	142.73	166.80
Impairment for the year	-	-	-	-
As at March 31, 2019	**222.50**	**583.82**	**177.85**	**984.17**
Amortization for the year	30.61	-	215.25	245.86
Impairment for the year	-	-	-	-
As at March 31, 2020	**253.11**	**583.82**	**393.10**	**1,230.03**
Net Book Value				
As at March 31, 2019	**11.79**	**-**	**921.13**	**932.92**
As at March 31, 2020	**131.61**	**-**	**705.88**	**837.49**

Table No. 3.10

6. INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

In Rs. Millions

	Particulars	As at March 31,	
		2020	2019
(a)	**Investments in equity instruments of Subsidiaries, carried at cost**		
	Intellect Design Arena Pte Ltd. (Singapore)	235.38	235.38
	5,217,500 (March 31, 2019: 5,217,500) equity shares of SGD 1 each fully paid up		
	Intellect Design Arena Limited (United Kingdom)	61.75	61.75
	889,000 (March 31, 2019: 889,000) equity shares of GBP 1 each fully paid up		
	Intellect Commerce Limited (India)	90.00	90.00
	9,000,000 (March 31, 2019: 9,000,000) equity shares of INR 10 each fully paid up		
	Intellect Design Arena SA (Switzerland)	11.28	11.28
	35,000 (March 31, 2019: 35,000) equity shares of CHF 10 each fully paid up		
	Intellect Design Arena Co. Ltd (Vietnam)	2.25	2.25
	900,000,000 (March 31, 2019: 900,000,000) equity shares of VND 1 each fully paid up		
	Intellect Payments Limited (India)	25.50	25.50
	5,100,000 (March 31, 2019: 5,100,000) equity shares of INR 5 each fully paid up		
	Intellect India Limited (India)	0.50	0.50
	100,000 (March 31, 2019: 100,000) equity shares of INR 5 each fully paid up		
	Intellect Design Arena FZ LLC (Dubai)	20.36	20.36
	1,500 (March 31, 2019: 1,500) equity shares of AED 1,000 each fully paid up		
	Sonali Intellect Ltd (Bangladesh)	23.87	23.87
	3,825,000 (March 31, 2019: 3,825,000) equity shares of BDT 10 each fully paid up		
	Intellect Design Arena Limited (Kenya)	13.20	13.20
	20,770 (March 31, 2019: 20,770) equity shares of KSHS 1,000 each fully paid up		
	Total investments in equity instruments of Subsidiaries, carried at cost (a)	**484.09**	**484.09**
(b)	**Investments in equity instruments of Joint venture, carried at cost**		
	Investment in Intellect Polaris Design, LLC (45%)	138.02	138.02
	45 (March 31, 2019: 45) equity shares of USD 50,000 each fully paid up		
	Total investments in equity instruments of Joint venture, carried at cost (b)	**138.02**	**138.02**
(c)	**Investments in equity instruments of Associates, carried at cost**		
	NMS Works Software Private Limited (India)	85.72	85.72
	1,104,870 (March 31, 2019: 1,104,870) equity shares INR 10 each fully paid up		
	Adrenalin eSystems Limited (India)	226.24	226.24
	29,485,502 (March 31, 2019: 29,485,502) equity shares of INR 5 each fully paid up		
	Total investments in equity instruments of Associates, carried at cost (c)	**311.96**	**311.96**
	Total investment in Subsidiaries, Joint ventures and Associates (a+b+c)	**934.07**	**934.07**

Table No. 3.11

7. FINANCIAL ASSET

In Rs. Millions

	Particulars	As at March 31, 2020	As at March 31, 2019
7(a)	**INVESTMENTS**		
	Investments carried at amortised cost		
	(A) Investment in Equity Shares		
	237 equity shares in Andhra Bank Ltd of Rs.10/- each*	0.02	0.02
	100 equity shares in Catholic Syrian Bank Ltd of Rs.10/- each	0.03	0.03
	Investments carried at fair value through Profit and Loss		
	(B) Investment in Equity Shares of Gamma Green Power Private Limited (Unquoted)		
	306,977 (March 31, 2019 - 262,473) Equity Shares of Face Value of Rs. 10 each	3.07	2.63
	Less: Impairment in value of investment	(3.07)	(2.63)
		0.05	**0.05**
	Aggregate book value of Quoted Investments	0.05	0.05
	Aggregate market value of Quoted Investments	0.05	0.05
	Aggregate value of Unquoted Investments	3.07	2.63
	Aggregate amount of impairment in value of Investment	3.07	2.63
7(b)	**Loans and deposits, carried at amortized cost**		
	Unsecured considered good		
	- Security Deposits*	43.83	47.22
	- Loans to employees**	27.27	21.42
		71.10	**68.64**

*Security deposit are non-derivative financial assets which generate a fixed or variable interest income for the Company.
**Loan to employees are non-derivative financial assets which generate a fixed or variable interest income for the Company.

7(c)	**Non current bank balances, carried at amortized cost**		
	Deposits with Banks with more than 12 months maturity	114.53	109.77
		114.53	**109.77**

The above balances have been pledged as security by the Company for availing non-fund based facilities (Bank guarantee)

Table No. 3.12

8. INCOME TAX ASSETS (NET)

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (Net of provision for tax)	539.89	652.83
	539.89	**652.83**

Table No. 3.13

9. DEFERRED TAX ASSETS (NET)

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset /(Liability)		
Accelerated depreciation for tax purposes	(494.66)	(566.77)
Revaluation of cash flow hedge	118.34	18.99
Revaluation of FVTPL investments to fair value	0.10	0.10
Impact of disallowance under Section 36(1)(viia) of the Income Tax Act	55.91	46.06
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	55.28	213.51
Carry forward business loss and unabsorbed depreciation	265.03	288.11
MAT credit entitlement	281.45	396.70
	281.45	**396.70**

Table No. 3.14

10. OTHER NON-CURRENT ASSETS

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Capital Advances	0.52	0.82
Loans to Employees Welfare Trust	0.11	0.11
Prepayments	462.59	416.00
	463.22	**416.93**

Table No. 3.15

11. INVESTMENT IN SUBSIDIARY

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in Equity Instrument of SFL Properties Private Limited	-	154.45
Nil equity shares of Face Value of Rs 10 each (March 31, 2019 - 1,560,000 shares)		
	-	**154.45**

Table No. 3.16

During current year, the Company has disposed off its investments in SFL Properties Private Limited. Please also refer Note 43

12. Financial Assets

12(a) Current investments

In Rs. Millions

Particulars	March 31, 2020 Units	March 31, 2020 Amount	March 31, 2019 Units	March 31, 2019 Amount
Trade Investments (Carried at fair value through profit or loss)				
Investment in Mutual Funds - (Unquoted)				
ICICI Prudential Banking and PSU Debt Fund – Daily Dividend	92,33,924	93.57	87,46,386	88.10
Nippon India Short Term Fund-DM	63,61,862	72.15	60,59,298	67.96
Aggregate book value of Unquoted Investments		165.72		156.06
Aggregate market value of Unquoted Investments		165.72		156.06
Aggregate amount of impairment in value of Investment		-		-

Table No. 3.17

Investments in mutual funds are subject to a first charge to secure the company's bank loans.

12(b) Trade receivables

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	804.16	567.38
Receivables from related parties (Refer note 33)	3,651.20	1,599.39
	4,455.36	**2,166.77**
Break-up for Security Details:		
- Secured considered good	-	-
- Unsecured considered good	4,915.80	2,464.45
- Trade Receivables - Credit impaired	21.20	23.95
	4,937.00	**2,488.40**
Impairment Allowance (allowance for bad and Doubtful debts)		
- Unsecured considered good	(460.44)	(297.68)
- Trade Receivables - Credit impaired	(21.20)	(23.95)
	(481.64)	**(321.63)**
	4,455.36	**2,166.77**

Table No. 3.18

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing.

In Rs. Millions

	Particulars	As at March 31, 2020	As at March 31, 2019
12(c)	**Cash and cash equivalent carried at amortized cost**		
	Balance with banks		
	- On Current accounts	289.55	178.64
	- On Deposit accounts	70.01	9.31
		359.56	**187.95**

Table No. 3.19

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Deposit account balances have been pledged as security by the Company for availing non-fund based facilities (Bank guarantee). The changes in liabilities arising from financial activities are only on account of changes in the Cash Flows.
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with banks		(In Rs. Millions)
- On Current accounts	289.55	178.64
- On Deposit accounts	70.01	9.31
	359.56	**187.95**

In Rs. Millions

	Particulars	As at March 31, 2020	As at March 31, 2019
12(d)	**Bank Balances other than Cash and Cash Equivalents**		
	Deposits having a maturity period more than 3 months and less than 12 months	65.64	65.80
		65.64	**65.80**
12(e)	**Loans and deposits carried at amortized cost**		
	Unsecured considered good		
	- Security Deposits *	21.05	19.05
	- Loans to employees **	27.93	37.78
		48.98	**56.83**

*Security deposit are non-derivative financial assets which generate a fixed or variable interest income for the Company.
**Loan to employees are non-derivative financial assets which generate a fixed or variable interest income for the Company.

In Rs. Millions

	Particulars	As at March 31, 2020	As at March 31, 2019
12(f)	**Other financial assets carried at amortized cost**		
	Unsecured considered good		
	Revenue Accrued & not billed *	2,316.33	3,646.73
	Other receivable	31.65	69.27
		2,347.98	**3,716.00**

Table No. 3.20

* The balance as at March 31, 2020 is net of allowance for credit loss of Rs.83.85 million (Previous year ended March 31, 2019 Rs.83.85 million).

13 OTHER CURRENT ASSETS

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
Advances to related parties (Refer note 33)	306.93	254.35
Prepayments and other recoveries	505.18	524.95
Salary advance	5.66	5.77
Balance with Government authorities	142.98	85.70
	960.75	**870.77**

Table No. 3.21

14 SHARE CAPITAL

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
(a)Authorised		
19,48,00,000 equity shares of Rs. 5 each. (March 31, 2019 : 19,48,00,000 equity shares of Rs 5 each)	974.00	974.00
	974.00	**974.00**
(b) Issued, Subscribed and Paid up		
13,23,38,530 equity shares of Rs. 5 each (March 31, 2019: 13,17,74,715 equity shares of Rs 5 each) fully paid up	661.69	658.87
	661.69	**658.87**
Shares held by shareholders holding more than 5 percent shares in the Company.		
Polaris Banyan Holding Private Limited	3,18,61,000	3,18,61,000
Arun Jain	75,56,321	75,56,321
Amansa Holdings Private Limited	86,52,957	-
	34.83%	**29.91%**

Terms/rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share. Equity shares entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

Particulars	Number of shares 2020	Number of shares 2019
Shares outstanding at the beginning of the year/period	13,17,74,715	12,55,29,084
Shares issued under the Preferential allotment	-	52,08,330
Shares issued pursuant to Merger of Lasersoft & IndigoTX	-	528
Shares issued under the Employee Stock Option Scheme	5,63,915	10,36,773
Shares outstanding at the end of the year/period	**13,23,38,630**	**13,17,74,715**

In Rs. Millions

Particulars	2020	2019
Share capital outstanding at the beginning of the year/period	658.87	627.64
Shares issued under the Preferential allotment	-	26.04
Shares issued pursuant to Merger of Lasersoft & IndigoTX	-	0.00
Share capital issued under the Employee Stock Option Scheme	2.82	5.19
Share capital outstanding at the end of the year/period	**661.69**	**658.87**

Table No. 3.22

15 OTHER EQUITY

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Securities premium	5,098.24	5,025.03
Share option outstanding account	427.88	268.03
General Reserve	1,329.41	1,310.80
Retained earnings	1,755.51	2,094.36
Effective portion of Cash flow hedge reserve	(341.93)	(54.87)
	8,269.11	**8,643.35**

Table No. 3.23

15 (a) Securities premium

The Securities premium received during the year represents the premium received towards allotment of 563,915 shares. This balance will be utilised in accordance with the provisions of Section 52 of the Companies Act 2013 towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission / discount expenses on issue of shares / debentures, premium payable on redemption of redeemable preference shares / debentures and buy back of its own shares / securities under Section 68 of the Companies Act 2013.

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	5,025.03	3,923.68
Additions during the year	38.35	1,035.80
Transfer from Share option outstanding account for options exercised during the year	34.86	65.55
Balance at the end of the year	**5,098.24**	**5,025.03**

Table No. 3.24

15 (b) Share option outstanding account

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

In Rs. Millions

Particulars	As at March 31,	
	2020	2019
Balance at the beginning of the year	268.03	289.18
Additions during the year	169.85	55.84
Transfer from Provision on account of issue of Restrictive stock options during the year	43.47	-
Transfer to Securities premium on account of options exercised during the year.	(34.86)	(65.55)
Transfer to General reserve on account of options not exercised for the year	(18.61)	(11.44)
Balance at the end of the year	**427.88**	**268.03**

Table No. 3.25

15 (c) General Reserve

Additions to the general reserve during the year are on account of cancellation of share options post vesting period.

In Rs. Millions

Particulars	As at March 31,	
	2020	2019
Balance at the beginning of the year	1,310.80	1,299.36
Transfer from Share option outstanding account on account of options not exercised for the year	18.61	11.44
Balance at the end of the year	**1,329.41**	**1,310.80**

Table No. 3.26

15 (d) Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported below may not be distributable in entirety.

In Rs. Millions

Particulars	As at March 31,	
	2020	2019
Balance at the beginning of the year	2,094.36	883.20
Profit / (Loss) for the year	(312.76)	1,370.89
Other Comprehensive Income - Re-measurement Loss on Defined Benefit Obligations (Net)	(26.09)	(16.47)
Effect of adoption of Ind AS 115	-	(143.24)
Merger of Indigo & Lasersoft for shares issued to Lasersoft Shareholder	-	(0.02)
Balance at the end of the year	**1,755.51**	**2,094.36**

Table No. 3.27

15 (e) Cash Flow Hedge Reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

In Rs. Millions

Particulars	As at March 31,	
	2020	2019
Balance at the beginning of the year	(54.87)	0.55
Additions / (Deductions) during the year (Net)	(287.06)	(55.42)
Balance at the end of the year	**(341.93)**	**(54.87)**

Table No. 3.28

16 FINANCIAL LIABILITIES

In Rs. Millions

	Particulars	As at March 31,	
		2020	2019
16(a)	Term Loan (Secured)	703.16	960.91
	Current maturities of Long Term Borrowings (Refer note No 17 (d))	(356.09)	(325.45)
		347.07	**635.46**

Term loan from banks (USD) has a moratorium of 12 months from the date of disbursement and repayable in 16 quarterly installments contractually commencing from December 2018. The classification of "Current Maturities of Long Term Borrowings" is done based on management's intention to repay the loan. The loan is measured at amortised cost (net of processing charges) and carries an effective interest of 6.28% per annum and secured by a charge on the Land and buildings of the Company.

16(b)	**Lease Liabilities (Refer note - 39)**	114.41	-
		114.41	**-**

16(c)	**Derivative instruments**		
	Foreign exchange forward contracts (Net) Refer Note 37	179.18	24.16
		179.18	**24.16**

*** Financial liabilities at fair value through OCI**

Financial liabilities at fair value through OCI reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable future sale in USD & GBP.

16(d)	**Other Long Term Liabilities**		
	- Security Deposits	6.00	-
		6.00	**-**

Table No. 3.29

17

FINANCIAL LIABILITIES

In Rs. Millions

	Particulars	As at March 31,	
		2020	2019
17(a)	**Borrowing carried at amortized cost**		
	Secured unless and otherwise specified		
	Loans repayable on demand		
	- from Banks	1,852.17	363.22
		1,852.17	**363.22**

Particulars	Repayable	Security
Pre-shipment credit in foreign currency & Export bills discounting (Currency of loan - USD)		
Pre-shipment credit in foreign currency March 31, 2020 (March 31, 2019)	60 days to 120 days credit period	Land & Building

	Particulars	As at March 31,	
		2020	2019
17(b)	**Lease Liabilities (Refer note - 39)**	54.04	-
		54.04	**-**

Table No. 3.30

	Particulars	As at March 31,	
		2020	2019
17(c)	**Trade payables**		
	- Total outstanding dues of micro enterprises and small enterprises (Refer Note 44)	14.29	22.34
	- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 33 for balance due to related parties)	1,653.06	1,180.59
		1,667.35	**1,202.93**

Table No. 3.31

Note - Trade payables are non-interest bearing.

In Rs. Millions

	Particulars	As at March 31, 2020	As at March 31, 2019
17(d)	**Other financial liabilities carried at amortized cost**		
	Current maturities of long term borrowings (Refer Note 16(a))	356.09	325.46
	Employee benefit payable	120.33	566.19
	Capital creditors	2.74	18.94
	Superannuation payable	72.92	72.69
		552.08	**983.28**

Table No. 3.32

In Rs. Millions

	Particulars	As at March 31, 2020	As at March 31, 2019
17(e)	**Derivative instruments**		
	Foreign exchange forward contracts (Net) Refer Note 37	**162.76**	**30.71**
		162.76	**30.71**

Table No. 3.33

***Financial liabilities at fair value through OCI**

Financial liabilities at fair value through OCI reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable future sale in USD & GBP.

18 OTHER CURRENT LIABILITIES

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Contract Liabilities	601.03	503.65
Advances from related parties (Refer note 33)	352.83	290.99
Statutory dues	73.26	69.06
	1,027.12	**863.70**

Table No. 3.34

19 PROVISIONS

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
- Provision for gratuity (Refer note 31)	220.08	164.30
- Provision for leave benefits	113.26	101.75
	333.34	**266.05**

Table No. 3.35

20 CURRENT TAX LIABILITIES

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
- Provision for taxation (Net of Advance Income tax)	-	44.96
	-	**44.96**

Table No. 3.36

21 REVENUE FROM OPERATIONS

Timing of Revenue Recognition

In Rs. Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
At a point in time	849.37	2,046.79
Over a period of time	6,563.93	7,265.77
Total revenue from operations	**7,413.30**	**9,312.56**

Summary of Contract Balances

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Trade receivables	4,455.36	2,166.77
Contract assets*	2,316.33	3,646.73
Contract liabilities*	601.03	503.65

Table No. 5.37

* Contract assets represents revenue accrued and not billed and unbilled revenues. Contract Liabilities represents Billing in excess of revenue

Set out below is the amount of revenue recognised from:

In Rs. Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Amounts included in contract liabilities at the beginning of the year	503.65	433.84
Revenue recognised from performance obligations satisfied in reporting period	172.96	173.43

Table No. 3.38

Performance obligations & Remaining performance obligiations

Information on Company's performance obligations and remaining performance obligations is summarised in accounting policies (also Refer Note 3.10)

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2020, other than those meeting the exclusion criteria mentioned in Note 3.10, is Rs. 971.07 millions (March 31st, 2019, Rs. 2,017.94 millions). Out of this, the Company expects to recognize revenue of around 86% (March 31st, 2019, 82%) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

In Rs. Millions

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
22(a)	**OTHER INCOME (Recurring and not related unless stated otherwise)**		
	(a) Net gain from sale of investments		
	Profit on sale of investments, carried at fair value through profit or (loss)	-	(0.38)
	(b) Other non-operating Income		
	Fair value gain on financial instruments at fair value through profit or loss	-	0.30
	Net gain on disposal of property, plant and equipment (Non recurring and not related)	96.98	494.46
	Net Gain on foreign currency transaction and translation	26.05	-
	Miscellaneous Income, Net	27.80	67.25
		150.83	**561.63**

Table No. 3.39

In Rs. Millions

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
22(b)	**FINANCE INCOME (Recurring and not related unless stated otherwise)**		
	(a) Interest Income		
	Interest received on deposits with banks	12.95	22.86
	Interest from financial assets carried at amortised cost	57.73	16.56
	(b) Dividend Income		
	Dividends received on investments in mutual funds	8.37	14.02
		79.05	**53.44**

Table No. 3.40

23 EMPLOYEE BENEFIT EXPENSE

In Rs. Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and incentives	4,035.32	4,430.86
Contribution to provident and other funds	219.23	219.84
Gratuity contribution scheme (Refer Note 31)	55.59	52.68
Expense on Employee Stock Option Scheme (ESOP) (Refer Note 32)	169.85	55.84
Staff welfare expenses	136.64	148.17
	4,616.63	**4,907.39**

Table No. 3.41

24 DEPRECIATION AND AMORTIZATION EXPENSE

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Depreciation & Amortization (Refer Note 4 & 5)	485.65	349.37
	485.65	**349.37**

Table No. 3.42

25 FINANCE COSTS

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Interest Expenses	158.03	114.05
	158.03	**114.05**

Table No. 3.43

26 OTHER EXPENSES

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Cost of software packages, consumable and maintenance	317.25	182.79
Travelling expenses	409.87	419.09
Communication expenses	196.98	197.78
Professional and Legal charges	121.17	205.51
Cost Of Technical Sub-Contractors	872.98	1,349.50
Payment to the auditors		
- Statutory audit	5.87	6.70
- for other services	0.60	0.88
- for reimbursement of expenses	0.25	0.44
Power and fuel	66.84	71.19
Rent	18.08	51.17
Repairs - Plant and machinery	45.72	54.88
Repairs - Building	0.01	0.10
Repairs - Others	14.97	31.04
Business promotion	175.64	57.05
Office maintenance	83.56	88.42
Allowances for credit impaired	160.00	131.80
Bad debts / advances written off	-	6.00
Insurance	16.66	14.89
Printing and stationery	6.38	10.39
Rates and taxes excluding taxes on Income	24.37	20.10
Donations	18.88	23.28
Directors' sitting fees	5.30	3.70
Bank charges & commission	40.12	40.27
Miscellaneous expenses	29.43	23.77
Net Loss on foreign currency transaction and translation	-	138.10
	2,630.93	**3,128.84**

Table No. 3.44

27 INCOME TAX

The major components of income tax expense for the years ended March 31 2020 and March 31 2019 are:

Statement of Profit and Loss:

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Current income tax:		
Current income tax charge	-	341.35
MAT credit entitlement	-	(262.19)
Net Current Income Tax	-	79.17
Deferred tax:		
Relating to origination and reversal of temporary differences	-	(22.04)
Ineligble MAT credit written off	115.25	-
Net Deferred Tax	115.25	(22.04)
Total	**115.25**	**57.12**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

Particulars	March 31, 2020	March 31, 2019
Accounting Profit / (loss) before income tax	(248.06)	1,427.98
At India's statutory income tax rate -	34.944%	34.944%
Derived Tax Charge for the year (Restricted to Zero incase of loss)	-	498.99
Adjustments:		
Tax impact arising on account of set off of available losses	-	(441.87)
Ineligble MAT credit written off	115.25	-
Net derived tax charge	**115.25**	**57.12**
Income tax expense reported in the statement of Profit and Loss	**115.25**	**57.12**

Table No. 3.45

28 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

In Rs. Millions

Particulars	Year ended March 31,	
	2020	2019
Profit / (loss) attributable to the equity holders of the company used in calculating basic earnings per share and diluted earnings per share	(312.76)	1,370.86
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (number)		
- Basic	13,23,38,630	12,89,92,229
- Diluted	13,42,91,371	13,19,87,317
Earning per share of Rs.5 each		
- Basic	(2.37)	10.63
- Diluted	(2.37)	10.39

Table No. 3.46

29 COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

In Rs. Millions

Particulars	Retained Earnings	Net movement on cash flow hedges	Total
During the year ended March 31, 2020			
Re-measurement gains/(losses) on defined benefit plans	(26.09)	-	(26.09)
Net movement on cash flow hedges	-	(287.06)	(287.06)
During the year ended March 31, 2019			
Re-measurement gains/(losses) on defined benefit plans	(16.47)	-	(16.47)
Net movement on cash flow hedges	-	(55.42)	(55.42)

Table No. 3.47

30 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Judgements

In the process of applying the Company's accounting policies, management has not made any judgements, which have significant effect on the amounts recognised in the Standalone Financial Statements.

b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on projected sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

2) Share-based payments

The Company initially measures the cost of Equity-settled transactions with employees using a black scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 32.

3) Revenue from Contract with Customers

The Company is required to make an assessment for each new software license contract as to whether the underlying software requires significant modification or customization by the Company in order to meet the customer's requirements. If significant modification or customization is required, then the license fee is recognized based on percentage-of-completion. Majority of such modifications or customizations have not been deemed significant in current or prior periods.

In respect of service revenue, the management exercises judgment in determining the percentage of completion utilizing output measures, such as the achievement of any project milestones stipulated in the contract, or internal quality milestones to assess proportional performance.

The Company also exercises judgment in assessing uncertainties surrounding the probability of collection when payment terms are linked to service implementation milestones or other various contingencies exist. These assessments are made at the outset of the contract.

4) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations and sensitivity analysis are given in Note 31.

5) Taxes

Current Tax for the current year is computed as per the provisions of Section 115JB and the Minimum Alternate Tax liability (MAT) is provided for. Significant management judgements have been involved in evaluating and recognising MAT credit, to be set off against the future taxable profits for which the Company has an eligible carry forward period of 15 years.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

6) Provision for Allowance of Credit Loss

The Company has adopted and laid out its Expected Credit Loss Model (ECL) for determination of the Provision for credit loss allowance, which are primarily in the nature of trade receivables and unbilled revenue. In determining its ECL, assumptions and estimates are made in relation to Nature of customers (Public Sector Banks, Non-Banking Finance Companies, Private Banks etc), billing and collection terms as per the contract, average aging of the customer balance and the past trends of collection.

7) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 40 for further disclosures.

8) Leases

Determining the lease term of contracts with renewal and termination options - Company as lessee:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow.

Refer Note 39 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

31 GRATUITY

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. A trust by name "Intellect Design Group gratuity trust" has been constituted by Intellect Design Arena Limited to administer the gratuity fund.

The following table summaries the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Obligations at the beginning of the period	**299.85**	**248.27**
Current service cost	51.89	44.59
Interest cost	21.36	17.15
Benefits paid	(31.15)	(28.57)
Actuarial (gains) / losses	26.04	18.41
Obligations at the end of the period	**367.99**	**299.85**
Change in plan assets		
Plan assets at period beginning, at fair value	135.55	122.68
Expected Return on plan assets	9.26	9.06
Contributions	34.29	30.45
Actuarial gains / (losses)	(0.04)	1.93
Benefits paid	(31.15)	(28.57)
Plan assets at period end, at fair value	**147.91**	**135.55**
Actual Return on Plan Assets	9.23	11.00
Reconciliation of present value of the obligation and the fair value of plan assets		
Fair value of plan assets at the end of the year	147.91	135.55
Present value of defined benefit obligations at the end of the period	367.99	299.85
Asset / (Liability) recognised in the balance sheet	**(220.08)**	**(164.30)**
a) Non-Current portion	-	-
b) Current portion	(220.08)	(164.30)
Amount recognised in the statement of Profit and Loss under employee benefit expense:		
Service cost	51.89	44.59
Net interest on the net defined liability/asset	12.10	8.09
	63.99	**52.68**
Amount recognised in the statement of Other Comprehensive Income		
(Gain)/Loss from change in demographic assumptions	(9.58)	23.30
(Gain)/Loss from change in financial assumptions	38.92	10.16
Actuarial (Gain)/Loss due to Experience	(3.29)	(15.06)
(Return) / Loss on Plan Assets (greater) / less than discount rate	0.04	(1.93)
	26.09	**16.47**

Particulars	As at March 31, 2020	As at March 31, 2019
Gratuity cost for the period		
Experience adjustments on plan liabilities	26.05	18.41
Experience adjustments on plan assets	0.04	(1.93)
Actual return on plan assets	9.23	11.00
Defined Benefit Obligation	367.99	299.85
Fair Value of Plan Assets	147.91	135.55
Surplus / (deficit)	(220.08)	(164.30)
Experience adjustments on plan liabilities	26.05	18.41
Experience adjustments on plan assets	0.04	(1.93)
Actuarial Assumptions		
Discount rate	6.23%	7.33%
Expected return on plan assets	6.23%	7.33%
Salary growth rate	9.00%	8.75%
Attrition rate	25.82%	22.39%
Estimated amount of contribution to the fund during the year ended March 31, 2020 as estimated by management is Rs. 220 million (PY Rs. 164.29 million)		

Amounts recognised in current year and previous year		
Gratuity		
Defined benefit obligation	367.99	299.85
Plan asset	147.91	135.55
Surplus/(Deficit)	(220.08)	(164.30)
Experience Adjustment on Plan Liabilities (Gain) / Loss	26.05	18.41
Experience Adjustment on Plan Assets Gain / (Loss)	0.04	(1.93)
Estimated amount of contribution to the fund during the Year Ended March 31, 2020, as estimated by management is Rs.220.08 Million (Previous year Rs. 164.30 Million)		

Table No. 3.48

In Rs. Millions

Particulars	Gratuity cost March 31, 2020	Gratuity cost March 31, 2019
Statement of Profit and Loss	55.59	52.68
Other comprehensive Income	26.09	16.47

Notes

(a) The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market

(b) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation

(c) The Composition of Plan assets which is funded with ICICI Prudential Life Insurance, Kotak Mahindra Life Insurance Ltd

Major categories of plan assets (managed by Insurers) as a percentage of fair value of total plan assets	March 31, 2020	March 31, 2019
Assets under insurance schemes	100%	100%

The average duration of the defined benefit plan obligation at the end of the reporting period is 5.72 years (31 March 2019 - 6.4 years)

Table No. 3.49

A quantitative sensitive analysis of the assumption as at March 31, 2020

Assumptions	Discount Rate		Salary Escalation Rate	
Sensitivity level	1%	1%	1%	1%
Activity	Increase	Decrease	Increase	Decrease
Defined benefit obligation	340.68	399.26	392.68	344.80

Table No. 3.50

Assumptions	Attrition rate		Mortality rate
Sensitivity level	1%	1%	10%
Activity	Increase	Decrease	Increase
Defined benefit obligation	362.46	374.04	367.83

Table No. 3.51

A quantitative sensitive analysis of the assumption as at March 31, 2019

Assumptions	Discount Rate		Salary Escalation Rate	
Sensitivity level	1%	1%	1%	1%
Activity	Increase	Decrease	Increase	Decrease
Defined benefit obligation	277.50	325.31	323.86	278.41

Table No. 3.52

Assumptions	Attrition rate		Mortality rate
Sensitivity level	1%	1%	10%
Activity	Increase	Decrease	Increase
Defined benefit obligation	295.41	304.63	299.67

Table No. 3.53

In Rs. Millions

Maturity Profile of defined benefit obligation	Discounted values / Present value	
Particulars	**31-Mar-20**	**31-Mar-19**
Within next 12 months (next annual reporting period)	36.33	30.22
Between 2 and 5 years	92.88	75.22
Between 6 and 10 years	64.61	52.64
More than 10 years	174.17	141.77
Total	**367.99**	**299.85**

Table No. 3.54

32 SHARE BASED PAYMENTS

The Scheme of Arrangement (Demerger) entered into by the Company with Polaris Consulting & Services Limited (Demerged Company) with effect from April 1, 2014 provided for the following in respect of Employee Stock Option Schemes;

i. The Company has adopted three stock option plans (ASOP 2003, ASOP 2004 and ASOP 2011) from Polaris Consulting & Services Limited, as provided in the Scheme of Arrangement.

ii. Every employee holding an option in the Demerged Company under the stock option plans of the Demerged Company, shall be issued one option in the stock option plans formed by the Resulting Company upon the Scheme coming into effect.

iii. The exercise price of the options in the Resulting Company shall be adjusted to 28% of the exercise price of the options granted under the Schemes of the Demerged Company.

Apart from the schemes provided under the Demerger arrangement the company has the following Employee stock option schemes

i. The Company has formulated two stock option plans (Intellect Stock Option Plan 2015, Intellect Stock Option Plan 2016) of its own.

These plans provide for the granting of stock options to employees including directors of the Company (not being promoter directors and not holding more than 10% of the equity shares of the Company). The objectives of these plans include attracting and retaining the best personnel, providing for additional performance incentives and promoting the success of the Company by providing employees the opportunity to acquire equity shares.

During the year 2017-18, the Company had offered rights issue to its shareholders. Consequent to this corporate action, the market price of the shares reduced from Rs. 130.60 to Rs. 118.20. The ESOP scheme of the Company specifically requires the Compensation/Nomination & Remuneration Committee to make a fair and reasonable adjustment to the option terms in case of corporate action. Considering the above, the Nomination and Remuneration Committee of Intellect on 09th November 2017 has revised/ reduced the exercise prices of outstanding options (both vested and unvested) as on the record date i.e 18th July, 2017 by 15 %. The fair values before and after the modification have remained unchanged and there is no incremental impact in the Income statement. The option plans are summarized below:

Associate Stock Option Plan 2003

The Plan is effective from October 9, 2014 and the Company has received in principle approval from the National Stock Exchange on February 16, 2015 and from the Bombay Stock Exchange on March 3, 2015. The 2003 Plan provides for issuance of 26,03,850 options, convertible to equivalent number of equity shares of Rs. 5 each, to the employees including directors of the Company. The options are granted at the market price on the date of the grant. The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The option vests over a period of 5 years from the date of grant in a graded manner, with 20% of the options vesting each year. The exercise period shall commence from the date of vesting and expires within 36 months from the last vesting date.

No compensation cost has been recorded as the scheme terms are fixed and there were no shares vesting after the transition date of April 1, 2015. A summary of the status of the options granted under 2003 plan at March 31, 2020 is presented below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	15,800	37.79
Granted During the period	-	-
Exercised during the year	(9,000)	41.13
Forfeited during the year	-	
Expired during the year	(6,800)	33.37
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-

Table No. 3.55

Particulars	March 31, 2020
Range of exercise price (Rs.)	30.58 - 41.13
Weighted average remaining contractual life (in years)	-
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	254.68

Table No. 3.56

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	47,100	42.25
Granted During the period	-	-
Exercised during the year	(11,800)	43.46
Forfeited during the year	-	-
Expired during the year	(19,500)	45.14
Outstanding at the end of the year	15,800	37.79
Exercisable at the end of the year	15,800	37.79

Table No. 3.57

Particulars	March 31, 2019
Range of exercise price (Rs.)	30.58 - 49.68
Weighted average remaining contractual life (in years)	0.39
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	198.52

Table No. 3.58

Associate Stock Option Plan 2004

The Plan is effective from October 9, 2014 and the Company has received in principle approval from the National Stock Exchange and the Bombay Stock Exchange on February 16, 2015. The 2004 Plan provides for issuance of 8,24,645 options, convertible to equivalent number of equity shares of Rs. 5 each, to the employees, including directors. The options are granted at the market price on the date of the grant. The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The option vests over a period of 5 years from the date of grant in a graded manner, with 20% of the options vesting each year. The exercise period shall commence from the date of vesting and expires within 36 months from the last vesting date.

No compensation cost has been recorded as the scheme terms are fixed and there were no shares vesting after the transition date of April 1, 2015. A summary of the status of the options granted under 2004 plan at March 31, 2020 is presented below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	5,000	30.58
Granted During the period	-	-
Exercised during the year		-
Forfeited during the year	-	-
Expired during the year	(5,000)	30.58
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-

Table No. 3.59

Particulars	March 31, 2020
Range of exercise price (Rs.)	-
Weighted average remaining contractual life (in years)	-
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	-

Table No. 3.60

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	53,000	42.79
Granted during the year	-	-
Exercised during the year	(38,000)	44.05
Forfeited during the year	-	-
Expired during the year	(10,000)	44.26
Outstanding at the end of the year	5,000	30.58
Exercisable at the end of the year	5,000	30.58

Table No. 3.61

Particulars	March 31, 2019
Range of exercise price (Rs.)	30.58 to 44.26
Weighted average remaining contractual life (in years)	0.56
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	169.68

Table No. 3.62

Associate Stock Option Plan 2011

The Plan is effective from October 9, 2014 and the Company has received in principle approval from the National Stock Exchange on February 16, 2015 and the Bombay Stock Exchange on February 19, 2015. The 2011 Plan provides for issuance of 48,88,450 options, convertible to equivalent number of equity shares of Rs. 5 each, to the employees. The plan shall be administered under 4 different schemes based on the following terms:

Particulars	Swarnam 11	Swarnam 21	Swarnam 31	Swarnam 41
Eligible employees	Senior and Key executives excluding non-executive directors	Members of Business leadership team or equivalent thereof excluding non-executive directors	Associates in the grade of Executive Vice president and above, excluding non executive directors	Non - Executive directors
Maximum number of options grantable	36,48,450 Less: Number of Options granted under Swarnam 21	17,36,000	12,40,000 Less: Number of Options granted under Swarnam 41	2,00,000

Table No. 3.63

Grant price

Market price upto Rs. 49	Market price	Market price	Market price	Market price
Market price between Rs. 49 - Rs. 140	15% discount on market price. (Subject to being Not lower than Rs 49)	30% discount on market price. (Subject to being Not lower than Rs 49)	50% discount on market price. (Subject to being Not lower than Rs 49)	Market price
Market price greater than Rs.140	10% discount on market price	20% discount on market price	50% discount on market price	Market price

Table No. 3.64

The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The options shall be valued using the fair value model.

The option vests over a period of 5 years from the date of grant in a graded manner, subject to fulfillment of vesting conditions as follows:

Vesting Schedule	Swarnam 11	Swarnam 21	Swarnam 31	Swarnam 41
Service conditions				
At the end of Year 1	10%	0%	0%	20%
At the end of Year 2	15%	0%	0%	20%
At the end of Year 3	20%	33%	33%	20%
At the end of Year 4	25%	33%	33%	20%
At the end of Year 5	30%	34%	34%	20%

Table No. 3.65

Performance conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating
Companies target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth.	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth.	NA	NA

Table No. 5.66

The exercise period shall commence from the date of vesting and expires within 60 calendar months from the relevant vesting date.

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	6,13,062	39.33
Granted during the year	-	-
Exercised during the year	(1,95,090)	38.45
Forfeited during the year	(24,500)	48.16
Expired during the year	(55,450)	11.51
Outstanding at the end of the year	3,38,022	39.06
Exercisable at the end of the year	3,38,022	39.06

Table No. 3.67

Particulars	March 31, 2020
Range of exercise price (Rs.)	25.94 to 62.35
Weighted average remaining contractual life (in years)	3.16
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	217.55

Table No. 3.68

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	13,12,380	43.06
Granted during the year	-	-
Exercised during the year	(5,65,318)	35.51
Forfeited during the year	(71,240)	44.65
Expired during the year	(62,460)	37.70
Outstanding at the end of the year	6,13,062	39.33
Exercisable at the end of the year	4,97,842	37.07

Table No. 3.69

Particulars	March 31, 2019
Range of exercise price (Rs.)	25.94 to 62.35
Weighted average remaining contractual life (in years)	4.24
Weighted average fair value of options granted	-
Weighted average market price of shares on the date of exercise(Rs.)	196.96

Table No. 3.70

Scheme	ASOP 2011				
Grant ID	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11
Grant date	20-Jan-12	24-Apr-12	24-Jul-12	22-Oct-12	22-Jan-13
Stock Price	134.40	150.75	113.20	126.15	141.95
Stock Price (as at date of revision of Exsercise Price)	118.20	118.20	118.20	118.20	118.20
Risk-free interest rate	8.08%	8.47%	8.10%	8.11%	7.90%
Revised Exercise Price	114.24	128.14	96.22	107.23	120.66
Expected life (Years)	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5
Expected volatility	59.31%	20.00%	20.00%	20.00%	43.86%
Expected dividend yield	1.54%	0%	0%	0%	2%

Table No. 3.71

Scheme	ASOP 2011				
Grant ID	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11	Swarnam 11
Grant date	27-Apr-13	30-Jul-13	22-Oct-13	7-Mar-14	10-Mar-14
Stock Price	114.70	109.00	141.25	153.40	143.70
Stock Price (as at date of revision of Exsercise Price)	118.20	118.20	118.20	118.20	118.20
Risk-free interest rate	7.59%	8.74%	8.56%	8.93%	8.96%
Revised Exercise Price	97.50	92.65	120.06	130.39	122.15
Expected life (Years)	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5	3.5 - 7.5
Expected volatility	20.00%	20.00%	20.00%	20.00%	44.67%
Expected dividend yield	0%	0%	0%	0%	2.26%

Table No. 3.72

Scheme	ASOP 2011			
Grant ID	Swarnam 21 & 31	Swarnam 21 & 31	Swarnam 11	Swarnam 21 & 31
Grant date	10-Mar-14	30-Apr-14	7-Jan-15	7-Jan-15
Stock Price	143.70	183.55	86.30	86.30
Stock Price (as at date of revision of Exsercise Price)	118.20	118.20	118.20	118.20
Risk-free interest rate	9.09%	8.86%	8.07%	8.02%
Revised Exercise Price	122.15	148.75	51.35	51.35
Expected life (Years)	5.5 - 7.5	5.5 - 7.5	3.5 - 7.5	5.5 - 7.5
Expected volatility	20.00%	55.21%	20.00%	20.00%
Expected dividend yield	0%	2.407%	0%	0%

Table No. 3.73

Intellect Stock option Plan 2015

The Shareholders of the Company in the Extraordinary General Meeting held on January 29, 2015 approved the Intellect Stock Option Plan 2015. The 2015 plan provides for issuance of 60,00,000 options convertible into equivalent number of equity shares of Rs 5/- each to employees but shall exclude independent directors, an employee belonging to the promoter group or a director holding more than 10% of the share capital. The tenure of the Scheme is for 12 years from the date of coming into effect and shall be extended by a period of not more than 5 years as the Board of Directors may decide. The plan shall be administered under 5 different schemes based on the following terms:

Particulars	Swarnam 11	Swarnam 21	Swarnam 31	Swarnam 41
Eligible employees	Senior and Key executives excluding non-executive directors	Members of Business leadership team or equivalent thereof excluding non-executive directors	Associates in the grade of Executive Vice president and above, excluding non executive directors	Non - Executive directors
Maximum number of options grantable	3,720,000 Less: Number of Options granted under Swarnam 21	1,736,000	1,240,000 Less: Number of Options granted under Swarnam 41	200,000

Table No. 3.74

Grant price

	Swarnam 101	Swarnam 201	Swarnam 301	Swarnam 401	Swarnam 501
Market price upto Rs. 49	Market price	Market price	Market price	Market price	Market price
Market price between Rs. 49 - Rs. 140	15% discount on market price. (Subject to being Not lower than Rs 49)	30% discount on market price. (Subject to being Not lower than Rs 49)	50% discount on market price. (Subject to being Not lower than Rs 49)	25% discount on market price. (Subject to being Not lower than Rs 49)	Upto 50% discount on market price. (Subject to being Not lower than Rs 49)
Market price greater than Rs.140	10% discount on market price	20% discount on market price	50% discount on market price	25% discount on market price (Subject to being not lower than Rs. 49)	Upto 50% discount on market price. (Subject to being not lower than Rs. 49)

Table No. 3.75

The market price, in accordance with the Securities and Exchange Board of India (Share based employee benefits) Regulations 2014 as amended from time to time, shall be the latest available closing price prior to the date of the meeting of the Board of Directors in which options are granted, on the stock exchange on which the shares of the Company are listed. If the Shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume on the said date shall be considered. The options shall be valued using the fair value model.

The option vests over a period of 5 years from the date of grant in a graded manner, subject to fulfillment of vesting conditions as follows:

Particulars	Swarnam 101	Swarnam 201	Swarnam 301	Swarnam 401	Swarnam 501
Service conditions					
At the end of year 1	10%	0%	0%	0%	0%
At the end of year 2	15%	0%	0%	0%	0%
At the end of year 3	20%	33%	33%	33%	33%
At the end of year 4	25%	33%	33%	33%	33%
At the end of year 5	30%	34%	34%	34%	34%

Table No. 3.76

Performance Conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating.
Company's target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth

Table No. 3.77

The exercise period shall commence from the date of vesting and expires within 60 calendar months from the relevant vesting date.

A summary of the status of the options granted under 2015 plan at March 31, 2020 is presented below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	50,28,770	123.12
Granted during the year	7,10,000	178.35
Exercised during the year	(3,12,825)	92.00
Forfeited during the year	(4,16,050)	135.87
Expired during the year	(1,54,100)	139.04
Outstanding at the end of the year	48,55,795	131.56
Exercisable at the end of the year	22,69,675	120.67

Table No. 3.78

Particulars	March 31, 2020
Range of exercise price	77.18 to 238.59
Weighted average remaining contractual life (in years)	5.29
Weighted average fair value of options granted	114.25
Weighted average market price of shares on the date of exercise	198.86

Table No. 3.79

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	56,33,300	121.99
Granted during the year	4,00,000	163.57
Exercised during the year	(4,31,755)	99.98
Forfeited during the year	(4,64,337)	126.85
Expired during the year	(1,08,438)	137.92
Outstanding at the end of the year	50,28,770	123.12
Exercisable at the end of the year	15,39,250	120.57

Table No. 3.80

Particulars	March 31, 2019
Range of exercise price	77.18 to 184.46
Weighted average remaining contractual life (in years)	5.80
Weighted average fair value of options granted	114.10
Weighted average market price of shares on the date of exercise	210.93

Table No. 3.81

The fair value of options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants in FY 19-20

SWARNAM 101- ISOP 2015

Date of Grant: 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023	24-Feb-2024	24-Feb-2025
Market Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.80	49.80	52.66	52.66	52.66
Riskfree Rate (%)	5.83	6.01	6.16	6.29	6.39
Exercise Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**59.79**	**69.00**	**78.86**	**85.28**	**90.93**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**80.70**		

Table No. 3.82

SWARNAM 101- ISOP 2015

Date of Grant: 02/August/2019	02-Aug-2020	02-Aug-2021	02-Aug-2022	02-Aug-2023	02-Aug-2024
Market Price (Rupees)	225.10	225.10	225.10	225.10	225.10
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.7	51.9	53.35	53.35	53.35
Riskfree Rate (%)	6.03	6.16	6.28	6.37	6.46
Exercise Price (Rupees)	202.59	202.59	202.59	202.59	202.59
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**102.77**	**119.24**	**132.00**	**141.49**	**149.87**
Vest Percent (%)	10.00	15.00	20.00	25.00	30.00
Option Fair Value (Rupees)			**134.90**		

Table No. 3.83

SWARNAM 101- ISOP 2015

Date of Grant: 22/June/2019	21-Jun-2020	21-Jun-2021	21-Jun-2022	21-Jun-2023	21-Jun-2024
Market Price (Rupees)	265.10	265.10	265.10	265.10	265.10
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	49.77	53.80	53.80	53.80	53.80
Riskfree Rate (%)	6.43	6.57	6.69	6.78	6.86
Exercise Price (Rupees)	238.59	238.59	238.59	238.59	238.59
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**123.79**	**144.62**	**157.64**	**168.91**	**178.81**
Vest Percent (%)	10.00	15.00	20.00	25.00	30.00
Option Fair Value (Rupees)			**161.47**		

Table No. 3.84

SWARNAM 101- ISOP 2015

Date of Grant: 02/May/2019	02-May-2020	02-May-2021	02-May-2022	02-May-2023	02-May-2024
Market Price (Rupees)	227.30	227.30	227.30	227.30	227.30
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	50.82	54.36	54.36	54.36	54.36
Riskfree Rate (%)	6.99	7.12	7.23	7.33	7.51
Exercise Price (Rupees)	204.57	204.57	204.57	204.57	204.57
Dividend yield (%)	-	-	-	-	-
Fair Value per vest (Rupees)	**108.85**	**126.25**	**137.53**	**147.33**	**155.88**
Vest Percent (%)	10.00	15.00	20.00	25.00	30.00
Option Fair Value (Rupees)			**140.93**		

Table No. 3.85

Grants in FY 18-19

SWARNAM 101- ISOP 2015

Date of Grant: 06/May/2018	06-May-2019	06-May-2020	06-May-2021	06-May-2022	06-May-2023
Market Price (Rs.)	195.7	195.7	195.7	195.7	195.7
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	54.68	54.68	54.68	54.68	54.68
Riskfree Rate (%)	7.58	7.74	7.83	7.9	7.94
Exercise Price (Rs)	176.13	176.13	176.13	176.13	176.13
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**98.89**	**110.51**	**120.32**	**128.77**	**136.06**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**123.54**		

Table No. 3.86

SWARNAM 101- ISOP 2015

Date of Grant: 25/Jul/2018	25-Jul-2019	25-Jul-2020	25-Jul-2021	25-Jul-2022	25-Jul-2023
Market Price (Rs.)	204.95	204.95	204.95	204.95	204.95
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.07	54.58	54.58	54.58	54.58
Riskfree Rate (%)	7.75	7.88	7.97	8.01	8.04
Exercise Price (Rs)	184.46	184.46	184.46	184.46	184.46
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**102.25**	**115.98**	**126.28**	**135.06**	**142.68**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**129.45**		

Table No. 3.87

SWARNAM 101- ISOP 2015

Date of Grant: 15/Feb/2019	15-Feb-2020	15-Feb-2021	15-Feb-2022	15-Feb-2023	15-Feb-2024
Variables					
Market Price (Rs.)	162.5	162.5	162.5	162.5	162.5
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	52.38	54.96	54.96	54.96	54.96
Riskfree Rate (%)	6.98	7.11	7.22	7.32	7.4
Exercise Price (Rs)	146.25	146.25	146.25	146.25	146.25
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**79.13**	**90.76**	**98.84**	**105.84**	**111.94**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**101.34**		

Table No. 3.88

The expected life of stock is based on historical data and current expectation and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Intellect Stock option Plan 2016

The Shareholders of the Company in the Extraordinary General Meeting held on May 03, 2016 approved Intellect Stock Option Plan 2016. The 2016 plan provides for issuance of 40,00,000 options convertible into equivalent number of equity shares of Rs 5/- each to employees but shall exclude independent directors, an employee belonging to the promoter group or a director holding more than 10% of the share capital. The tenure of the Scheme is for 12 years from the date of coming into effect and shall be extended by a period of not more than 5 years as the Board of Directors may decide. A summary of the status of the options granted under 2016 plan at March 31, 2020 is presented as below:

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	31,26,200	131.58
Granted during the year	12,67,000	185.93
Exercised during the year	(47,000)	96.62
Forfeited during the year	(6,64,000)	139.27
Expired during the year	(17,950)	132.94
Outstanding at the end of the year	36,64,250	149.38
Exercisable at the end of the year	5,78,850	113.67

Table No. 3.89

Particulars	March 31, 2020
Range of exercise price (Rs.)	83.09 to 225.34
Weighted average remaining contractual life (in years)	6.82
Weighted average fair value of options granted	133.18
Weighted average market price of shares on the date of exercise(Rs.)	211.09

Table No. 3.90

Particulars	March 31, 2019	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	32,53,100	94.73
Granted during the year	14,19,000	167.26
Exercised during the year	(27,600)	117.39
Forfeited during the year	(15,10,050)	85.17
Expired during the year	(8,250)	91.60
Outstanding at the end of the year	31,26,200	131.58
Exercisable at the end of the year	1,96,650	102.05

Table No. 3.91

Particulars	March 31, 2019
Range of exercise price (Rs.)	77.18 to 174.21
Weighted average remaining contractual life (in years)	7.33
Weighted average fair value of options granted	126
Weighted average market price of shares on the date of exercise(Rs.)	188.77

Table No. 3.92

Service conditions

Particulars	Swarnam 501	Swarnam 101
Service conditions		
At the end of year 1	33%	10.00%
At the end of year 2	33%	15.00%
At the end of year 3	34%	20.00%
At the end of year 4	-	25.00%
At the end of year 5	-	30.00%

Table No. 3.93

Performance Conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating.
Company's target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth

Table No. 3.94

The fair value of options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants in FY 19-20

SWARNAM 101- ISOP 2016

Date of Grant: 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023	24-Feb-2024	24-Feb-2025
Market Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.80	49.80	52.66	52.66	52.66
Riskfree Rate (%)	5.83	6.01	6.16	6.29	6.39
Exercise Price (Rupees)	142.45	142.45	142.45	142.45	142.45
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**59.79**	**69.00**	**78.86**	**85.28**	**90.93**
Vest Percent (%)	10.00	15.00	20.00	25.00	30.00
Option Fair Value (Rupees)			**80.70**		

Table No. 3.95

SWARNAM 101- ISOP 2016

Date of Grant: 02/August/2019	02-Aug-2020	02-Aug-2021	02-Aug-2022	02-Aug-2023	02-Aug-2024
Market Price (Rupees)	225.10	225.10	225.10	225.10	225.10
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.7	51.9	53.35	53.35	53.35
Riskfree Rate (%)	6.03	6.16	6.28	6.37	6.46
Exercise Price (Rupees)	191.34	191.34	191.34	191.34	191.34
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**107.04**	**122.9**	**135.22**	**144.39**	**152.5**
Vest Percent (%)	10.00	15.00	20.00	25.00	30.00
Option Fair Value (Rupees)			**138.03**		

Table No. 3.96

SWARNAM 101- ISOP 2016

Date of Grant: 22/June/2019	21-Jun-2020	21-Jun-2021	21-Jun-2022	21-Jun-2023	21-Jun-2024
Market Price (Rupees)	265.10	265.10	265.10	265.10	265.10
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	49.77	53.80	53.80	53.80	53.80
Riskfree Rate (%)	6.43	6.57	6.69	6.78	6.86
Exercise Price (Rupees)	225.34	225.34	225.34	225.34	225.34
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**128.74**	**148.79**	**161.37**	**172.27**	**181.84**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**165.08**		

Table No. 3.97

SWARNAM 101- ISOP 2016

Date of Grant: 02/May/2019	02-May-2020	02-May-2021	02-May-2022	02-May-2023	02-May-2024
Market Price (Rupees)	227.30	227.30	227.30	227.30	227.30
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	50.82	54.36	54.36	54.36	54.36
Riskfree Rate (%)	6.99	7.12	7.23	7.33	7.41
Exercise Price (Rupees)	193.21	193.21	193.21	193.21	193.21
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rupees)	**113.02**	**129.77**	**140.68**	**150.16**	**158.42**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**143.97**		

Table No. 3.98

Grants in FY 18-19

SWARNAM 101- ISOP 2016

Date of Grant: 06/May/2018	06-May-2019	06-May-2020	06-May-2021	06-May-2022	06-May-2023
Market Price (Rupees)	195.7	195.7	195.7	195.7	195.7
Expected Life	3.51	4.51	5.51	6.51	7.51
Volatility (%)	54.68	54.68	54.68	54.68	54.68
Riskfree Rate (%)	7.58	7.74	7.74	7.9	7.94
Exercise Price (Rupees)	166.35	166.35	166.35	166.35	166.35
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rupees)	**102.27**	**113.51**	**122.99**	**131.15**	**138.2**
Vest Percent (%)	10	15	20	25	30
Option Fair Value (Rupees)			**126.1**		

Table No. 3.99

SWARNAM 101- ISOP 2016

Date of Grant: 25/Jul/2018	25-Jul-2019	25-Jul-2020	25-Jul-2021	25-Jul-2022	25-Jul-2023
Market Price (Rs.)	204.95	204.95	204.95	204.95	204.95
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.07	54.58	54.58	54.58	54.58
Riskfree Rate (%)	7.75	7.88	7.97	8.01	8.04
Exercise Price (Rs.)	174.21	174.21	174.21	174.21	174.21
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**105.88**	**119.12**	**129.07**	**137.56**	**144.92**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**132.14**		

Table No. 3.100

SWARNAM 101- ISOP 2016

Date of Grant: 14/Oct/2018	14-Oct-2019	14-Oct-2020	14-Oct-2021	14-Oct-2022	14-Oct-2023
Market Price (Rs.)	204.6	204.6	204.6	204.6	204.6
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.07	55.29	55.29	55.29	55.29
Riskfree Rate (%)	7.79	7.87	7.94	7.99	8.04
Exercise Price (Rs.)	173.91	173.91	173.91	173.91	173.91
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rs.)	**105.79**	**119.62**	**129.51**	**138**	**145.39**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**132.54**		

Table No. 3.101

SWARNAM 101- ISOP 2016

Date of Grant: 25/Oct/2018	25-Oct-2019	25-Oct-2020	25-Oct-2021	25-Oct-2022	25-Oct-2023
Market Price (Rs.)	196.7	196.7	196.7	196.7	196.7
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	53.22	55.34	55.34	55.34	55.34
Riskfree Rate (%)	7.65	7.75	7.83	7.89	7.94
Exercise Price (Rs.)	167.2	167.2	167.2	167.2	167.2
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**101.55**	**114.77**	**124.28**	**132.45**	**139.55**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**127.2**		

Table No. 3.102

SWARNAM 101- ISOP 2016

Date of Grant: 15/Feb/2019	15-Feb-2020	15-Feb-2021	15-Feb-2022	15-Feb-2023	15-Feb-2024
Market Price (Rs.)	162.5	162.5	162.5	162.5	162.5
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	52.38	54.96	54.96	54.96	54.96
Riskfree Rate (%)	6.98	7.11	7.22	7.32	7.4
Exercise Price (Rs.)	138.13	138.13	138.13	138.13	138.13
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	**82.04**	**93.25**	**101.06**	**107.83**	**113.73**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**103.48**		

Table No. 3.103

Intellect Incentive Plan Scheme 2018

The Shareholders of the Company in the Annual General Meeting held on August 23, 2018 approved Intellect Incentive Plan Scheme 2018. The 2018 plan provides for issuance of 30,00,000 options through Restrictive Stock Units (RSU's) 2018 and 32,50,000 options through ISOP 2018 in total 62,50,000 options convertible into equivalent number of equity shares of Rs. 5/- each to employees but shall exclude independent directors, an employee belonging to the promoter group or a director holding more than 10% of the share capital. The tenure of the scheme for RSU 2018 it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Restricted Stock Units available for issuance under the RSU 2018 / Stock Options 2018 have been issued and exercised, whichever is earlier and for ISOP 2018 is 12 years from the date of the Scheme coming to force. The scheme shall be extended by a period of not more than 5 years as the Board of Directors may decide. A summary of the status of the options granted under Intellect Incentive Plan scheme 2018 at March 31, 2020 is presented below:-

RSU 2018

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	-	-
Granted during the year	2,42,688	5.00
Exercised during the year	-	-
Forfeited during the year	(7,050)	5.00
Expired during the year	-	-
Outstanding at the end of the year	2,35,638	5.00
Exercisable at the end of the year	-	-

Table No. 5.104

Particulars	March 31, 2020
Range of exercise price (Rs.)	5.00
Weighted average remaining contractual life (in years)	5.98
Weighted average fair value of options granted	207.00
Weighted average market price of shares on the date of exercise(Rs.)	-

Table No. 3.105

Service conditions

Particulars	Type 1	Type 2
Service conditions		
At the end of year 1	100%	33.00%
At the end of year 2	-	33.00%
At the end of year 3	-	34.00%

Table No. 3.106

The fair value of options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants in FY 19-20

Type 1	Date of Grant: 22/June/2019 & Vesting - 21/June 2020	Date of Grant: 2/August/2019 & Vesting - 2/August/2020
Market Price (Rupees)	265.10	225.10
Expected Life	3.51	3.51
Volatility (%)	49.77	48.70
Riskfree Rate (%)	6.43	6.03
Exercise Price (Rupees)	5.00	5.00
Dividend yield (%)	-	-
Fair Value per vest (Rupees)	261.11	221.05
Vest Percent (%)	100.00	100.00
Option Fair Value (Rupees)	261.11	221.05

Table No. 3.107

Type 2 - Date of Grant - 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023
Market Price (Rupees)	142.45	142.45	142.45
Expected Life	3.51	4.51	5.51
Volatility (%)	48.80	49.80	52.66
Riskfree Rate (%)	5.83	6.01	6.16
Exercise Price (Rupees)	5.00	5.00	5.00
Dividend yield (%)	-	-	-
Fair Value per vest (Rupees)	138.38	138.64	138.90
Vest Percent (%)	33.33	33.33	33.34
Option Fair Value (Rupees)	**261.11**		

Table No. 3.108

ISOP 2018

Particulars	March 31, 2020	
	Number of Shares	Weighted Average Exercise Price (Rs.)
Outstanding at the beginning of the year	-	
Granted during the year	5,95,000	173.95
Exercised during the year	-	-
Forfeited during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	5,95,000	173.95
Exercisable at the end of the year	-	-

Table No. 5.109

Particulars	March 31, 2020
Range of exercise price (Rs.)	142.45 -193.21
Weighted average remaining contractual life (in years)	7.86
Weighted average fair value of options granted	120.05
Weighted average market price of shares on the date of exercise(Rs.)	-

Table No. 3.110

Service conditions

Particulars	Swarnam 101	Swarnam 501
Service conditions		
At the end of year 1	10%	0%
At the end of year 2	15%	0%
At the end of year 3	20%	33%
At the end of year 4	25%	33%
At the end of year 5	30%	34%

Table No. 3.111

Performance Conditions

Performance rating	20% of the options granted for each year shall be subject to meeting of minimum specified annual performance rating.
Company's target EPS growth	Accelerated vesting of 5%/10% each year, based on Company achieving specified target EPS growth

Table No. 3.112

The fair value of options was estimated at the date of grant using the Black Scholes Model with the following assumptions:

Grants in FY 19-20

SWARNAM 101- ISOP 2018

Date of Grant: 24/Feb/2020	24-Feb-2021	24-Feb-2022	24-Feb-2023	24-Feb-2024	24-Feb-2025
Market Price (Rs.)	142.45	142.45	142.45	142.45	142.45
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.80	49.80	52.66	52.66	52.66
Riskfree Rate (%)	5.83	6.01	6.16	6.29	6.39
Exercise Price (Rs.)	142.45	142.45	142.45	142.45	142.45
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rs.)	**59.79**	**69.00**	**78.86**	**85.28**	**90.93**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**80.70**		

Table No. 3.113

Date of Grant: 02/May/2019	02-May-2020	02-May-2021	02-May-2022	02-May-2023	02-May-2024
Market Price (Rs.)	227.30	227.30	227.30	227.30	227.30
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	50.82	54.36	54.36	54.36	54.36
Riskfree Rate (%)	6.99	7.12	7.23	7.33	7.41
Exercise Price (Rs.)	193.21	193.21	193.21	193.21	193.21
Dividend yield (%)	0.00	0.00	0.00	0.00	0.00
Fair Value per vest (Rs.)	**113.02**	**129.77**	**140.68**	**150.16**	**158.42**
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**143.97**		

Table No. 3.114

SWARNAM 101- ISOP 2018

Date of Grant: 02/August/2019	02-Aug-2020	02-Aug-2021	02-Aug-2022	02-Aug-2023	02-Aug-2024
Market Price (Rs.)	225.10	225.10	225.10	225.10	225.10
Expected Life (In Years)	3.51	4.51	5.51	6.51	7.51
Volatility (%)	48.7	51.9	53.35	53.35	53.35
Riskfree Rate (%)	6.03	6.16	6.28	6.37	6.46
Exercise Price (Rs.)	191.34	191.34	191.34	191.34	191.34
Dividend yield (%)	0	0	0	0	0
Fair Value per vest (Rs.)	107.04	122.9	135.22	144.39	152.5
Vest Percent (%)	10	15	20	25	30
Options Fair Value (Rs.)			**144.12**		

Table No. 3.115

33 Related party transactions

33(a) List of related parties

Subsidiaries

1. Intellect Design Arena Pte Ltd, Singapore ('Intellect Singapore')
2. Intellect Design Arena Limited, United Kingdom ('Intellect UK')
3. Intellect Design Arena SA, Switzerland ('Intellect Switzerland')
4. Intellect Design Arena FZ-LLC, Dubai ('Intellect Dubai')
5. Intellect Commerce Limited, India ('Intellect Commerce')
6. Intellect Design Chile Ltda, Chile ('Intellect Chile') *
7. Intellect Design Arena Inc, USA ('Intellect Inc. – SEEC US')**
8. SEEC Technologies Asia Private Limited, India ('Seec Asia')***
9. Intellect Design Arena Co. Ltd, Vietnam ('Intellect Vietnam')
10. SFL Properties Private Ltd, India ('SFL Properties') (upto June 13, 2019)
11. Intellect Design Arena Philippines Inc. (' Intellect Philippines')**
12. Sonali Intellect Limited, Bangladesh ('Sonali Intellect')
13.Intellect Design Arena, PT Indonesia ('Intellect Indonesia')**
14.Intellect Design Arena Inc.('Intellect Canada')*
15.Intellect Design Arena Limited. ('Intellect Thailand')**
16.Intellect Design Arena,SDN BHD.('Intellect Malaysia')**
17.Intellect Design Arena Pty Ltd.('Intellect Australia')**
18.Intellect Payments Limited ('Intellect Payments')
19.Intellect India Limited ('Intellect India')
20.Intellect Design Arena Limited ('Intellect Kenya')
21. FT Grid Pte Ltd, Singapore ('FT Grid')** (upto November 11, 2019)

* Subsidiaries of Intellect Design Arena Limited, UK
** Subsidiaries of Intellect Design Arena Pte Ltd, Singapore
*** Subsidiary of Intellect Design Arena Inc., USA

Associates

1. NMS Works Software Private Limited, India ('NMS')
2. Adrenalin eSystems Limited, India ('Adrenalin eSystems')

Joint Venture

1. Intellect Polaris Design LLC,USA ('IPDLLC USA')

Others

(a) Enterprises that directly or indirectly through one or more intermediaries, over which Key Management Personnel is able to exercise significant influence.

1. Polaris Banyan Holding Private Ltd, India ('Polaris Banyan')
2.Maveric Systems Limited

(b) Key management personnel (KMP)

1. Mr. Arun Jain, Managing Director
2. Mr. Venkateswarlu Saranu, Chief Financial Officer
3. Mr. Naresh VV, Company Secretary
4. Mr. Balaraman V, Independent Director (Retired w.e.f. August 21, 2019)
5. Mr. Arun Shekhar Aran, Audit Committee Chairman
6. Mr. Anil Kumar Verma, Director
7. Mrs.Vijaya Sampath, Independent Director
8. Mrs. Aruna Krishnamurthy Rao, Independent Director
9. Mr. Andrew Ralph England, Director

33(b) Transactions and Balances with related parties

In Rs. Millions

Particulars	Subsidiaries	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
TRANSACTIONS DURING THE YEAR		
Advances given		
Intellect Singapore	0.33	0.28
Intellect Canada	1.58	1.80
SEEC US	0.44	-
Intellect UK	6.99	8.61
Intellect Switzerland	0.69	0.42
Intellect Australia	-	0.12
Intellect Dubai	0.06	0.43
Intellect Indonesia	-	(0.34)
Intellect Thailand	-	0.63
Intellect Philippines	-	0.02
Intellect Malaysia	0.81	(0.37)
Intellect India	0.80	-
Intellect Kenya	-	13.91
Intellect Commerce	0.32	(0.31)
	12.02	**25.20**
Software development service income		
Intellect Malaysia	161.60	151.21
Intellect Philippines	-	42.87
Intellect Singapore	241.48	812.07
Intellect Thailand	60.97	89.15
Intellect Canada	434.46	700.63
Intellect Indonesia	14.10	36.82
Intellect Dubai	596.16	760.93
SEEC US	423.29	833.05
Intellect Australia	219.94	271.51
Intellect Vietnam	23.00	37.90
Intellect Switzerland	126.40	95.75
Intellect UK	1,374.94	2,436.14
	3,676.34	**6,268.03**
Software development expenses / (recoveries)		
Intellect Payments	54.52	43.90
Intellect Malaysia	-	17.12
Intellect Philippines	17.58	6.47
Intellect Australia	-	41.95
Intellect Singapore	-	144.91
Intellect Vietnam	-	96.55
Intellect Canada	-	140.92
Intellect Dubai	-	116.64
Intellect Indonesia	-	1.35
SEEC US	217.75	(13.92)
Intellect Switzerland	-	9.92
Intellect Kenya	30.88	-
Intellect Thailand	35.92	2.65
Intellect UK	-	456.18
	356.65	**1,064.64**
Reimbursement of expenses by the Company		
Intellect Singapore	43.59	40.34
Intellect Thailand	8.50	-
SEEC US	83.61	316.82
Intellect UK	380.35	114.77
Intellect Chile	2.80	-
Intellect Australia	19.97	7.58
Intellect Payments	9.19	31.28
Intellect Canada	60.02	20.16
Intellect Vietnam	2.11	0.13
Intellect Commerce	0.11	1.31
Intellect Malaysia	1.91	3.51
Intellect Philippines	-	5.31
Intellect Dubai	11.08	41.00
Intellect Switzerland	7.37	-
Intellect Indonesia	0.33	-
Intellect India	-	0.07
	630.94	**582.28**

Table No. 3.116

In Rs. Millions

Particulars	Subsidiaries	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
Reimbursement of expenses to the Company		
Intellect Dubai	19.91	8.99
SFL Properties	-	0.07
Intellect Payments	54.23	19.96
Intellect Australia	15.80	12.13
Intellect Commerce	4.19	3.47
Intellect Switzerland	1.58	1.95
Intellect Malaysia	1.56	-
Intellect Indonesia	0.74	-
Intellect Canada	31.82	2.84
Intellect Singapore	39.08	2.53
Intellect Philippines	-	3.88
Intellect Vietnam	0.06	0.11
Intellect Thailand	12.17	2.69
SEEC US	78.99	152.00
Intellect UK	383.26	108.93
	643.39	**319.55**
Purchase of Intangible (Software)		
Intellect Payments	142.41	-

Particulars	Others	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
TRANSACTIONS DURING THE YEAR		
Interest on loans from related parties		
Polaris Banyan Holding Limited	-	4.08
Rental expenses		
Polaris Banyan Holding Limited	4.50	0.88
Repayment of Borrowings		
Polaris Banyan Holding Limited	-	381.98
Security Deposit for Rental Premises		
Polaris Banyan Holding Limited	-	2.94
Software development expenses		
Maveric Systems Limited	17.32	7.28

Particulars	Associates	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
Software development expenses		
Adrenalin eSystems	7.12	7.82
Reimbursement of expenses to the Company		
Adrenalin eSystems	17.47	49.70

Particulars	Key Management Personnel	
	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019
Remuneration to Key Management Personnel**		
Remuneration & other Benefits	21.49	25.61
Sitting Fees paid to Directors	5.30	3.70

Table No. 3.117

** The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

Balance Due From / To Related Parties

In Rs. Millions

Particulars	Subsidiaries	
	31-Mar-20	31-Mar-19
BALANCE DUE FROM / (TO) RELATED PARTIES		
Trade receivables		
Intellect Malaysia	179.88	(4.62)
Intellect Philippines	26.99	18.34
Intellect Singapore	576.68	203.19
Intellect Thailand	125.67	81.10
Intellect Indonesia	88.61	68.54
Intellect Australia	147.18	11.10
Intellect Vietnam	179.08	110.63
Intellect Canada	726.56	166.51
Intellect Chile	59.16	60.76
Intellect Dubai	-	(192.55)
SEEC US	971.98	418.72
Intellect Switzerland	47.03	10.83
Intellect UK	480.61	547.11
Sonali Intellect Ltd	41.77	99.72
	3,651.20	**1,599.38**

Particulars	Subsidiaries	
	31-Mar-20	31-Mar-19
BALANCE DUE FROM / (TO) RELATED PARTIES		
Revenue Accrued but not Billed		
Intellect Malaysia	-	108.94
Intellect Philippines	29.03	41.64
Intellect Singapore	-	148.15
Intellect Thailand	-	11.24
Intellect Indonesia	-	30.87
Intellect Australia	-	115.68
Intellect Vietnam	-	35.08
Intellect Canada	44.72	511.79
Intellect Dubai	-	362.72
SEEC US	374.18	513.99
Intellect Switzerland	-	7.66
Intellect UK	206.15	541.31
	654.08	**2,429.07**
Loans and Advances		
Intellect Commerce	-	13.99
SFL Properties	-	0.32
Intellect Switzerland	-	1.96
Intellect Australia	2.17	-
Intellect Singapore	46.10	9.10
Intellect Chile	5.69	3.49
Intellect Indonesia	0.40	-
Intellect UK	14.57	15.10
Intellect Dubai	8.88	-
Intellect Thailand	8.56	4.52
Intellect India	0.96	0.16
Intellect Malaysia	8.25	7.54
Intellect Payments	56.45	8.16
Intellect Kenya	14.51	13.91
Intellect Vietnam	59.59	57.92
	226.13	**136.17**

Particulars	Subsidiaries	
	31-Mar-20	31-Mar-19
Trade payables		
Intellect Payments	135.26	41.39
Intellect Philippines	18.52	0.28
Intellect Australia	-	52.45
Intellect Dubai	-	63.45
Intellect Thailand	36.09	-
Intellect Singapore	-	15.42
Intellect UK	-	14.99
Intellect Vietnam	-	5.21
Intellect Kenya	32.55	-
SEEC US	241.47	0.12
	463.89	**193.31**

Table No. 3.118

In Rs. Millions

Particulars	Subsidiaries	
	31-Mar-20	31-Mar-19
Other current liabilities		
Intellect Dubai	30.80	16.81
Intellect Switzerland	5.30	-
Intellect Commerce	4.61	-
Intellect canada	42.97	17.11
Intellect Australia	-	(6.64)
Intellect Sweden	-	0.38
Intellect Germany	-	0.04
Intellect Philippines	1.29	1.16
Intellect Singapore	-	43.71
SEEC US	267.86	218.44
	352.83	**291.01**

Particulars	Subsidiaries	
	31-Mar-20	31-Mar-19
INVESTMENTS		
Intellect Commerce	90.00	90.00
SFL Properties	-	154.45
Sonali Intellect Ltd	23.87	23.87
Intellect Singapore	235.38	235.38
Intellect Vietnam	2.25	2.25
Intellect Dubai	20.36	20.36
Intellect Kenya	13.20	13.20
Intellect Switzerland	11.28	11.28
Intellect UK	61.75	61.75
Intellect India	0.50	0.50
Intellect Payments	25.50	25.50
	484.09	**638.54**

Particulars	Others	
	31-Mar-20	31-Mar-19
Security Deposit against rental premises		
Polaris Banyan Holding Private Ltd, India	2.94	2.94
Trade Payables		
Maveric Systems Limited	1.94	0.90

Particulars	Associates	
	31-Mar-20	31-Mar-19
Trade Payables		
Adrenalin eSystems	7.32	1.59
Short Term Loans and Advances		
Adrenalin eSystems	80.82	118.20

Particulars	KMP's	
	31-Mar-20	31-Mar-19
Remuneration Payable		
Remuneration & Other Benefits	4.62	-

INVESTMENTS IN JOINT VENTURE AND ASSOCIATES

Particulars	31-Mar-20	31-Mar-19
IPDLLC USA	138.02	138.02
NMS	85.72	85.72
Adrenalin eSystems	226.24	226.24
	449.98	**449.98**

Table No. 3.119

Terms and conditions of transactions with related parties

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

34 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

(i) Capital commitment:

Contracts yet to be executed on capital account (net of advances) Rs. 12.51 Millions (March 31, 2019: Rs.17.97 Millions).

(ii) Other Commitment:

Bank guarantees in the nature of Financial guarantees (backed up by Fixed deposits) as at March 31, 2020 amounting to Rs. 437.45 million (March 31, 2019 : Rs. 394 millions)

(iii) Claims against the Company, not acknowledged as debt includes:

Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums / authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognized in the financial statements.

The Company's pending litigations comprise of proceedings pending with tax authorities. The Company has reviewed all the proceedings and has adequately provided for where provisions are required and disclosed contingent liabilities where applicable, in its financial statements.The Company does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.

In Rs. Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Demand from Indian income tax authorities	72.35	116.73
Service tax demand from Commissioner of Central excise, Chennai	-	1.38

Table No. 3.120

The Company is contesting the demands raised by the respective tax authorities, and the management, based on internal assessment and per its tax advisors, believe that its position will likely be upheld in the appellate process and ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Provident Fund

The honorable Supreme Court of India had passed judgement on February 28, 2019 that all allowances paid to employees are to be considered for the purpose of Provident fund wages determination. There are numerous interpretative issues relating to the above judgement. As a matter of caution, the Company has made a provison on a prospective basis from the date of Supreme Court order. The Company will update its provison, on receiving further clarity on the subject.

35 INVESTMENT - FAIR VALUE

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values. The management assessed that the cash and cash equivalents, trade receivables, trade payables, fixed deposits, bank overdrafts and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

In Rs. Millions

Particulars	Carrying value		Fair value	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Financial assets				
Investments in Quoted Mutual Funds (Refer Note 12(a))	165.72	156.06	165.72	156.06
Financial Liability				
Derivative Financial Instruments - Foreign exchange forward contracts receivable / (payable)	-			
- Current (Refer Note 17(e))	(162.76)	(30.71)	(162.76)	(30.71)
- Non current (Refer Note 16(c))	(179.18)	(24.16)	(179.18)	(24.16)

Table No. 3.121

36 FAIR VALUE HIERARCHY

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020 & March 31, 2019

In Rs. Millions

Particulars	Date of valuation	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Investments in Quoted Mutual Funds	March 31, 2020	165.72	-	-
	March 31, 2019	156.06	-	-
Liability measured at fair value:				
Derivative financial instruments - Foreign exchane forward contracts	March 31, 2020	-	(341.94)	
	March 31, 2019	-	(54.87)	-

Table No. 3.122

Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilties

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., dervied from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

There has been no transfer between level 1 and level 2 during the year ended March 31, 2020 and March 31, 2019

37 HEDGING OF FOREIGN CURRENCY EXPOSURES

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to forecasted transactions. The Company does not use forward contracts for speculative purposes. The following are the outstanding Forward Exchange Contracts entered into by the Company as at March 31, 2020 and March 31, 2019 including forward cover taken for forecasted revenue receivable transactions:

In Rs. Millions

Particulars	March 31, 2020		March 31, 2019	
	Assets	Liabilities	Assets	Liabilities
Derivative Financial Instruments - Foreign exchange forward contracts	-	(341.94)	-	(54.87)
Total	**-**	**(341.94)**	**-**	**(54.87)**

Table No. 3.123

March 31, 2020

Foreign Exchange risk on Cash flow hedge	Nominal value of Hedging Instruments (No. of Contracts)		Carrying value of Hedging Instruments (In INR Millions)		Maturity date	Hedge Ratio
	Asset	Liability	Asset	Liability		
Foreign Currency forward contracts	-	110	-	7,737.13	30-04-2020 to 28-02-2023	1:1

Weighted Average Rate	Changes in Fair value in Hedging instruments (in Millions INR)	Changes in value of Hedged Item used as basis for recognizing hedge effectiveness (in Millions INR)
1 USD =76.60 INR 1 GBP = 1.35 USD	(287.06)	287.06

Table No. 3.124

Cash Flow Hedge	Change in value of Hedging instrument recognized in Other comprehensive Income	Hedge Ineffectiveness recognized in Profit & Loss	Amount reclassified from Cash flow hedge reserve to Profit and Loss	Line item affected in Statement of Profit and loss because of reclassification
Foreign Exchange Risk	-	Nil	(39.83)	Revenue

Table No. 3.125

March 31, 2019

Foreign Exchange risk on Cash flow hedge	Nominal value of Hedging Instruments (No. of Contracts)		Carrying value of Hedging Instruments (In INR Millions)		Maturity date	Hedge ratio
	Asset	Liability	Asset	Liability		
Foreign Currency forward contracts	16	48	16.022	(70.90)	30th April 2019 - 31st March 2021	1:1

Weighted Average Rate	Changes in Fair value in Hedging instruments (in Millions INR)	Changes in value of Hedged Item used as basis for recognizing hedge effectiveness (in Millions INR)
1 USD = 70.98	(55.42)	55.42

Cash Flow Hedge	Change in value of Hedging instrument recognized in Other comprehensive Income	Hedge Ineffectiveness recognized in Profit & Loss	Amount reclassified from Cash flow hedge reserve to Profit and Loss	Line item affected in Statement of Profit and loss because of reclassification
Foreign Exchange Risk	-	Nil	(91.63)	Revenue

Table No. 3.126

38 RESEARCH AND DEVELOPMENT EXPENDITURE

The Company continues its significant investments in Research and Development efforts towards research, technology, engineering and new product development.The Company follows a policy of capitalising new product development, which meets the critereas of Ind AS 38 Intangible assets and has accordingly recognised such cost as Internally generated Intangible asset under 'Intangible assets under development' (Note 4) and Intangible asset (Note 5). During the current year ended March 31, 2020 the Company has incurred a revenue expenditure of Rs. 912.82 millions (FY March 31, 2019 - Rs. 648.87 million) which has been debited to the Income statement and Capital expenditure as per table below:

In Rs. Millions

Particulars	March 31, 2020	March 31, 2019
Salaries, wages and bonus	469.08	651.59
Cost of license	2.41	3.34
Other Direct overheads	236.87	250.20
Total	**708.36**	**905.13**

Table No. 3.127

39 LEASES

The Company has lease contracts for Land and Building used for the purpose of office space at differnt location. Leases of such assets generally have lease terms between 1 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases on Plant and Machinery and leases of low-value assets on office equipments. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

In Rs. Millions

Particulars	Amount
Opening Balance as on April 1, 2019	239.42
Additions / (Deletions)	(7.14)
Depreciation expense	(72.58)
As at March 31, 2020	**159.70**

Table No. 3.128

Set out below are the carrying amounts of lease liabilities included under financial liabilities and the movements during the year:

In Rs. Millions

Particulars	Amount
Balance as on April 1, 2019	239.42
Add: Additions / (Deletions) during the year	(5.30)
Add / Less: Accretion of interest	15.88
Less: Payments during the year	(81.55)
Closing Balance	168.45
Current	54.04
Non Current	114.41

Table No. 3.129

Maturity Analysis of Lease liabilities

Year Ended	Less than 1 Year	1 - 5 Years	More than 5 Years
31-Mar-2020	64.57	127.79	-

The effective interest rate for lease liabilities is 7.91-9.08%, with maturity between 2019-2024.

The following are the amounts recognised in profit or loss:

In Rs. Millions

Particulars	Year Ended 31-Mar-2020
Depreciation expense of right-of-use assets	72.58
Interest expense on lease liabilities	15.88
Expense relating to short-term leases (included in other expenses)	18.16
Total	**106.62**

Table No. 3.130

The Company had total cash outflows for leases of Rs. 99.71 million in 31st March 2020. The Company also had non-cash additions to right-of-use assets and lease liabilities of Rs. 239.42 million in 31st March 2020. There are no future cash outflows relating to leases that have not yet commenced.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The management does not expect undiscounted potential future rental payments due to extension options expected not to be exercised and termination options expected to be exercised.

There are no potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of short tenured borrowings, trade and other payables and financial guarantee contracts. Most of these liabilities relate to financing Company's working capital cycle. The Company has trade and other receivables, loans and advances that arise directly from its operations. The Company also enters into hedging transactions to cover foreign exchange exposure risk.

The Company is accordingly exposed to market risk, credit risk and liquidity risk

The Company's senior management oversees management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors, Risk Committee and the Audit Committee. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and overall risk appetite. All foreign currency hedging activities for risk management purposes are carried out by a team that have the appropriate skills, experience and supervision. In addition, independent views from bankers and currency market experts are obtained periodically to validate risk mitigation decisions. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Risk Committee and the Audit Committee review and agree policies for managing each of these risks which are summarised below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTPL investments and derivative financial instruments.

Interest Rate Risk:

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows.

Particulars	Impact on pre tax profits before taxes *	
	Variation in interest +0.5%	Variation in interest -0.5%
March 31, 2019	7.41	(7.41)
March 31, 2018	4.81	(4.81)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit / (loss) before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Rs. In million

Currency	Increase in Foreign Currency by	March 31, 2020		March 31, 2019	
		Amount in Foreign Currency	Effect on Pre tax profit	Amount in Foreign Currency	Effect on Pre tax profit
Amounts receivable in foreign currency					
CAD	5%	21.25	56.40	19.29	49.72
GBP	5%	5.59	26.16	5.38	24.34
SGD	5%	10.10	26.77	5.68	14.49
USD	5%	32.49	122.93	28.94	99.30
VND	5%	71,207.41	11.39	102,908.31	15.44
Amounts Payable in foreign currency					
AED	5%	1.60	1.60	4.77	4.49
JPY	5%	41.40	1.45	41.36	1.28
USD	5%	21.50	81.36	24.85	85.92

Table No. 3.131

In respect of the Company's forward derivative contracts, a 5% increase in the contract exchange rates of each of the currencies underlying such contracts would have resulted in increase in Other Comprehensive income by Rs. 405.51 million.

Conversely, 5% depreciation in the above mentioned exchange rates on foreign currency exposures as at March 31, 2020 and March 31, 2019 would have had the same but opposite effect, again holding all other variable constant.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

A. Trade Recievables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12(b) & 12(f). The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers (which are in the nature of reputed banking and financial institutions) are located in several jurisdictions and industries and operate in largely independent markets.

Credit Risk exposure

The allowance for credit risk on customer balances for the year ended March 31, 2020 and March 31, 2019.

In Rs. Millions

Particulars	March 31, 2020	March 31, 2019
Balance at the beginning of the year	405.49	273.69
Impairment loss recognised / reversed	160.00	137.80
Write-off	-	(6.00)
Balance at the end of the year	**565.49**	**405.49**

Table No. 3.132

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet as at March 31, 2020 and 2019 is the carrying amount as illustrated in Notes 7 and 12.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet it cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

In Rs. Millions

Particulars	As of March 31, 2020		
	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	2,208.26	347.07	2,555.33
Lease liabilities	64.57	127.79	192.35
Trade Payables	1,667.35	-	1,667.35
Other financial liabilities	195.99	-	195.99
Derivative Financial Instruments - Foreign exchange forward contracts receivable / (payable)	162.76	179.18	341.94
Total	**4,298.93**	**654.04**	**4,952.96**

Table No. 3.133

In Rs. Millions

Particulars	As of March 31, 2019		
	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	688.68	635.46	1,324.13
Trade Payables	1,202.93	-	1,202.93
Other financial liabilities	657.82	-	657.82
Derivative Financial Instruments - Foreign exchange forward contracts receivable / (payable)	30.71	24.16	54.87
Total	**2,580.14**	**659.62**	**3,239.75**

Table No. 3.134

As at March 31, 2020, the outstanding amount of employee benefit expenses of Rs. 333.34 million (PY Rs. 266.05 million) have been substantially funded. Hence no liquidity risk perceived.

41 CAPITAL MANAGEMENT

"For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders value. The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

In Rs. Millions

Borrowings	2,555.33	1,324.14
Less: cash and bank balances	(425.20)	(253.75)
Net debt	**2,130.13**	**1,070.39**
Equity	8,930.80	9,302.22
Total capital*	**8,930.80**	**9,302.22**
Capital and net debt	**11,060.93**	**10,372.61**
Gearing ratio	**19.26%**	**10.32%**

Table No. 3.135

* Includes Equity Share Capital & Other Equity

42 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has ascertained that the amount to be spent on Corporate Social Responsibility (CSR) in compliance with Section 135 of the Companies Act, 2013, read with relevant schedule and rules made thereunder is Rs. 2.35 millions for year ending March 31, 2020 (Nil for March 31, 2019 respectively. The Company has voluntarily contributed Rs. 18.88 million towards CSR during year ending March 31, 2020 (March 31, 2019 – Rs.23.28 million).

In Rs. Millions

Particulars		March 31, 2020	March 31, 2019
a) Gross amount required to be spent by the Company during the year		2.35	-
b) Amount spent during the year ended on March 31, 2020	**In Cash**	**Yet to be paid in cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	18.88	-	18.88
c) Amount spent during the year ended on March 31, 2019	**In Cash**	**Yet to be paid in cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	23.28	-	23.28

43 EXCEPTIONAL ITEM

Exceptional item for the year ended March 31, 2020 represents profit of Rs. 50.55 million from disposal of shares of SFL Properties Private Limited, a wholly owned subsidiary by the Company for an aggregate consideration of Rs. 205 million.

44 MSME NOTE

Based on the information / documents available with the Company, the Company has complied with the provisions of The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 and hence no interest is paid / payable during the year. Further an amount of Rs.14.29 Million (Previous year Rs.22.34 millions) is remaining unpaid to the suppliers covered under the MSMED Act at the end of the accounting year.

In Rs. Millions

	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year -		
Principal amount due to micro and small enterprises	14.29	22.34
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

Table No. 3.136

45 REVISION IN TAX RATES

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 year, considering the accumulated MAT credit, losses and other benefits under the Income Tax Act, 1961.

46 TRANSFER PRICING ARRANGEMENTS WITH SUBSIDIARIES

The Company has international operations and in its normal course of business with its various subsidiaries it is involved in the business of software sale and implementation of its products across various countries. The Company reviews these arrangements on a periodic basis to reflect the current business models and in the current financial year has implemented a transfer pricing model to reflect its business environment. The Company has a policy of maintaining documents as prescribed by the Income-tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

47 IMPACT OF COVID 19

The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time and in particular are impacted due to lock downs. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. The Company has considered the possible effects that may result from COVID 19 on its operations including on the carrying amount of trade receivables, revenue accrued not billed, intangible assets and intangible assets under development. In developing the assumption relating to the possible future uncertainties in the global conditions because of the pandemic, the Company as on date of approval of these financial statements has used various information, as available. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

48 PRIOR PERIODS COMPARATIVES

Previous year figures have been re grouped/ reclassified, where ever necessary to conform to this years classification.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intellect Design Arena Limited

per Bharath N S
Partner
Membership No. 210934
Chennai
June 15, 2020

Arun Jain
Chairman & Managing Director
DIN : 00580919

Arun Shekhar Aran
Director
DIN : 00015335

Venkateswarlu Saranu
Chief Financial Officer

V.V.Naresh
Senior Vice President &
Company Secretary

BUSINESS RESPONSIBILITY REPORT

This report is required as per Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

INTELLECT DESIGN ARENA LIMITED IS COMMITTED TO OPERATE AND GROW ITS BUSINESS IN A SOCIALLY RESPONSIBLE WAY

Sustainability, as part of this purpose, builds future resilience of the business and ensures that your company creates long-term value for its stakeholders. This also enables your Company to adhere to the objectives of its plan to achieve sustainable business, spanning across the value chain of its operations. The Company's vision is to the grow the business whilst reducing the environmental footprint and increasing its positive social impact.

Intellect's sustainability initiatives are inspired by the opportunity to create enduring value through the enlargement of its contribution to the national economy. It is the Company's deep conviction that businesses possess the transformative capacity to create a far larger societal impact by leveraging its entrepreneurial vitality, creativity and innovative capacity. This has manifested in the unique models fashioned by the Company to enable the creation of the power to dream, and then achieve these dreams amongst children, for whom such a vision was hitherto unavailable.

Your Company also contributes to activities listed in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' notified by the Ministry of Corporate Affairs, Government of India, as well as activities listed in the Companies Act, 2013.

This Report describes activities of the Company under each of the nine principles as outlined in the NVGs.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L72900TN2011PLC080183
2. Name of the Company : INTELLECT DESIGN ARENA LIMITED
3. Registered address : 244 ANNA SALAI, CHENNAI – 600 006
4. Website : www.intellectdesign.com
5. E-mail id : company.secretary@intellectdesign.com
6. Financial Year reported : April 1, 2019 to March 31, 2020
7. Sector(s) that the Company is engaged in (industrial activity codewise) :
   IT- Software Services
8. List three key products/services that the Company manufactures/provides (as in balance sheet) :
   A. Consumer Banking, Transaction Banking, Risk, Treasury and Markets, product software
   B. Insurance product software
   C. Enterprise Enablement platform "iDigital"
9. Total number of locations where business activity is undertaken by the Company :
   A. Number of International Locations (Provide details of major 5): North America, South America, Asia Pacific, Europe, Middle East.
   B. Number of National Locations : 5.
10. Markets served by the Company – Global Markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital : Rs. 661.69 Millions
2. Total turnover (in millions):7,413.30
3. Total Profit after taxes (in millions): (312.76)
4. Total spending on Corporate Social responsibility (INR) 18.88 million
5. List of activities in which expenditure in 4 above has been incurred: Scholarship and Workshops organized by Ullas Trust

SECTION C: OTHER DETAILS

1. Does the Company have any subsidiaries Company / Companies?
   Yes. The Company has 19 (Nineteen) subsidiaries.
2. Do the subsidiary Companies participate in BRR initiatives of the parent Company? If yes, the indicate the number of such subsidiary Companies
   Yes. All India-based subsidiaries Companies participate in BRR initiatives
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]
   Yes. 30%-60% of our suppliers of operational requirements participate.

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR
   a. Details of the Director / Director responsible for implementation of the BR policy/policies
      1. DIN Number :- **00580919**
      2. Name :- **Arun Jain**
      3. Designation :- **Chairman and Managing Director**
   b. Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00580919
2	Name	Arun Jain
3	Designation	Chairman and Managing Director
4	Telephone number	044- 6700 8000
5	e-mail id	company.secretary@intellectdesign.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for…	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards?	N	N	N	N	N	N	N	N	N
4	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.intellectdesign.com	www.intellectdesign.com	www.intellectdesign.com	www.intellectdesign.com	www.intellectdesign.com	www.intellectdesign.com	www.intellectdesign.com	www.intellectdesign.com	www.intellectdesign.com
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b) If answer to the question at serial number 1 against any principle, is "No". Please explain why-Not applicable

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year :- Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? Annually. Web link for the same is www.intellectdesign.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 : Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Your Company believes that good corporate governance is the foundation of a sustainable business. The Company was built on this foundation, and operates across the globe with integrity, ethics, transparency and accountability. Your Company has built a business with strong values, with a mission to act as an agent of social change, and continues on this journey while keeping the values and principles at the heart of everything it does. These values and the commitment to ethical business practices are reflected in the Code of Conduct. The Code inspires the Company to set standards which not only meet the requirements of applicable legislation, but aspire to go beyond in many areas of functioning.

CODE OF CONDUCT

The Code of Conduct describes the operational principles the Company follows. It also supports its approach to governance and corporate responsibility. All associates and suppliers of operational requirements who work with the Company are expected to observe the Code of Conduct.

The Code provides for mandatory requirements covering, but not limited to, the following areas:

- Accurate records
- Reporting and accounting
- Anti - bribery
- Avoiding conflicts of interest
- Gifts and entertainment
- Preventing insider trading
- Political activities and political donations
- Contact with government
- Regulators and non-governmental organizations

- Respect, dignity and fair treatment
- External communication with the media, investors and analysts

The processes of identifying and resolving complaints, issues and concerns received under the Code of Conduct framework are clearly defined and communicated throughout the Company. During the financial year 2019 - 20, Twelve (12)Insider Trading violations were reported under the Code of Conduct framework.

Complaints, issues and concerns received under the Code of Conduct framework are duly investigated by the Company's Ombudsman, and reviewed by the Chairman on a regular basis. Appropriate action is taken after the review of investigation. The Chairman, through the Intellect Executive Council (IEC) is responsible for ensuring that the Code is understood and implemented throughout the Company. The Company periodically cascades the principles embodied under the Code across the organisation.

The Code also encompasses whistleblowing, which allows the associates to bring to the attention of the Management, promptly and directly, any unethical behaviour, suspected fraud or irregularity in the Company practices, which is not in line with the Code. Associates are encouraged to raise any concerns by way of whistleblowing, without any fear or threat of being victimised. The Company Secretary is the designated officer for effective implementation of the Code and dealing with complaints received under the Code.

Principle 2 : Products Lifecycle Sustainability

Businesses should provide Goods and Services that are safe and contribute to Sustainability throughout their lifecycle

By going beyond the demand of mandates and regulations, and by focusing on innovation through Design Thinking, we aim to make responsible business one of our important dimensions. While ensuring increased profitability and benefit for all our stakeholders, and working towards the overall well-being of the larger community around us, we aim to do so using a lesser quantum of scarce natural resources.

Your Company is a thought leader in next-generation banking software products. Hosted in a large data centre in Chennai, our infrastructure and platforms comprise over 300 physical and virtual servers, a large quantum of disk storage, state-of-the-art blade servers with interconnected hardware modules, tape libraries, operating systems and data protection layers. This data centre includes precious data concerning the Company and all its stakeholders.

Through server virtualisation, our server footprint has been reduced by over 10%.-15%.All our centres are zero effluent discharge units. The nature of the Company's business is that there are no significant emissions or process wastes. The waste generation is fairly limited and restricted primarily to e-waste, lube oil waste, waste from lead-acid batteries and municipal solid waste. The Company's waste management practices seek to reduce the environmental impact by reduction in generation, segregation at source, maximisation of recycling and reuse. The recycling currently undertaken includes :

- Waste lube oil, UPS Batteries, e-waste - disposed through government authorised recyclers.
- Printer and toner cartridges - sent back to the manufacturer under take-back arrangement.

Principle 3 : Employees' Well Being

Businesses should promote the Well-being of all employees

Associate's well-being is a continuous process at your Company, enabling associates to feel good, live healthy and work safely. The Company believes that its competitive capability to build future-ready businesses and create enduring value for stakeholders, is enriched by a dedicated and high-quality human resource pool. Therefore, nurturing quality talent and caring for the well-being of associates are an integral part of our work culture, which focuses on creating a conducive work environment that helps to deliver winning performance.

The Company's policy is premised on its fundamental belief that diversity at the workplace creates an environment conducive to engagement, alignment, innovation and high performance. The Company provides for diversity and equal opportunities to all associates, based on merit and ability. Further, we ensure a work environment that is free from any form of discrimination amongst its associates in compensation, training and benefits, based on caste, religion, disability, gender, sexual orientation, race, colour, ancestry, marital status, or affiliation with a political or religious organisation.

The culture of the Company ensures that aspects of work-life balance for associates, especially for women, are suitably addressed. Your Company has put in place suitable processes and mechanisms to ensure issues such as sexual harassment, if any, are effectively addressed. The Company demands, demonstrates and promotes professional behaviour and treats all associates with equal respect.

Principle 4 : Stakeholder Engagement

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

Your Company partners with many people and organisations that have a stake in its business. Engaging with stakeholders is essential in understanding stakeholder concerns and expectations to create a sustainable business. The Company believes that an effective stakeholder engagement process is necessary for achieving its sustainability goal of inclusive growth. Accordingly, we anchor our stakeholder engagement on the following principles :

a) Materiality - Prioritised consideration of the economic, environmental and social impacts identified to be important to the organisation, as well as its stakeholders.
b) Completeness - Understanding key concerns of stakeholders and their expectations.
c) Responsiveness - Responding coherently and transparently to such issues and concerns.

The Company has put in place systems and procedures to identify, prioritise and address the needs and concerns of its stakeholders across businesses and units in a consistent and systematic manner. It has implemented mechanisms to facilitate effective dialogues with all stakeholders across businesses, identify material concerns, and their resolution in an equitable and transparent manner.

Your Company has undertaken some important initiatives to become more customer-centric. We organise joint design workshops with our customers and prospective customers to ensure that the product delivered meets all stated and unstated requirements of the client.

The value of a business does not lie in its balance sheet, but in its shareholders. Your Company regularly interacts with its shareholders through a number of methods of engagement like results announcement, annual report, media releases, Company's website and subject-specific communications. The Annual General Meeting of shareholders is an important annual event where the shareholders of the Company come in direct communication with the Board of Directors and the management. The Board engages with shareholders and answers their queries on varied subjects.

The Investor Relations Department regularly engages with the shareholders to resolve queries and grievances, if any, and provide guidance for shares/shareholders-related matters. They also interact regularly with investors and analysts, through quarterly results calls, one-on-one and group meetings, as well as participation in investor conferences.

All interactions with the Government, legislators and regulators are done by duly authorised and appropriately-trained individuals with honesty,

integrity, openness and in compliance with local laws, in accordance with the Code of Conduct.

Regular interactions with the electronic, print and online media takes place through press releases, media events and during the financial results announcement. We engage with the media to keep our stakeholders updated about the developments in the Company. The Company also interacts with NGO's, Government bodies, and industry bodies as required, from time to time.

Principle 5 : Human Rights

Businesses should respect and promote human rights

Your Company's commitment to human rights and fair treatment is set in its Code of Conduct. The Code provides to conduct the operations with honesty, integrity and openness, with respect for human rights and interests of associates. Your Company's approach to uphold and promote human rights are upheld in three ways :

- in its operations by upholding its values and standards
- in its relationships with suppliers and other business partners, and
- by working through external initiatives, like through NGOs.

The Company requires its associates and business partners to subscribe and adhere to this Code. The Code and its implementation are directed towards adherence to applicable laws and to uphold the spirit of human rights, as enshrined in existing international standards such as the Universal Declaration and Fundamental Human Rights Conventions of the International Labour Organisation (ILO). We play a positive role in building awareness on human rights for its key stakeholders and encourage respect for human rights of the local communities with specific focus on vulnerable and marginalised groups.

Principle 6 : Environment

Businesses should respect, protect and make efforts to restore the environment

Your Company's approach to reduce, reuse and recycle has helped to minimise its environmental impact across the value chain. The Company has contributed to environmental security by not only ensuring efficient use of resources, but also by augmenting precious natural resources. On the reforestation sphere, we have planted over 12,500 saplings in the past year, which has enabled us not only to go green, but also provide dense forest cover over approx. 15,000 square feet of our land area in our flagship campus in Siruseri, Chennai. This dense forest foliage was home to many migratory bird species during the previous winter season. Your Company intends to intensify its efforts to provide forest cover, rather than plant individual and spaced out saplings, as forest trees tend to support and have synergies with each other. The Company has implemented radiant cooling in two floors of its Corporate Headquarters in the NxT LvL building in the Siruseri Campus, covering over 65,000 square feet. This revolutionary technique involves the circulation of chilled water through special high-technology pipes embedded in the floor, that draw radiant heat away from humans and heat generating equipment. This technology has afforded us the opportunity to reduce the air-conditioning load by over 30% on these two floors.

Principle 7 : Policy Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Your Company believes that a lot can be achieved if it works together with the Government, legislators, regulators and NGOs to create positive social and environmental outcomes. Your Company's approach to advocacy is guided by the Code of Conduct. The Code provides that any contact by the Company or its agents with Government, legislators, regulators or NGOs must be done with honesty, integrity and openness and in compliance with applicable laws. Only authorised and appropriately-trained individuals can interact with the bodies mentioned above. Prior internal approval is required for initiating any contact between the Company, its representatives and officials, aimed at influencing regulation or legislation.

Your Company tries to create a positive impact in the business ecosystem and communities by practicing pro-active advocacy. Its purpose is not just lobbying the Government for securing certain benefits for industry, but is also about advocating certain best practices for the benefit of society at large. Your Company engages with industry bodies and associations to influence public and regulatory policy in a responsible manner.

Your Company is represented in key industry and business associations which include the Confederation of Indian Industry (CII), The National Association of Software and Services Companies (NASSCOM), the Federation of Indian Chamber of Commerce and Industry (FICCI) and many others.

Principle 8 : Inclusive Growth

Businesses should support inclusive growth and equitable development

Your Company believes that in the strategic context of business, enterprises possess, beyond mere financial resources, the transformational capacity to create game-changing development models by unleashing their power of dreams, innovation and creativity. Our CSR Project on empowering school children in classes 9 through 12, from Government and Corporation Schools is run through Ullas Trust. The Trust arranges scholarships, jointly funded through contributions from our associates, and from the Company's finances, as well as classes on communication, English language and career counselling. The Trust also organises contact classes wherein the students are encouraged to lose their inherent fear of Corporate organisations.

The Trust, through its "Touch the Soil" outreach, allows our associates to connect back with their primary schools in various districts in Tamil Nadu, Andhra Pradesh, Telangana, Maharashtra and Haryana. It has over 15,000 students being mentored at the present date. These students are not only given guidance right through school, but are also given guidance through tertiary education as Higher Education Scholars (HES).

Principle 9 : Customer Value

Businesses should engage with and provide value to their customers in a responsible manner

Your Company immensely values and carefully nurtures its customer relationships and works closely with them to pioneer new concepts. All businesses of the Company comply with all regulations and relevant voluntary codes concerning marketing communications, including advertising, promotion and sponsorship. The Company's communications are aimed at enabling customers to make informed purchase decisions through factual and truthful disclosure of information. Standard Operating Procedures are also in place to ensure that marketing communication is in accordance with voluntary codes adopted by the businesses.

A well-established system is in place for dealing with customer feedback. All feedback is then collated, and feedback is provided to the Manufacturing, Service Delivery and Marketing arms of the Company.

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REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance

1. Company's Philosophy

Your Company focuses on Corporate Governance as a key driver of sustainable corporate growth and a powerful medium to achieve the company's goal of maximizing value for all its stakeholders. A sound corporate governance strengthens investors' trust and enables the company to fulfill its commitment towards the customers, employees and the society in general. The Company believes that the primary objective is to create and adhere to a corporate culture of conscience and consciousness, empowerment, accountability and independent monitoring. The Company's philosophy is based on the key elements in corporate governance viz., transparency, disclosure, supervision and internal controls, risk management, internal and external communications, accounting fidelity, product and service quality. The Company has a strong legacy of fair and ethical governance practices.

2. Board of Directors

The Board of Directors of the Company possesses the highest personal and professional ethics, integrity and values, and provide leadership, strategic guidance and objective judgement on the affairs of the Company. The Board is fully aware of its fiduciary responsibilities and is committed to represent the long-term interest of the Stakeholders. The Board adopted the principles of corporate governance and remains informed, participative, and independent to implement its broad policies and guidelines, and has set up adequate review procedures.

- **Composition of the Board of Directors as on 31st March, 2020**

  The key to good corporate governance is the optimum combination of the executive and non-executive directors on the board and the extent of their independence. The Board consists of six members with knowledge and experience in diverse fields and professionally - acclaimed to understand their role in addressing the issues raised by the management. The day-to-day affairs of the Company are managed by the Chairman and Managing Director under the supervision of the Board.

  As a policy, the Company has an optimal combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board.

- **Boards' Composition**

  As on 31st March, 2020, the Board comprises of six members - consisting of one Executive Director, one Managing Director, one Non-Executive Director and three Independent Directors including two women Independent Directors.

  During the year under review, one independent director has completed two term of office at the conclusion of 08th AGM of the company held on 21st August, 2019.

  To maintain the independence of the Board and to separate its functions of governance and management, there is an appropriate mix of Executive, Non-Executive and Independent Directors as envisaged under the Companies Act, 2013 and SEBI (LODR) Regulations.

Composition of the Board and directorships held as on 31st March 2020:

Name of the Director	Age	Directorship in Companies		Position held in Committees of the Intellect/ other Companies	
		As Chairperson	As Director	As Chairperson	As Member
Chairman and Managing Director					
Arun Jain	60	2	5	1	2
Executive Director					
Anil Kumar Verma	65	-	3	1	2
Non Executive Director					
Mr. Andrew Ralph England	63	-	3	1	-
Independent Directors					
Aruna Krishnamurthy Rao	61	-	1	2	2
Arun Shekhar Aran	61	-	4	1	1
Vijaya Sampath	67	-	11	1	17

Table No. 5.1

Notes:

1. None of the Directors are related other than Mr. Arun Jain and Mr. Anil Kumar Verma. Nature of relationship – Brother-in-law.
2. Directorship in companies (includes Listed, Unlisted, Private Limited Companies and Body Corporates) including Intellect Design Arena Limited and its Subsidiaries.
3. Committees includes Audit Committee, Nomination and Remuneration & Compensation Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee (Listed, Unlisted and Private Limited Companies).

(I) Directorship in Companies around the world (listed, unlisted and private limited companies), including Intellect Design Arena Limited and its subsidiaries.

(II) Details pertaining to Mandatory Committees have been specified.

(III) Mr. Andrew Ralph England was appointed as an Additional Director by Board of Directors in its meeting held on 25th October, 2018. Subsequently, he was regularised as a Non-Executive Director by the Members in the meeting held on 21st August, 2019.

(IV) Mrs. Vijaya Sampath was appointed as an Additional Director by Board of Directors in its Meeting held on 25.10.2018. Subsequently, she was regularized as an Independent Director by the Members in the meeting held on 21.08.2019.

- **Name of the Listed entities where Company's Director is a Director and the category of the Directorship is given below as on 31st March, 2020**

Name	Directorship Details in other Listed Entities
Arun Jain	-
Anil Kumar Verma	-
Aruna Krishnamurthy Rao	-
Arun Shekhar Aran	-
Andrew Ralph England	-
Vijaya Sampath	1. Safari Industries (India) Limited, Independent Director 2. Suzlon Energy Limited, Independent Director* 3. Eris Lifesciences Limited, Independent Director 4. Varroc Engineering Limited, Independent Director 5. Ingersoll Rand India Limited, Independent Director 6. XPro India Limited, Additional Independent Director

* resigned w.e.f 27th September, 2019

- **During the financial year 2019-20, Board of Directors met 06 times on the following dates:**

02th May, 2019	14th February, 2020
24th July, 2019	23rd March, 2020
21st August, 2019	
04th November, 2019	

Table No. 5.2

The maximum gap between two Board meetings was 102 days. (Between November 2019 to February 2020)

Board of Directors' attendance at the 08th Annual General Meeting held on August 21, 2019.

Sl. No.	Name	Director Identification Number (DIN)	Designation / Category	Attended
1.	Mr. Arun Jain	00580919	Managing Director	Y
2.	Mr. Venkataratnam Balaraman (Retired at the 08th AGM)	00267829	Independent Director	Y
3.	Mr. Arun Shekhar Aran	00015335	Independent Director	Y
4.	Ms. Aruna Krishnamurthy Rao	06986715	Independent Director	N
5.	Mr. Anil Kumar Verma	01957168	Whole Time Director	N
6.	Ms. Vijaya Sampath	00641110	Independent Director	Y
7.	Mr. Andrew Ralph England	08211307	Non Executive Director	Y

Table No. 5.3

Board of Directors' attendance for the Board & Committee Meetings held during the year 2019-20

[Y= Attended, N= Not attended, (*) attended through Video Conference, (+) attended through Audio Conference; BM: Board Meeting, NRCC: Nomination and Remuneration & Compensation Committee Meeting, AC: Audit Committee Meeting, SRC: Stakeholders' Relationship Committee Meeting, CSR: Corporate Social Responsibility Committee, RC: Risk Management Committee Meeting and ID: Independent Directors' Meeting.

Note: Details about Non-mandatory Committees are given elsewhere in this report.

S No.	Name of the Director	13.04.2019	02.05.2019				21.06.2019	23.07.2019	24.07.2019			02.08.2019	21.08.2019	23.10.2019	03.11.2019	04.11.2019		08.01.2020	14.02.2020					23.03.2020		24.03.2020		
		AC	BM	NRCC	AC	SRC	NRCC	AC	BM	NRCC	SRC	NRCC	BM	NRCC	AC	BM	SRC	AC	BM	AC	NRCC	SRC	CSR	BM	AC	NRCC	RC	ID
1	Mr. Arun Jain	-	Y	Y	-	-	Y+	-	Y	Y	-	Y*	Y	Y	-	Y	-	-	Y	-	Y	-	Y	Y*	-	Y*	Y*	-
2	Mr.Venkataratnam Balaraman (Retired) w.ef.21.08.2019)	N	Y	Y	Y	Y	-	Y	Y	Y	Y	Y*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Mr. Arun Shekhar Aran	Y	Y	Y	Y	-	Y+	Y	Y	Y	-	Y	Y	Y	Y	Y	-	Y	Y	Y	Y	-	-	Y*	Y*	Y*	Y*	Y*
4	Ms. Aruna Krishnamurthy Rao	Y	Y	Y	Y	Y	Y+	Y	Y	Y	Y	Y	Y*	Y*	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y*	Y*	Y*	-	Y*
5	Mr. Anil Kumar Verma	Y*	Y*	-	Y*	Y*	-	Y	Y	-	Y	-	Y*	-	N	Y*	Y*	Y*	Y*	Y*	-	Y*	Y*	Y*	Y*	-	-	-
6	Mr. Andrew Ralph England	-	Y*	-	-	-	-	-	Y*	-	-	-	Y	-	-	Y*	-	-	Y*	-	-	-	-	Y*	-	-	Y*	-
7	Mrs. Vijaya Sampath	-	Y	-	-	-	Y*	Y	Y	Y	-	Y*	Y	Y*	Y	Y	Y	Y	Y	Y	Y	Y	-	Y*	Y*	Y*	-	Y*

Table No. 5.4

Profile of the Directors of the Company are given below:
Arun Jain, Chairman and Managing Director

Arun Jain is the Founder of Polaris Group and Chairman and Managing Director of Intellect Design Arena Limited. Intellect is a specialist in applying true Digital Technologies, offering the world's first full spectrum Banking and Insurance Technology product company, across Consumer Banking, Central Banking, Transaction Banking, Risk, Treasury and Markets and Insurance. With revenues of INR 13,468.84 Million (USD 191 Mn) and an employee base of over 4000, Intellect powers over 240 leading Banks and Financial Institutions around the globe with its suite of products. IBS Intelligence, a leading global research firm, in its 2020 Sales League Table ranked Intellect # 1 in Retail Banking, Whole sale Banking & Transaction Banking.

Arun commenced his entrepreneurial journey by setting up Nucleus Software Workshop in 1986. In 1993, he founded Polaris Software Lab, which recorded a CAGR of over 100% during the seven-year period 1993-2000. This path of deep domain expertise, vision and planning began in 1993, with just $250 and a dream. His journey was guided by two strong beliefs – (1) ordinary people coming together to achieve extraordinary results (2) the power of the organisational subconscious in realising the vision. Intellect Design Arena Limited is his third venture, in pursuit of his vision to make India the IP Capital towards the next growth wave for the IT Industry. Arun's passion to create a technology product powerhouse from India made Intellect a reality.

Arun is passionate about Design Thinking as a science to create the biggest impact on Individual and organisational performance. He visualises it as a platform for learning and applying, with a child-like curiosity to ask questions, forming the foundation of the practice of Design Thinking. An avid practitioner, Arun also evangelises Design Thinking through public workshops, branded as UnMukt. FinTech 8012, the World's first Design Center dedicated to Financial Technology is a testimony of his commitment to Design Thinking. He architected the creation of this Center from Concept to Execution.

Arun has been entrusted with the responsibility as the Chief Mentor of the Centre of Excellence for FinTech set up by the Ministry of Electronics & Information Technology (MeitY), Govt. of India. He is a Governing Council Member of STPI (Software Technology Parks of India) and also a Member in the Advisory Council of TechNest, an incubation facility provided by STPI-Chennai. He has held and continues to hold positions in industry bodies and trade organisations such as CII, MMA, National Institute of Electronics and Information Technology (NIELIT) and the Indo American Chamber of Commerce.

Confederation of Indian Industry (CII) has conferred the Lifetime Achievement Award to Arun at India's premier ICT Event, Connect 2016. He was also conferred the 'Lifetime Achievement Award' at the 4th edition of the Design Thinking Conclave & Awards 2018. Arun has received multiple awards including Lions Clubs International Award for "Youth Empowerment'', INDO ASEAN Business Initiative Award, ICICI Venture – CII Connect Entrepreneur Award, Visionary of India 2014-15, amongst others in recognition of his contribution to the Industry and the Society. His contribution was recognised by the Times Group, with an award and a feature in a book titled 'Pathfinders' that lauds the achievements of extraordinary personalities in the IT & ITES industry.

With the constant drive to better the community around him, Arun instituted Mission Samriddhi – a social impact enterprise dedicated to holistic human development in rural India through the unique philosophy of Celebrate-Connect-Catalyse, Ullas Trust – a social impact organisation working towards igniting less privileged young minds into realising their true potential, Start-Up Nukkad – a unique initiative for budding entrepreneurs to understand their purpose and mentor their curiosity and School of Design Thinking – focusing on shaping thinking of young minds and professionals through Design The Thinking™ philosophy.

Arun holds a degree in Electrical Engineering from the Delhi College of Engineering.

Mr. Anil Kumar Verma, Executive Director, Intellect Design Arena Limited

Mr. Anil Kumar Verma is a key contributor to the strategic vision of the organisation. A Bachelor of Electrical Engineering from IIT Delhi and post-graduate in instructional design from the University of Wollongong in Australia, Anil has rich and global professional experience of over 40 years in the industry.

Anil established and nurtured deep relationships for strengthening Intellect brand in Australia. Earlier, he was part of the core group that conceptualised and created FINDIT (Forum of Indian IT Companies in Australia) that later became NASSCOM Australia, an influential industry body that he led as Founder President for several years. Living the spirit of deeper connect with the local community, Anil established long-term relationship with the Western Sydney University in Australia, where he was instrumental in creating graduate and post graduate courses on software testing. He has contributed significantly in promoting collaboration between India and Australia in the field of ICT. In 1997, he was nominated for the prestigious Australia Day award for his contribution to the Aboriginal community.

Anil has been associated with the Australian Computer Society, AIIA – FSG (Australian Information Industry Association – Financial Services Group) and Financial Services Institute of Australia (FINSIA) for a long time.

Ms. Aruna Krishnamurthy Rao

Ms. Aruna Krishnamurthy Rao is the Strategic Technology Advisor for Kotak Mahindra Bank Ltd. Her focus areas include AI/ML, Big data, Cloud Technologies and Information Security.

Before that, she was the Chief Technology Officer for Kotak Mahindra Bank and Group companies, where she provided senior oversight on all strategic technology initiatives across the group companies and drove technology innovation, collaboration and standardisation across the teams. Being passionate about excellence through technology, she has led several initiatives, the most recent ones being leveraging Big data, AI, Natural Language Processing and Robotics to create digitally-native financial products and services.

Ms. Rao brings a global perspective to her role, having worked across international markets. Starting her career in Chevy Chase Savings and Loan in the US and going on to Citicorp Software (COSL), where she was responsible for implementation of systems in Australia, Central and Eastern Europe, she joined Polaris as part of the merger of COSL/Orbitech. During her 20 year career in Citicorp Software/Polaris, she was Group Head of Corporate Banking Technology, where she built the business including Cash Management, Trade Finance and Treasury systems.

Ms. Rao contributes to several industry forums, serving on the advisory panel for International Exhibition & Conference on Banking Technology, Equipment & Services and several technology vendor customer advisory councils. She has contributed to the Computer Society of India, Mumbai Chapter, Annual Conference and served as jury for mentoring initiatives like the Next 100 CIOs. Ms. Rao has also served on the jury of Polestar, a distinguished award for journalism in IT and business.

Ms. Rao holds a B.Sc degree from St. Xaviers College, Ahmedabad, an MBA degree from Gujarat University and a Master's degree in Information Systems from the University of Maryland, USA.

Mr. Arun Shekhar Aran

Mr. Arun Shekhar Aran has had technical education at IIT Delhi, completing a B Tech degree in Mechanical Engineering. Subsequently, he also spent two years at IIM Ahmedabad studying management through their flagship course PGDM specialising in Systems.

He started his career at Asian Paints(I) Ltd, which was very much respected for the quality of its management talent at that point of time. He established a lot of path-breaking usages for computers at Asian Paints during his stint of seven years there. At Asian Paints, he rose to a middle management position in a short span.

He moved out of this good going job in 1989, to join some of his friends in an entrepreneurial venture – Nucleus Software Workshop Pvt Ltd in Chennai. He made major contributions to their development team and was instrumental in writing some of the new-age software solutions for their clients at that time.

In mid-1994, as a part of the group initiative, he moved to Mumbai. With a rich and varied experience since 1989 in the realm of Software Development for Complex Banking Applications, he set up a new team in the name of Nucsoft Ltd which also started working with clients in Banking, Insurance and Financial Services area.

Mr. Andrew Ralph England

Andrew Ralph England currently serves as Director of Intellect's subsidiary Intellect Design Arena Limited, UK and Head of Strategy, iGTB. He joined us from McKinsey, where he was the External Senior Advisor of Transaction Banking.

Andrew brings with him an experience of running Transaction Banking in leading global banks. He has held the positions of Managing Director and Head of Transaction Banking at Lloyds Banking Group; Head of CEE, Global Transaction Banking at Unicredit Group and Head of Cash & Trade Product at Deutsche Bank, where he was also an Executive Committee member for Global Transaction Banking. These roles followed on from a successful career of various leadership positions at Citi and Lloyds.

Ms. Vijaya Sampath

Vijaya Sampath has been a lawyer for over 35 years. She is an Independent Director on the Board of listed and unlisted companies in the renewable energy, branded luggage, power, pharmaceuticals and auto component sectors. Two of these companies (non-listed) are Japanese joint ventures with Larsen & Toubro. She is also the Ombudsperson for the Bharti Airtel group with oversight of the code of conduct and was its group General Counsel for over 10 years. She has been the in-house counsel for large Indian conglomerates and multinational companies, as well as the corporate law partner in renowned national law firms.

Vijaya holds a graduate degree in English Literature and Law and is a fellow member of the Institute of Company Secretaries of India. She has attended the Advanced Management Program in Harvard Business School and the Strategic Alliances Program conducted by the Wharton Business School.

Vijaya is also the chairperson of the corporate law committee in FICCI and works with the industry on regulations and policies relating to company law. She has written articles and has also been a speaker at various forums for women in professions, governance, ethics, law and practice.

Key Board qualifications, expertise and attributes

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

The table below summarises the key qualifications , skills , and attributes which are taken into consideration while nominating candidates to serve on the Board.

Definitions of director qualifications	
Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar function
Gender, ethnic, national or other diversity	Representation of gender, ethnic, geographical, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities
Leadership	Extended leadership experiences for significant enterprises, resulting in a practical understanding of organisations, processes, strategic planning, and risk management.
Technology	A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models
Mergers and acquisitions	A history of leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions and evaluate operational integration plans
Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Key Board qualifications							
Name of the Director	**Area of expertise**						
	Financial	**Diversity**	**Global Business**	**Leadership**	**Technology**	**Mergers and acquisitions**	**Sales and Marketing**
Arun Jain	√	√	√	√	√	√	√
Anil Verma	√	√	√	√	√	√	√
Arun Shekhar Aran	√	√	√	√	√		√
Aruna Krishnamurthy Rao	√	√	√		√	-	√
Andrew Ralph England		√	√	√	√	-	√
Vijaya Sampath	√	√	√	√	-	√	√

Table No. 5.5

Independent Directors Meeting

In accordance with Schedule IV of the Companies Act, 2013, during the year under review, meeting of Independent Directors was held on 24th March, 2020 without the presence of Non-Independent Directors, to review the performance of the Board and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

3. Audit Committee

Audit Committee was constituted by the Board in the meeting held on 15th October, 2014. Further, the committee was reconstituted by the Board in the meetings held on 03rd February, 2017, 02nd May, 2019 and 24th July, 2019. The Audit committee consists of 3 Non-Executive Independent Directors and 1 Whole Time Director. The Company Secretary acts as the Secretary to the Committee.

Members of the Audit Committee are as follows:

Name	Designation	No. of Meetings	
		Held	Attended
Mr. Arun Shekhar Aran	Chairman	7	7
Ms. Aruna Krishnamurthy Rao	Member	7	7
Ms. Vijaya Sampath (*member w.e.f 02.05.2019)	Member	7	5
Mr. Anil Kumar Verma	Member	7	6
Mr. V Balaraman (*retired w.e.f 21.08.2019)	Member	3	2

Table No. 5.6

The Audit Committee had met seven times during the year 2019-20.

Powers of the Committee:

- To investigate any activity within its terms of reference
- To secure attendance of and seek information from any employee including representative of prime Shareholders (subject to internal approvals)
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant expertise, if it considers necessary
- Compliance with the accounting standards

Role / Functions of the Committee:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required with reference to the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices, and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in the financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to financial statements
   f. Disclosure of any related party transactions
   g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the Quarterly and Annual financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/ application of funed through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow-up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle-blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information

a. Management discussion and analysis of financial condition, and results of operations.
b. Statement of significant related party transactions, as defined by the Committee, submitted by the management.
c. Management letters/letters of internal control weaknesses issued by the statutory auditors.
d. Internal audit reports relating to internal control weaknesses.

e. The appointment, removal and terms of remuneration of the Chief Internal Auditor

f. Statement of deviations:

   a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

   b) Annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

4. Nomination and Remuneration & Compensation Committee:

Nomination and Remuneration & Compensation Committee was constituted by the board in the meeting held on 15th October, 2014. Further, the committee was reconstituted by the Board in the meetings held on 03rd February, 2017, 02nd May, 2019 and 24th July, 2019. The Nomination and Remuneration & Compensation Committee consists of 3 Non-Executive Independent Directors and one Managing Director.

The role of the committee shall, inter-alia, include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management, in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

The Quorum for Nomination remuneration and compensation Committees shall be one-third of the total strength are two members whichever is greater including atleast one independent director in attendance

The Chairman of the Nomination and Remuneration & Compensation Committee could be present at the Annual General Meeting to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

The Nomination and Remuneration & Compensation Committee met seven times during the year 2019-20.

Members of the Nomination and Remuneration & Compensation Committee are as follows:

Name	Designation	No. of meetings	
		Held	Attended
Ms. Aruna Krishnamurthy Rao	Chairman	7	7
Ms. Vijaya Sampath (member w.e.f.02.05.2019)	Member	7	6
Mr. Arun Jain	Member	7	7
Mr. Arun Shekhar Aran	Member	7	7
Mr. V Balaraman (Retired w.e.f 21.08.2019)	Chairman	4	4

Table No. 5.7

Remuneration policy

The remuneration policy of the Company has been so structured in a way as to match the market trends of the IT industry. The Board, in consultation with the Nomination and Remuneration & Compensation Committee decides the remuneration policy for Directors. The Company has made adequate disclosures to the members on the remuneration paid to Directors from time to time. Remuneration/ Commission payable to Directors is determined by the contributions made by the respective Directors to the growth of the Company.

Terms of References:

a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Shares held, and Stock Options granted/exercised, and Cash Compensation paid to directors in fiscal year 2020

in Rs. Millions except share and stock option data

Name of the Director	Fixed Salary				Bonus / incentives	Commission Payable	Sitting fees paid	Total	No. of equity shares held	Stock Options held	Stock Options exercised
	Basic Salary	Perquisites / Allowances	Retiral benefits	Total fixed salary							
Chairman and Managing Director											
Mr. Arun Jain	-	-	-	-	-	-	-	-	75,56,321	-	-
Executive Director											
Mr. Anil Kumar Verma*	15.91	-	1.01	16.92	4.74**	-	-	21.66	1,47,433	99,450	-
Non-Executive and Independent Director											
Ms. Aruna Krishnamurthy Rao	-	-	-	-	-	-	1.50	1.50	6,860	-	-
Mr. V. Balaraman (retired w.e.f. 21.08.2019)	-	-	-	-	-	1.00	0.55	1.55	25,000	-	-
Mr. Arun Shekhar Aran	-	-	-	-	-	1.00	1.35	2.35	5,82,413	-	-
Ms. Vijaya Sampath	-	-	-	-	-	0.50	1.25	1.75	-	-	-
Mr. Andrew Ralph England	-	-	-	-	-	25.18	0.65	25.83	-	3,35,000	-

No compensation is paid to the Chairman & Managing Director

* In addition to the above mentioned fixed remuneration to Mr. Anil Kumar Verma, he has been paid variable pay of Rs.4.74 million as a performance linked incentive and the criteria for measuring the performance is as per Company's internal policy. Further, he is reappointed for a period of 3 (three) years with effect from 01st February, 2018 at the annual general meeting held on 23rd August, 2018. The Service Contract can be terminated earlier by either party by giving to the other party 3 (three) months notice of such termination or the company paying 3 (three) months remuneration in lieu of such Notice. The company is not liable to pay any severance fees to Mr. Anil Kumar Verma. The stock options are issued as per the ISOP 2015 and ISOP 2016 scheme and the same is accrued and exercisable as per the ESOP schemes, in tranches. i.e., 30.01.2016, 30.01.2017, 30.01.2018, 30.01.2019, 30.01.2020, 20.10.2019, 20.10.2020, 20.10.2021

**Includes Variable Pay paid for the year 2019-20.

***Consultancy fees paid to Mr. Andrew England for the services provided as a capacity of Consultant for the Intellect Design Arena Limited., United Kingdom.

Table No. 5.8

Notes: -

None of the Non-Executive Directors/Independent Directors have any pecuniary relationship or transactions with the Company for the year ended March 31, 2020.

Stock Options

The Company has 6 Stock Option Schemes – ASOP 2003, ASOP 2004, ASOP 2011, ISOP 2015, ISOP 2016 and Intellect Incentive Plan Scheme 2018.

ASOP 2003, ASOP 2004 and ASOP 2011 were inherited by the Company from the Demerged Company as part of Clause 8.2 of the Scheme of Arrangement-cum-Demerger approved by Hon'ble High Court of Judicature, Madras vide its order Dt.15/09/2014 and these schemes were approved by the members of the Company in its meeting held on 9th October 2014 and in-principle approval for the same were obtained from National Stock Exchange of India Limited vide letter Ref:NSE/LIST/14698 dt.16/02/2015 for ASOP 2003 Scheme, NSE/LIST/14696 dt.16/02/2015 for ASOP 2004 Scheme and NSE/LIST/14688 dt.16/02/2015 for ASOP 2011 Scheme and from BSE Ltd vide letters Ref:DCS/IPO/CS/ESOP-IP/761/2014-15 dt.03/03/2015 for ASOP 2003, Ref:DCS/IPO/CS/ESOP-IP/723/2014-15 dt.19/02/2015 for ASOP 2004 and Ref:DCS/IPO/CS/ESOP-IP/721/2014-15 dt.19/02/2015 for ASOP 2011.

Further, in-principle approval for ISOP 2015, ISOP 2016 schemes and Intellect Incentive Plan Scheme 2018 was obtained from National Stock Exchange of India Limited vide letter Ref: NSE/LIST/67844 dt. 31/03/2016, NSE/LIST/88195 dt 26/09/2016, NSE/LIST/21614 dt. 30/08/2019 and BSE Limited vide letter Ref : DCS/IPO/ST/ESOP-IP/905/2016-17 dt. 05/04/2016, DCS/IPO/MD/ESOP-IP/1292/2016-17 dt 19/09/2016, DCS/IPO/JR/ESOP-IP/288/2019-20 dt. 24.09.2019 respectively.

Details of stock options granted during the financial year 2019-20 under ASOP 2003, 2004, 2011, ISOP 2015 & ISOP 2016 Schemes are detailed as below:

Sl. No.	Date of Grant	Option Price (Rs.)	ASOP 2003		ASOP 2004		ASOP 2011		ISOP 2015		ISOP 2016		Intellect Incentive Plan scheme 2018			
													ISOP 2018		RSU 2018	
			No. of Associates	No. of Options	No. of Associates	No. of Options	No. of Associates	No. of Options	No. of associates	No. of Options	No. of associates	No. of Options	No. of Associates	No. of options	No. of Associates	No. of options
1	02/05/2019	204.57 & 193.21	--	--	--	--	--	--	50	270000	54	845000	3	350000	-	-
2	21/06/2019	238.59,225.34 & 5	--	--	--	--	--	--	1	50000	1	100000	-	-	36	129100
3	02/08/2019	202.59, 191.34 & 5	--	--	--	--	--	--	9	65000	8	80000	0	0	2	29450
4	24/02/2020	142.45 & 5	--	--	--	--	--	--	18	325000	37	242000	4	225000	11	104138
		TOTAL	--	--	--	--	--	--	**78**	**710000**	**100**	**1267000**	**7**	**575000**	**49**	**244688**

Table No. 5.10

* Different Option Price is due to allotment under different Swarnam Schemes (Swarnam 101- ISOP 2015, Swarnam 101- ISOP 2016, Intellect Incentive Plan Scheme 2018).

The Employee Stock Option Plans (ASOP 2003, ASOP 2004, ASOP 2011, ISOP 2015 and ISOP 2016) are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 and there has been no material changes to these plans during the Financial Year. The Company has also obtained a certificate from the Auditors of the Company certifying that the Company's Associate Stock Option Plan(s) and Intellect Stock Options Plan(s) are being implemented in accordance with the SEBI (Share-based employee benefits) Regulations, 2014, as applicable and in accordance with the resolution of the Members in the General Meeting. Disclosures on various Stock Option plans, details of options granted, shares allotted upon exercise, etc. as required under SEBI (Share Based Employee Benefits) Regulations, 2014, read with Securities and Exchange Board of India circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 are available on the Company's website https://www.intellectdesign.com/investor/investor.asp. No employee was issued stock option during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant.

5. Stakeholders' Relationship Committee

Stakeholders' Relationship Committee was constituted by the Board in the meeting held on 15th October, 2014. Further, the Committee was reconstituted by the Board in the meetings held on 03rd February, 2017 and 24th July, 2019. The Stakeholders' Relationship Committee consists of Executive and Non-Executive Directors. It focuses on Shareholders' grievances and strengthening of investor relations. This Committee specifically looks into the redressal of Shareholders' complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc.

The purpose of constituting this Committee is to uphold the basic rights of the shareholders including right to transfer and registration of shares, obtaining relevant information about the Company on a timely and regular basis, participating and voting in shareholders' meetings, electing members of the Board and sharing in the residual profits of the Company. Further, the Committee is empowered to act on behalf of the Board, in the matters connected with allotment of shares, issuance of duplicate share certificates, split and consolidation of shares into marketable lots, etc.

The Stakeholders' Relationship Committee had met four times during the year 2019-20.

Members of the Stakeholders' Relationship Committee are as follows:

Name	Designation	No. of Meetings	
		Held	Attended
Mr. V. Balaraman (retired w.e.f 21.08.2019)	Chairman	2	2
Ms. Aruna Krishnamurthy Rao	Chairman	4	4
Mr. Anil Kumar Verma	Member	4	4
Ms. Vijaya Sampath (member w.e.f.21.08.2019)	Member	4	2

Table No. 5.11

Mr. V.V. Naresh, Company Secretary is the Compliance Officer of the Company. During the year, under ASOP 2003 Scheme the company has allotted 9,000 equity shares of Rs. 5/- each to 3 Associates, under ASOP 2011 Scheme, company has allotted 1,95,090 equity shares of Rs.5/- each to 54 Associates, under ISOP 2015 Scheme, company has allotted 3,12,825 equity shares of Rs.5/- each to 90 Associates and under ISOP 2016 Scheme company has allotted 47,000 equity shares of Rs.5/- each to 33 Associates pursuant to exercise of options granted as detailed hereunder: -

Sl. No.	Date of Allotment	ASOP 2003		ASOP 2004		ASOP 2011		ISOP 2015		ISOP 2016	
		No. of Associates	No. of shares allotted	No. of Associates	No. of shares ~~allotted~~/ Transferred	No. of Associates	No. of shares allotted	No. of Associates	No. of shares allotted	No. of Associates	No. of shares allotted
1	24.04.2019	-	-	-	-	8	65680	5	10250	9	7000
2	28.05.2019	-	-	-	-	15	27150	12	26750	5	15450
3	22.06.2019	1	3000	-	-	3	3270	15	15525	7	7600
4	17.07.2019	1	3000	-	-	6	16100	13	37550	2	700
5	23.08.2019	-	-	-	-	5	47300	13	118800	2	1000
6	17.09.2019	1	3000	-	-	1	5000	4	15000	-	-
7	21.10.2019	-	-	-	-	7	9550	4	10250	1	2500
8	22.11.2019	-	-	-	-	1	5000	5	16200	-	-
9	17.12.2019	-	-	-	-	2	4520	4	10250	1	2500
10	28.01.2020	-	-	-	-	3	4020	5	11500	3	3750
11	24.02.2020	-	-	-	-	-	-	7	28000	1	1750
12	17.03.2020	-	-	-	-	3	7500	3	12750	2	4750
	TOTAL	3	9000	0	0	54	195090	90	312825	33	47000

Table No. 5.12

As a result of the above allotments, the paid-up equity share capital of the Company has increased from Rs. 658,873,575 comprising of 131,774,715 equity shares of Rs. 5/- each as on 31st March, 2019 to Rs. 661,693,150 comprising of 132,338,630 equity shares of Rs. 5/- each as on 31st March, 2020.

6. Risk Management Committee:

Risk Management Committee was constituted by the Board in the meeting held on 15th October, 2014. Further the committee was reconstituted by the Board in its meeting held on 03rd May, 2017, 30th January, 2018, 21st June, 2018, 02nd May, 2019 and 24th July, 2019 and the members of the Committee are as under:

The majority of the committee shall consist of members of the Board of Directors. Senior executives of the Company may be members of the said committee and the Chairman of the Committee shall be a member of the Board of Directors.
The Risk Management Committee had met one time during the year 2019-20.

Name	Designation	No. of Meetings	
		Held	Attended
Mr. Andrew Ralph England	Chairman	1	1
Mr. Arun Jain	Member	1	1
Mr. V Balaraman(retired w.e.f 21.08.2019)	Member	-	-
Mr. Arun Shekhar Aran	Member	1	1
Mr.Milind Ravindranath Kari	Member	1	1
Mr. Venkateswarlu Saranu	Member	1	1

Table No. 5.13

Terms of Reference:

- Delegation of monitoring and reviewing of the Risk Management Policy
- Such other functions as it may deem fit

7. Corporate Social Responsibility Committee:

As per Section 135 of the Companies Act, 2013, every Company having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more or Net Profit of Rs. 5 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board of Directors of the Company consisting of 3 or more directors, out of which at least 1 director shall be an independent director.

Accordingly, Corporate Social Responsibility Committee was constituted by the Board in its meeting held on 15th October, 2014. Further, the committee was reconstituted by the Board on 03rd February, 2017 and 24th July, 2019. The committee consists of the following members:

The Corporate Social Responsibility Committee had met 1 time during the year 2019-20

Name	Designation	No. of Meetings	
		Held	Attended
Mr. Anil Kumar Verma	Chairman	1	1
Mr. V Balaraman (retired w.e.f 21.08.2019)	Member	0	0
Mr. Arun Jain	Member	1	1
Ms.Aruna Krishnamurthy Rao	Member	1	1

Table No. 5.14

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII
- To recommend the amount of expenditure to be incurred on the activities referred to above
- To monitor the Corporate Social Responsibility Policy of the Company from time to time
- To ensure that the Company spends, in every financial year, at least two per cent of the average net profits for CSR. If the Company fails to spend such amount, the Board shall, in its report specify the reasons for not spending the amount
- To eradicate extreme hunger and poverty
- To promote education
- To promote gender equality and empowering women
- To reduce child mortality and improving maternal health
- To combat human immunodeficiency virus, malaria and other diseases
- To ensure environmental sustainability, employment, and enhancing vocational skills
- To contribute to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women

8. Details of the Sub-Committees constituted by the Board

a. Share Transfer Committee

The Share Transfer Committee was constituted by the Board in the meeting held on 15th October, 2014. Further, the committee was reconstituted by the Board in the meeting held on 20th October, 2016 and 21st June, 2018. The members of the Committee are :

Name	Designation
Mr. Venkateswarlu Saranu	Chief Financial Officer
Mr. Govind Singhal	President – Group Business Enablement Officer
Mr. V.V. Naresh	Senior Vice President - Company Secretary & Compliance Officer

Table No. 5.15

The Share Transfer Committee is empowered to consider and approve the physical transfer, transmission and transposition, etc. of the shares of the Company. The Committee met five times during the year 2019-20 on 14th May, 2019, 10th June, 2019, 17th July, 2019, 13th August, 2019 and 07th November, 2019

The brief details on the business transacted are as follows:

Sl. No.	Details	No. of Cases	No. of Shares
1	Transfer of Shares	0	0
2	Consolidation of Unclaimed Shares	0	0
3	Deletion of names	4	500
4	Rematerialisation requests	0	0
5	Transmission of names	1	50
6	Split of Shares	0	0
7	Duplicate share Certificate	1	50
Total		**6**	**600**

Table No. 5.16

b. Cyber Security Committee

The Cyber Security Committee was constituted by the Board in the meeting held on 02nd May, 2019. Further, the committee was reconstituted by the Board in the meeting held on 04th November, 2019. During the FY 2019-20, the Committee met once i.e. on 14th November, 2019

The members of the Committee are :

Name	Designation	No. of Meetings	
		Held	Attended
Aruna Rao	Chairman	1	1
Balaji Ganesh	Member	1	1
Rajesh Makhija	Member	1	1
T.V Sinha	Member	1	1
Krishna Rajaraman	Member	1	1
Sudha Gopalakrishnan	Member	1	1
Hitesh Mehra	Member	1	1
Lakshan De Silva	Member	1	1

9. Performance Evaluation of the Board of Directors:

A detailed note on performance evaluation of the Board of Directors of the company is provided in point no.(h) of Directors' Report.

Your Company has a well laid down onboarding programme for the Independent Directors. The Business Heads, CFO and Executive Director, make presentations on business models of the Company, the nature of industry and its dynamism, the roles, responsibilities and liabilities of Independent Directors, etc. Further, business updates, legal updates and industry updates are made available to the Independent Directors, especially to the Audit Committee members on an ongoing basis, by internal teams, external consultants, law firms, statutory and internal auditors, on a quarterly basis. See more at https://www.intellectdesign.com/investor/investor.asp.

10. General Body Meetings of the Company

Particulars of the last three Annual General Meetings of the Company are as follows:

Financial year ended	Date and Time	Venue	Special Resolutions passed in AGM
31st March, 2017	21st August, 2017 10:00 AM	The Music Academy, Mini Hall, New No:168, TTK Road, Royapettah, Chennai-600 014	a) Re-appointment of Mr. V. Balaraman as an Independent Director of the Company. b) Re-appointment of Ms. Aruna Krishnamurthy Rao as an Independent Director of the Company. c) Approval to borrow monies in excess of paid-up capital and free reserves.
31st March, 2018	23rd August, 2018 10:30 AM	The Music Academy, Mini Hall, New No:168, TTK Road, Royapettah, Chennai-600 014	a) Re-appointment of Mr. Anil Kumar Verma as Executive Director for a second term of Three (3) years b) Approval for issue of equity shares on Preferential basis to Promoters as defined Regulations 2(za) of the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009) c) Approval for Issue of equity shares on Preferential basis other than Promoters of the Company d) Approval for fund raising options for an amount not exceeding Rs. 400 crores. e) Approval for increase in Authorised Share Capital of the Company and alteration of capital Clause in the Memorandum of Association of the Company. f) Amend the Article of Association subsequent to increase in Authorised Share Capital of the Company. g) Introduction of new Intellect Incentive schemes of the Company h) Approval for extension of the benefits and terms and conditions of Intellect Incentive Plan Scheme 2018 ("Intellect Incentive Scheme 2018") to Subsidiary Companies. i) Approval to deliver documents through a particular mode as may be sought by the member
31st March, 2019	21st August, 2019	RANI SEETHAI HALL, 603, 1ST FLOOR, RAJA ANNAMALAI CHETTIAR MEMORIAL BUILDING, ANNA SALAI, THOUSAND LIGHTS, CHENNAI- 600 006	a) Re-appoint of Mr. Arun Shekhar Aran (DIN- 00015335) as an Independent Director b) Commission payable to Non-Executive Directors /Independent Directors of the Company

Table No. 5.17

Extraordinary General Meeting and Postal Ballot of the Company held during the year 2019-20:

No Extraordinary General Meeting and Postal Ballot have been held during the year 2019-20.

11. Details of total fees paid to Statutory Auditors

The details of total fees for all the services paid by the Company, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Amount in Millions

Type of Service	Amount
Statutory Audit Fee	5.87
Other Services	0.60
For reimbursement of expenses	0.25

12. Disclosures

a. Related Party Transactions

Related Party Transactions are defined as transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.

A transaction with a related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

Details on materially significant related party transactions are shown in the Note No.33(b) & under Significant Policies and Notes to accounts to the standalone Balance Sheet and Profit & Loss Account.

b. Statutory Compliance, Penalties & Strictures

Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets during the last three years: - **Nil -**

c. Compliance with mandatory requirements and adoption of non-mandatory requirements of Regulation 27 of Listing Regulations

The Company has complied with all the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Specifically, your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including CEO/CFO certification. As required under Regulation 27, a certificate signed by CEO& CFO of the Company has been placed before the Board of Directors and the same has been provided elsewhere in this report. Further, a certificate from the Statutory Auditors, certifying the compliance of Regulation 27 was adhered/adopted has also been provided elsewhere in this report.

(i) Nomination and Remuneration & Compensation Committee

The Company has constituted a Nomination and Remuneration & Compensation Committee consisting of Non-executive Directors and a whole time Director (Managing Director). A detailed note on Nomination and Remuneration & Compensation Committee is provided elsewhere in the report. The Chairman of the Committee is an Independent Director.

(ii) Whistle Blower Policy

The Company has established a mechanism for employees to report concerns about unethical behaviors, actual or suspected fraud, and violation of Code of Conduct of the Company etc.

The mechanism also provides for adequate safeguard against victimisation of employees who avail the Whistle-blower mechanism, and also provides for direct access for the Whistle Blower to the Audit Committee. We affirm that during the Financial Year 2019-20, no employee has been denied access to the Audit Committee.

The Company received two whistle Blower Complaints and the Compliance Officer brought it to the notice of the Audit Committee Members. The Committee advised the process owners to conduct an investigation into the allegations and report back on its findings. The investigations into allegations were found without merits and was brought to the notice of the Audit Committee and the Board.

(iii) Ombudsman

Ombudsman is your Company's initiative to resolve workplace conflicts. It is a forum for associates and retirees to report, discuss and resolve workplace issues.

The office of the ombudsman promises complete confidentiality in all the matters discussed with him. Ombudsman also assures "No Reprisal" to the complainant who brings to light a problem or blows the whistle against someone. It works as an early warning system to the organisation.

(iv) Risk Management framework

The Company continues to use the Risk Management framework adopted by the Board of Directors on 15th October, 2014. The framework provides an integrated approach for managing the risks in various aspects of the business. A write-up on the above is provided in the management discussion and analysis report.

(v) Insider Trading Policy

As per the SEBI (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Insider Trading Regulations), 2015, Insider Trading Policy of the Company is in force. The policy guides a mechanism for regulating transactions of the shares of the Company and enforces a code of conduct and internal procedures.

The details of trading window during the year 2019-20:

S.No	Closed on	Opened on
1	01/01/2020	17/02/2020
2	01/10/2019	07/11/2019
3	01/07/2019	29/07/2019
4	04/04/2019	06/05/2019

Details about adoption of non-mandatory requirements are as follows:-

Schedule V (C) (10) (d) also requires disclosures of adoption by the Company of non-mandatory requirements specified in the said clause, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of non-mandatory requirements are given below:-

(i) The Board

As per para A of Part E of Schedule II of the Listing Regulations, a Non-Executive Chairman of the Board may be entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.

(ii) Shareholders' rights

We display our quarterly and half yearly results on our website https://www.intellectdesign.com/investor/investor.asp and also publish our results in widely circulated newspapers. We publish the voting results of shareholder meetings and make it available on our website

https://www.intellectdesign.com/investor/investor.asp,and report the same to Stock Exchanges viz., www.nseindia.com,

www.bseindia.com in terms of regulation 44 of the Listing Regulations .

(iii) Modified opinion(s) in audit report

The Auditors have issued an un-modified opinion on the financial statements of the Company.

(iv) Separate posts of Chairperson and Chief Executive Officer

Mr.Arun Jain is the Executive Chairman and Managing Director of the Company and Chief Executive Officer of the Company. However, the Company's Board consists of majority of Independent Directors. All policy and strategic decisions of the Company are taken through a majority decision of this independent Board.

(v) Reporting of Internal Auditor

The internal auditors of the Company make presentations on half yearly basis to the Audit Committee.

d. Conflict of Interest Policy

As a part of good corporate governance, the company has formulated a Conflict of Interest policy for the senior management and associates.

e. Directors and Key Managerial Personnel:

Mr.Arun Jain, was re-appointed as Managing Director at the Annual general meeting held on 21st August, 2017 and now it is proposed to re-appoint him for a period of 5 years at the ensuing Annual General Meeting.

Mr. Anil Kumar Verma was re-appointed as an Executive Director at the Annual General Meeting held on 23rd August, 2018.

Ms. Aruna Krishnamurthy Rao was re-appointed as an Independent Director in the members' meeting held on 21st August, 2017. Her second term as an Independent Director will end on the conclusion of the 09th Annual General Meeting of the Company.

Mr. Arun Shekhar Aran was re-appointed as an Independent Director in the members' meeting held on 21st August, 2019.

Mr. Andrew Ralph England was appointed as a Non-Executive Director in the members' meeting held on 21st August, 2019.

Ms. Vijaya Sampath was appointed as an Independent Director in the members' meeting held on 21st August, 2019.

Mr. Venkateswarlu Saranu was appointed as Chief Financial Officer with effect from 01st July, 2018

Mr. V. V. Naresh was appointed as Company Secretary & Compliance Officer with effect from 15th October, 2014.

12. Means of communication

We have established procedures to disseminate pertinent information to our shareholders, employees and society at large.

(a) Investor Information

Investors are being provided with timely information on all Company related matters through;

Media release: All our media releases are posted on the Company's website: www.intellectdesign.com.

Quarterly results: Our quarterly results are published in widely circulated national newspapers such as Business Line and Tamil edition of "The Hindu".

Annual Report: Annual Report containing audited standalone accounts and consolidated financial statements, together with the Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto either in physical copy or through email.

Website: The Company's website contains a separate dedicated section "Investors" where information sought by shareholders and the presentations made to the institutional investors or the analysts are available. The Annual Report, Media release and financial reports of the company are available on the website in a user-friendly and downloadable form at www.intellectdesign.com.

(b) The Management Discussion & Analysis report (MD & A)

The MD&A gives an overview of the Industry, Company's business, its financials etc., and the same is provided elsewhere in this report, which forms a part of the Directors' Report.

General Shareholder information	
Date of incorporation	April 18, 2011
Company Registration Number	L72900TN2011PLC080183
Registered Office	No.244, Anna Salai, Chennai – 600 006.
Date of Annual General Meeting	21st August, 2020
Time of Annual General Meeting	11:00 A.M
Venue of Annual General Meeting	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
Financial year	March 31, 2020
Financial Reporting: 01/04/2019 to 31/03/2020	
First quarter ending June 30, 2020	Between 16th July 2020 and 14th August 2020
Second quarter ending September 30, 2020	Between 16th October 2020 and 14th November 2020
Third quarter ending December 31, 2020	Between 16th January 2021 and 14th February 2021
For the year ending March 31, 2021	Between 16th April 2021 and 30th May 2021
Book Closure	August 10, 2020 to August 21, 2020 (both days inclusive)
Dividend for 2019-20	No dividend has been declared for the year 2019–20
Listing of shares with Stock Exchanges / Intellect shares traded in	
NSE Scrip Code	INTELLECT
BSE Scrip Code	538835
ISIN Code	INE306R01017

- The Company hereby confirms that the Listing fee for the year 2019-20, payable to each of the Stock Exchanges pursuant to Regulation 14 of the Listing Regulations in which the Company's shares are Listed has been paid.
- The Company's shares are traded in the National Stock Exchange of India Limited - Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (East), Mumbai 400 051 & BSE Limited - 25th Floor, P. J. Towers, Dalal Street, Mumbai 400 001 since December 18, 2014.

Registrar and Share Transfer Agent	**1. Kfin Technologies Private Ltd (till closing hours of July 13, 2020)** (formerly known as Karvy Fintech Private Limited) Plot no. 31-32, Karvy Selenium, Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Ph : 040 - 6716 1529 **2. Cameo Corporate Services Limited (with effect from 14th July, 2020)** "Subramanian Building" No. 1, Club House Road, Chennai- 600 002 Ph:- 044- 4002 0700, Fax: 044 2846 0129 Email: cameo@cameoindia.com The Board of Directors in its Meeting held on 23rd March, 2020 approved the change of Registrar and Share Transfer agent from M/s Kfin Technologies Private Limited, Hyderabad to M/s Cameo Corporate Services Ltd, Chennai. Depositories confirmed the transfer of database and electronic connectivity from the closing hours of 13th July, 2020 to Cameo Corporate Services Limited and will commence from July 14, 2020.

Publication of Quarterly Results

Details of Quarterly financial results published during financial year 2019-20

Language	News Paper	Date
English	Business Line	03rd May, 2019
		25th July, 2019
Tamil	The Hindu	05th November, 2019
		15th February, 2020

Website address of the Company in which reports / financial results/ official news releases/ presentations made to institutional investors or to the analysts have been posted	www.intellectdesign.com
Web-link where Policy for determining 'material' subsidiaries and related party transactions is disclosed	http://www.intellectdesign.com/investor/corporate-governance.asp
Web-link where details of familiarization programmes imparted to independent Directors is disclosed	http://www.intellectdesign.com/investor/corporate-governance.asp
Website address of stock exchange(s) in which reports / financial results are posted	
National Stock Exchange of India Ltd	www.nseindia.com
Bombay Stock Exchange Ltd	www.bseindia.com
Whether the official news Releases are displayed by the Company	☑ Yes ~~No~~

Table No. 5.18

13. Shareholders' complaints and requests

During the financial year 2019-20, 86 requests / Complaints had been received and 86 requests / Complaints resolved by the Company as detailed hereunder:

STATUS OF REQUEST/ COMPLAINTS DURING THE PERIOD 01/04/2019 TO 31/03/2a020

S.No.	Subject	Received	Replied/ resolved
	A. REQUESTS		
1	CHANGE/CORRECTION OF ADDRESS	4	4
2	RECEIPT OF DIVIDEND WARRANTS/REFUND ORDER FOR REVALIDATION	0	0
3	SPECIMEN SIGN CHANGE / NOT MENTIONED IN APPLICATION	3	3
4	CHANGE/CORRECTION OF BANK MANDATE	0	0
5	CHANGE/CORRECTION OF BANK MANDATE/NAME/DAMAGE ON DW	0	0
6	RECEIPT OF IB FOR ISSUE OF DUPLICATE DW	0	0
7	QUARY REGARDING PAYMENT OF DIVIDEND WARRANT	0	0
8	RECEIPT OF DD(S) /AGAINST DW FROM COMPANY/BANK	0	0
9	REQUEST FOR ECS FACILITY (ELECTRONIC CLEARANCE SERVICES)	0	0
10	LETTERS FROM CLIENTS REGARDING BILLS/PAYMENTS	0	0
11	POSTAL RETURN DOCUMENTS	1	1
12	LETTER FROM SEBI/STOCK EXCHANGE/CBI/ACKNOWLEDGE MENT	0	0
13	REGISTRATION OF POWER OF ATTORNEY	0	0
14	LOSS OF SECURITIES AND REQUEST FOR ISSUE OF DUPLICATE	2	2
15	RECEIPT OF IB AND AFFIDAVIT FOR ISSUE OF DUP SECURITIES	3	3
16	REQUEST FOR CONSOLIDATION/SPLIT OF SECURITIES	0	0
17	DELETION OF JOINT NAME DUE TO DEATH	7	7
18	REQUEST FOR TRANSFER OF SECURITIES	1	1
19	REQUEST FOR TRANSMISSION OF SECURITIES	3	3
20	REQUEST FOR DEMAT NSDL & CDSL /REMAT	38	38
21	DD RECEIVED FROM BANKS AGAINST ECS REJECTIONS	0	0
22	CHANGE / CORRECTION OF NAME ON SECURITIES	2	2
23	CLARIFICATION REGARDING SHARES	7	7
24	REQUEST FOR EXCHANGE OF CERTIFICATES	0	0
25	QUERY REGARDING UNDELIVERED DOCUMENTS	1	1
26	OTHERS(ACKNOWLEDGEMENT/NSDL OPERATION/ELECTRONIC DP REQ/ PAN NO, REQ FOR COMMUNIC, EMAILS / Lodgement of conversion form	7	7
	TOTAL (A)	**79**	**79**
	B. COMPLAINTS		
1	NON-RECEIPT OF ANNUAL REPORT	0	0
2	NON-RECEIPT OF DIVIDEND WARRANT	3	3
3	NON-RECEIPT OF SECURITIES	2	2
4	NON RECEIPT OF DUP/TRANSMISSION/DELETION OF SCS	0	0
5	NON-RECEIPT OF REFUND ORDER	0	0
6	NON-RECEIPT OF ELECTRONIC CREDITS	1	1
7	SEBI/BSE/NSE Complaints	1	1
	TOTAL(B)	**7**	**7**
	TOTAL (A) + (B)	**86**	**86**

Table No. 5.19

14. Stock market data about the shares of the Company for the period April 2019 to March 2020 at National Stock Exchange Limited (NSE) and Bombay Stock Exchange of India Limited (BSE).

Share market data and the graphical representation of closing market prices movement of the Company's shares quoted in the National Stock Exchange of India Ltd. (NSE) and . BSE Limited, (BSE) Mumbai for the period commencing from April 2019 to March 2020.

Intellect Design Arena Limited share price (High / Low) during the financial year 2019-20:

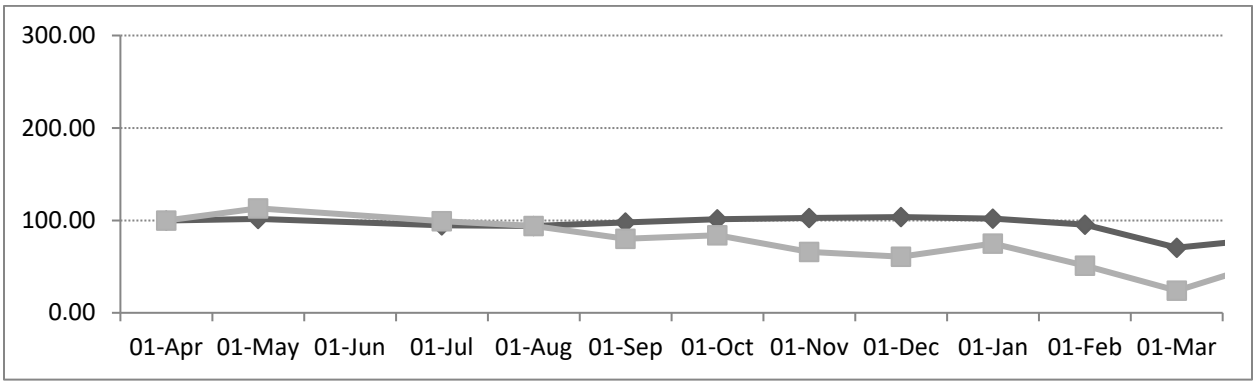
Stock Exchange	Yearly high price	Date	Yearly low price	Date
NSE	291.80	15/07/2019	43.80	25/03/2020
BSE	292.00	15/07/2019	44.00	25/03/2020

Table No. 5.20

NIFTY vs INTELLECT @ NSE

MONTH	Apr 19	May 19	June 19	July 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	March 20
NIFTY	11748.15	11922.8	11788.85	11118	11023.25	11474.45	11877.45	12056.05	12168.45	11962.1	11201.75	8281.1
INTELLECT	227.3	257	265.5	225.4	213.35	182.4	190.85	149.85	138.35	170.2	115.65	54.4

Table No. 5.21

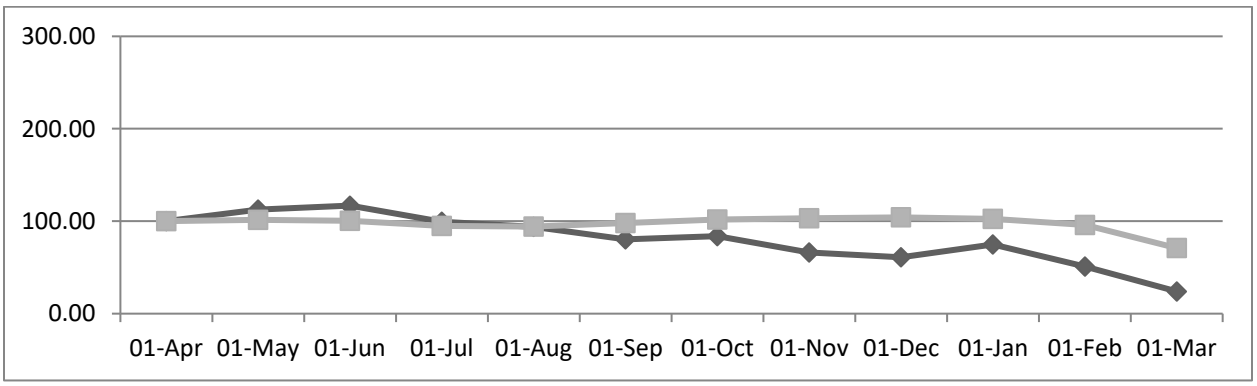


Base 100 = April 1, 2019

SENSEX Vs INTELLECT @ BSE

MONTH	Apr 19	May 19	June 19	July 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
INTELLECT	227.3	256.1	265.7	225.7	213.3	182.6	190.75	150.05	138.3	169.95	115.5	54.7
SENSEX	12230.27	12416.37	12293.47	11602.65	11528.28	11986.23	12439.27	12605.82	12736.31	12533.2	11728.36	8677.57

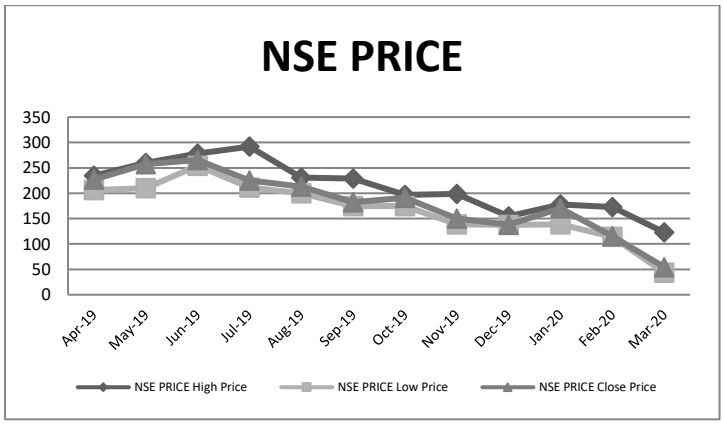
Table No. 3.22



Base 100 = April 1, 2019

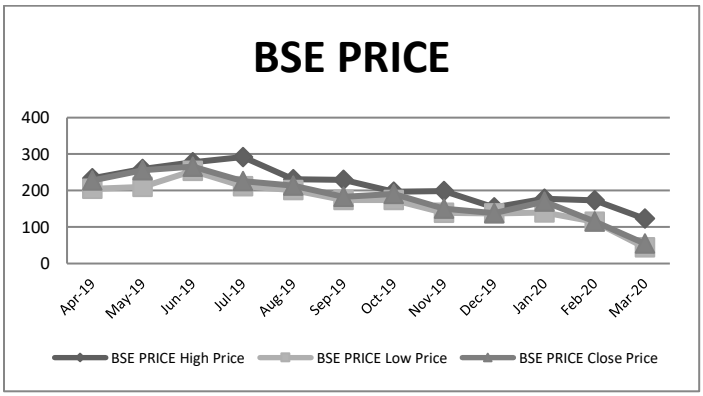
Month 2019-20	NSE PRICE			
	High Price	Low Price	Close Price	Volume
April 2019	234.35	206	227.3	6349478
May 2019	259.9	210.05	257	7632590
June 2019	278	254.15	265.5	5361460
July 2019	291.8	211.5	225.4	9320994
August 2019	230.8	200.2	213.35	3566652
September 2019	229	175	182.4	4343126
October 2019	196.9	174.7	190.85	3904482
November 2019	198.5	138.95	149.85	11490052
December 2019	154.75	137.2	138.35	2244798
January 2020	178	139	170.2	6312251
February 2020	173	114.1	115.65	3473533
March 2020	122.85	43.8	54.4	3392821
TOTAL				67392237

Table No. 5.23



Month 2019-20	BSE PRICE			
	High Price	Low Price	Close Price	Volume
April 2019	234.05	204.9	227.3	803954
May 2019	259	210	256.1	1047456
June 2019	277.5	254	265.7	684512
July 2019	292	211.65	225.7	2405895
August 2019	230.7	201	213.3	626608
September 2019	229	173.65	182.6	577027
October 2019	196.5	174.5	190.75	395866
November 2019	198.3	138.9	150.05	1445487
December 2019	154.3	137.5	138.3	309199
January 2020	177.9	139.5	169.95	650675
February 2020	173	114.8	115.5	708975
March 2020	122.8	44	54.7	939218
Total				10594872

Table No. 5.24



15. Shareholding pattern of the Company as on March 31, 2020

Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding converttible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Indian																		
(a)	Individuals/Hindu undivided Family		2	9665429	0	0	9665429	7.30	9665429	0	9665429	7.30	0	7.30	2460945	25.46	0	0.00	9665429
	ARUN JAIN	AAGHA7341L	1	2109108	0	0	2109108	1.59	2109108	0	2109108	1.59	0	1.59	1093750	51.86	0	0.00	2109108
	ARUN JAIN	AAHPJ6020E	1	7556321	0	0	7556321	5.71	7556321	0	7556321	5.71	0	5.71	1367195	18.09	0	0.00	7556321
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other		1	31861000	0	0	31861000	24.08	31861000	0	31861000	24.08	0	24.08	0	0.00	0	0.00	31861000
	POLARIS BANYAN HOLDING PRIVATE LIMITED	AAJCA4622N	1	31861000	0	0	31861000	24.08	31861000	0	31861000	24.08	0	24.08	0	0.00	0	0.00	31861000
	Sub-Total (A)(1)		**3**	**41526429**	**0**	**0**	**41526429**	**31.38**	**41526429**	**0**	**41526429**	**31.38**	**0**	**31.38**	**2460945**	**5.93**	**0**	**0.00**	**41526429**
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		**3**	**41526429**	**0**	**0**	**41526429**	**31.38**	**41526429**	**0**	**41526429**	**31.38**	**0**	**31.38**	**2460945**	**5.93**	**0**	**0.00**	**41526429**

Table No. 3.25

List of persons holding more than 1% of the total number of shares

Sl. No	Name	Shares	% Equity
1.	POLARIS BANYAN HOLDING PRIVATE LIMITED	31861000	24.08
2.	AMANSA HOLDINGS PRIVATE LIMITED	8652957	6.54
3.	ARUN JAIN	7556321	5.71
4.	RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA S	3900218	2.95
5.	GOTHIC CORPORATION	3751830	2.84
6.	MANJU JAIN	3564891	2.69
7.	ATYANT CAPITAL INDIA FUND I	3379675	2.55
8.	YOGESH ANDLAY	2556047	1.93
9.	VANDERBILT UNIVERSITY - ATYANT CAPITAL MANAGEMENT	2511940	1.90
10.	MUKUL MAHAVIRPRASAD AGRAWAL	2300000	1.74
11.	RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA V	2151198	1.63
12.	ARUN JAIN (HUF)	2109108	1.59
13.	AL MEHWAR COMMERCIAL INVESTMENTS LLC-WHITING	1586636	1.20
14.	INDIA ACORN FUND LIMITED	1347366	1.02
15.	THE DUKE ENDOWMENT	1337816	1.01
	Total	**78567003**	**59.37**

Table No. 5.26

Shareholding of Directors / office bearers as on March 31, 2020

Sl. No.	Name of the Director / Officer bearer	No. of shares	% of Share Capital
1.	Arun Jain, Chairman & Managing Director	75,56,321	5.71
2.	Anil Kumar Verma, Executive Director	1,47,433	0.11
3.	Aruna Krishnamurthy Rao, Director	6,860	0.01
4.	Arun Shekhar Aran, Director	5,82,413	0.44
5.	Andrew Ralph England, Director	-	-
6.	Vijaya Sampath, Director	-	-
7.	V.V.Naresh, Company Secretary	11,670	0.01
8.	Venkateswarlu Saranu, Chief Financial Officer	-	-

Table No. 5.27

Distribution Schedule of Shareholding as on March 31, 2020

Sl. No	Category	Total		Physical		Electronic	
		No. of Share Holders	Shares	No. of Share Holders	Shares	No. of Share Holders	Shares
1	upto 1- 5000	47847	7840824	1036	114955	46811	7725869
2	5001 - 10000	2325	3376447	10	13650	2315	3362797
3	10001 - 20000	1316	3787437	11	29481	1305	3757956
4	20001 - 30000	480	2377553	0	0	480	2377553
5	30001 - 40000	241	1684767	0	0	241	1684767
6	40001 - 50000	147	1349604	0	0	147	1349604
7	50001 – 100000	287	4000078	0	0	287	4000078
8	100001 & Above	297	107921920	1	24668.00	296	107897252
	Total:	**52940**	**132338630**	**1058**	**182754**	**51882**	**132155876**

Table No. 5.28

Comparative distribution schedule as on March 31, 2020

Shares	Physical		Demat		Total	
	Nos.	%	Nos.	%	Nos.	%
31.03.2020	182754	0.14	132155876	99.86	132338630	100.00
Shareholders						
31.03.2020	1058	2.00	51882	98.00	52940	100.00

Table No. 5.29

16. Other Information to Shareholders

Share Transfer System

The applications for transfers, transmission and transposition are received by the Company at its Registered Office address at Chennai or at M/s. Kfin Technologies Private Ltd., Hyderabad, Registrar and Share Transfer Agents (RTA) of the Company. As the Company's shares are currently traded in demat form, the transfers are processed and approved by NSDL/CDSL in the electronic form through its Depository Participants. The RTA on a regular basis processes the physical transfers and the share certificates are sent to the respective transferees.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity - Not applicable

Dematerialisation of Shares and Liquidity

Your Company's shares are admitted into both the Depositories i.e. NSDL and CDSL by the Company's Registrar and Share Transfer Agent, M/s. Kfin Technologies Private Ltd. 98.00% of the Company's shares are held in electronic/demat form as on 31st March, 2020.

Particulars	Number of Shares	Percentage to Total Number of Shares Issued	Number of Shareholders	Percentage to Total Number of Shareholders
Held in dematerialized mode in NSDL	116255896	87.85	31309	59.14
Held in dematerialized mode in CDSL	15899980	12.01	20573	38.86
Total Demat Segment	132155876	99.86	51882	98.00
Physical Segment	182754	0.14	1058	2.00

Table No. 5.30

Commodity price risk or foreign exchange risk and hedging activities

Your Company does not have any commodity price risk. Your Company has a formal Board-approved hedging strategy which is reviewed periodically. Judiciously hedging against adverse foreign exchange exposures helps minimise the impact of exchange fluctuations. We continue to maintain a prudent and balanced forex management policy which will help us manage risk appropriately.

Share Transaction Regulatory System in place for controlling insider trading policy on Insider Trading

A Policy on Insider Trading has been implemented pursuant to the guidelines issued by SEBI from time to time. This policy deals with the rules, regulations and process for transactions in the shares of the Company and shall apply to all transactions and for all designated associates in whatever capacity they may be, including Directors.

Details of shares under Unclaimed suspense account as per Regulation 39 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(a) Pursuant to the Demerger from Polaris Consulting & Services Limited ("Polaris"), all the shares held under Unclaimed Suspense Account in Polaris got transferred to your Company.

As and when any shareholder approaches the Company or RTA to claim the shares held under Unclaimed Suspense Account, the Company or RTA as applicable after proper verification either credit the shares lying in the Unclaimed Suspense Account to the Demat account of the Shareholder to the extent of the shareholders' entitlement or deliver the physical certificates after re-materialising the same, depending on what has been opted by the shareholder. The voting rights shall remain frozen till the rightful owner of such shares claims the shares: -

Aggregate number of shareholders and the outstanding shares in the suspense account at the beginning of the year		Number of shareholders who approached listed entity for the transfer of shares and to whom the shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account at the end of the year	
Shareholders	**Shares**		**Shareholders**	**Shares**
521	**86,100**	**9**	**512**	**85,000**

Table No. 5.31

(a) Pursuant to the Rights issue some shares have been transferred to Unclaimed suspense Account due to want of some information from the shareholders.

As and when any shareholder approaches the Company or RTA to claim the shares held under Unclaimed Suspense Account, the Company or RTA as applicable after proper verification either credit the shares lying in the Unclaimed Suspense Account to the Demat account of the Shareholder to the extent of the shareholders' entitlement or deliver the physical certificates after re-materialising the same, depending on what has been opted by the shareholder. The voting rights shall remain frozen till the rightful owner of such shares claims the shares: -

Aggregate number of shareholders and the outstanding shares in the suspense account at the beginning of the year		Number of shareholders who approached listed entity for the transfer of shares and to whom the shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account at the end of the year	
Shareholders	**Shares**		**Shareholders**	**Shares**
9	**1,715**	**2**	**7**	**1,675**

Table No. 5.32

Locations

The branch locations consisting of address and other contact details have been provided separately in this Annual Report and the details are also available at https://www.intellectdesign.com/contactus/global-offices.asp Intellect also has 4 (Four) subsidiaries in India namely:-

(I) Intellect Commerce Limited
(II) SEEC Technologies Asia Private Limited,
(III) Intellect Payments Limited
(IV) Intellect India Limited

Addresses for correspondence

The Company Secretary & Compliance Officer
INTELLECT DESIGN ARENA LIMITED
Regd. Office:
244, Anna Salai, Chennai - 600 006
Phone: 044-6615 5100
Corporate Headquarters :-
Plot No. 3/G-3, SIPCOT
IT Park, Siruseri, Chennai - 600 130.
Phone: 044-6700 8000
E-mail: shareholder.query@intellectdesign.com
company.secretary@intellectdesign.com
naresh.vv@intellectdesign.com

Place: Chennai

For **Intellect Design Arena Limited**

Date: 15th June, 2020

Arun Jain
Chairman & Managing Director
DIN:- 00580919

CEO & CFO UNDER REGULATION 17(8) OF LISTING REGULATIONS, 2015

To: The Board of Directors of Intellect Design Arena Limited, Chennai

We, Arun Jain, Chairman & Managing Director and Venkateswarlu Saranu, Chief Financial Officer of Intellect Design Arena Limited., ("Company") hereby certify that:-

(a) We have reviewed financial statements and the Cash Flow Statement of the company for the financial year ended March 31, 2020 and that to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the audit committee that there have been no:

(i) Significant changes in internal control over financial reporting during the year;

(ii)Significant changes in accounting policies during the year and other than those have been disclosed in the notes to the financial statements; and

(iii)Instances of significant fraud of wherein there has been involvement of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Chennai

Date: 15th June, 2020

Arun Jain
Chairman & Managing Director
DIN: 00580919

Venkateswarlu Saranu
Chief Financial Officer

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Intellect Design Arena Limited

1. The Corporate Governance Report prepared by Intellect Design Arena Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") for the year ended March 31, 2020 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Register of Directors as on 31st March, 2020 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
   iv. Obtained and read the minutes of the following committee meetings / other meetings held from 1st April 2019 to 31st March 2020:
      (a) Board of Directors;
      (b) Audit Committee;
      (c) Annual General Meeting (AGM);
      (d) Nomination and Remuneration Committee;
      (e) Stakeholders Relationship Committee;
      (f) Risk Management Committee
   v. Obtained necessary declarations from the directors of the Company.
   vi. Obtained and read the policy adopted by the Company for related party transactions.
   vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee, where applicable.
   viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.
9. Opinion:
   Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 20210934AAAABJ5004
Place of Signature: Chennai
Date: 15th June 2020

To
The Members
Intellect Design Arena Limited
Chennai

Sub: Declaration by the CEO under Regulation 26(3) of Listing Regulations

I, Arun Jain, Chairman & Managing Director of Intellect Design Arena Limited to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2020.

Place: Chennai
Date: 15th June, 2020

Arun Jain
Chairman & Managing Director
DIN: 00580919

CERTIFICATE ON NON – DISQULAIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) and Schedule V of SRBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To ***the Members of Intellect Design Arena Limited***

I have examined the relevant registers, records, forms, returns, declarations and disclosures received from the Directors of Intellect Design Arena Limited, with CIN: L72900TN2011PLC080183 and having registered office at o. 244, Anna Salai, Chennai – 600 006 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C, Sub-clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in of Ministry of Corporate Affairs) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31,2020, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of the Director	Director Identification Number (DIN)	Date of Appointment in the Company
1.	Mr. Arun Jain	00580919	30.08.2014
2.	Mr. Anil Kumar Verma	01957168	30.09.2014
3.	Mr. Andrew Ralph England	08211307	25.10.2018
4.	Ms. Aruna Krishnamurthy Rao	06986715	09.10.2014
5.	Ms. Vijaya Sampath	00641110	25.10.2018
6.	Mr. Arun Shekhar Aran	00015335	03.05.2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is only to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Due to the Covid - 19 Pandemic and the restrictions faced due to the same, physical verification of documents / records have been impacted and hence reliance has been placed on the scanned / soft copies of various documents / records which were provided by the Company.

For **V. VASUMATHY & ASSOCIATES,**

V. VASUMATHY
Practising Company Secretary
FCS No. 5424 / COP No. 9451

Place: Chennai
Date: June 8, 2020
UDIN: F005424B000326613

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MANAGEMENT'S DISCUSSION AND ANALYSIS

SECTION A

WHAT IS OUR BUSINESS?

Intellect is a Digital Financial Technology Products Company addressing the business needs of the Banking and Financial services domains. Our products cater to the three main verticals in the Banking Industry viz Retail Banking, Corporate Banking, Treasury & Capital Markets and the Insurance Industry. Our organization is also organized along the same lines as four Business units-aligned with the verticals of our Customers - viz. Global Consumer Banking (iGCB), Global Transaction Banking (iGTB), Risk, Markets & Treasury (iRTM) and Insurance (iSEEC). We differentiate ourselves by the principles and practice of Design Thinking in every aspect of our Business.

WHO ARE OUR CUSTOMERS AND WHAT PROBLEMS DO WE SOLVE FOR THEM?

Our customers include Commercial Banks, Central Banks, Non-Banking Financial institutions, Capital Market participants such as Brokerages, Stock Exchanges, Asset Managers, Wealth Management firms, Government enterprises and Insurance Carriers. We partner with them in their Digital transformation agenda as they set out to expand their Customer base, improve customer engagement, streamline their processes to improve standards of customer service and build efficiencies, while being compliant with the evolving regulatory landscape.

In the Financial Services space, technology is fast becoming a key differentiator moving ahead from its role of a Business enabler. As consumers of Financial services, we witness around us, the disruptive transformation of the space – in Product offerings, Engagement models, delivery channels, pricing as well as relationship. This innovation represents just one of the challenges faced by this Sector. To stay ahead in the race amidst this rampant innovation, Institutions increasingly count on Technology. Depending on the generation of Technology adopted, other dimensions of complexities such as co-existence of multiple generations of Technology, Integration with the Ecosystem and need to juggle with multiple data architectures crop up. Given these complexities, Financial institutions are increasingly resorting to 'buying' solutions rather than 'building' them – which spurs demand for Technology Products.

Our products help our Customers navigate through these challenges and emerge as winners.

WHAT PRODUCTS DO WE OFFER THEM?

Our Products address the requirements of the three Banking verticals – Retail / Consumer Banking, Corporate / Transaction Banking and Treasury & Capital Markets as well as the Insurance majors.

Intellect Digital Core, our flagship Core Banking platform that enables Banks to offer contextual, real time Banking by addressing their Digital Transformation agenda doubles up as a System of Records as well as System of Engagement with significant differentiators that equip the Banks with agility and speed to Market, Operational cost saves, higher omni-channel Customer Engagement, Ability to micro segment the Markets with deep Analytics and ready connects to the Eco system. Our market is from Digital Challenger Banks – new format Banks that operate only in the Digital space, Banks that seek to modernize their Back end platforms that were set up over two decades ago , new Bank licensees and Banks that set out on a progressive modernization initiative of renovating their technology architecture. The Product has gone live in a Cloud deployment model in the UK , an assertion of our ability to meet the Regulatory, Data privacy as well as Advanced Market demands, which places us in the reckoning for many more such deals. The Product is available both on on-premise and Cloud model. We have recently been rated # 1 in the IBS Sales League table for Retail Banking, a further proof point of the success of our Product and Market strategy. Several deals are in the pipeline across geographies

Intellect Lending is a specialized suite that addresses the Lending cycle end to end commencing from Origination to Disbursement, Loan Life Cycle Management, Collection Management, Dispute Management and Credit History Management. Powered by Purple Fabric, Intellect's Artificial Intelligence / Machine Learning platform this suite builds real time intelligence in Credit decisions and Collection decisions. This Product is adopted by Banks that seek more sophisticated Lending capabilities than that offered by a Core Banking platform apart from those catering to niche segments such as Corporate and SME Lending or Non Banking Financial Institutions, Development Finance Organizations, Housing Finance Banks and Co-operatives. The product has won several deals in the Growth markets in FY20

Intellect Cards is again a very specialized Product that addresses the Credit Cards segment. Intellect had pioneered the Cards Product for over three decades now, working with the World Leader. With very granular detailing of capabilities in Onboarding, Merchant Management, Loyalty Management, Pattern analysis and Collection Management, this Product has found adoption with Market leaders in India, Middle East and Latin America. Enhanced to manage e-Wallet capabilities, this Product is also being offered as a Platform as a Service (PaaS) model with revenues accruing on a per transaction basis.

Quantum, is Intellect's Core Banking Engine for Central Banks that enables them meet their unique governance responsibilities such as Currency Management, Treasury role for the Government, Managing Governments' payments and receipts, acting as the Government's Debt Manager and so on. Our Wins and implementations across continents spanning diverse regulatory regimes prove the versatility of this Product. Opportunities for this product exist with other Central Banks , Modernization projects initiated by agencies such as World Bank, Cross/ Up sell opportunities with existing Customers and individual Product opportunities such as Debt Management, Payments/ Receipts Engine with Government departments, State Governments. As category leaders, we continued to win deals and go live with ongoing implementations in FY20

Capital Cube is a high end combination of Treasury and Asset Liability Management. This is for Banks in Tier 2 / Tier 3 and for functionalities beyond what standard Core system can offer. With high end capabilities for Risk Management, Liquidity Management , Treasury, Trading Analytics , Capital adequacy and Customer servicing , this product has a significant footprint in Growth Markets apart from powering the multi continent Treasury Operations of the World's Leading Bank in Treasury Operations. Apart from Banks, the Product also finds Markets in other Financial Institutions such as Insurance Cos, development finance institutions and large corporates. Opportunities arise alongwith Core Banking implementation as well as subsequently as a Wave 2 Transformation. We have recently launched two products on the cloud specifically targeted at the Forex trading and Asset Liability management spaces - CBX-FX and Contextual ALM. These are expected to accelerate for monetization in FY21

Capital Alpha is our solution for the Capital Markets that combines the functionalities of Front, Mid and Back office of retail and enterprise broker houses and offer the combined benefit of Speed, Leverage, Risk Management and Analytics .The product integrates with and supports other Capital Market functionaries such as Custodians, Registrar and Transfer agents and Mutual Fund participants. The Product has been approved across Stock Exchanges and offers multi-exchange, multi-currency support with contextual research and analytics. The Product targets both enterprise and retail broker houses and also seeks to replace disparate solutions implemented for each of the Front, Mid and Back offices.

For the Transaction / Corporate Banking vertical, iGTB's Digital Transaction Banking suite (DTB) enables Banks to deliver seamless experience across the Corporate Financial supply chain. The platform enables Banks maximise fee income, improve cross-sell and address the effectiveness of the Bank's

distribution channels. A category leader in Growth Markets, this Product is fast capturing market share across countries and finding adoption from both mature Banks as well as aspirant entrants to the Transaction Banking Business. Several implementations of DTB went live in FY20, some of them securing awards to the respective Customers

Another product is the CBX - Contextual Banking Experience – the Digital Banking platform for Corporate Banking. An acknowledged leader in its category, The Product supports a comprehensive set of user journeys across Corporate Banking and enables context aware recommendations to Customers driven by an AI/ML engine that generates predictive analytics. With its leading edge User Interface, the Product has established a significant footprint in both advanced and Growth Markets and is a recognized category leader.

The third product for the Transaction banking vertical is the Payments Services hub that enables payment processing and orchestration through pre-defined , intelligent workflows that aggregate across payment channels and address the payment cycle end to end, ensuring a very high level of straight through processing while optimizing cash flows. We have done significant work around Payments with a large Bank in North America and are looking to replicate that success story in more such Accounts

Intellect's Liquidity platform supports Corporate Liquidity management with intelligent functionalities for Pooling, Sweeping, Investments and consolidation across geographies, currencies and categories. Also a category leader, the product launched recently in the cloud native, API driven version, won a deal in North America with a very large Global Bank and had a strong deal pipeline at the end of FY20

Lastly, Intellect's Trade & Supply Chain Finance platform integrates the partners across the Supply chains of organizations presenting them a unified platform for transacting and building true interdependency in their relationship. Intellect has implemented this product for a large customer in Europe and going live in phases for a multi-country implementation in Asia.

These five products are targeted at Banks in the Corporate / Transaction Banking space. Depending on the geography and stage of maturity , the Products are targeted based on the specific requirements of Banks in Advanced Markets – such as Payments which are impacted by the developments in Regulation / Ecosystem or Digital transformation . As mentioned earlier, the DTB suite is targeted towards customers predominantly in Growth markets.. Collectively, the Transaction Banking business has over 90 customers , many with multiple product installs and multi-country roll-outs. The Transaction Banking business also achieved # 1 position in the IBS Sales League table. The Business has a strong deal pipeline at the end of FY20

Intellect's WealthQube is targeted at Wealth Managers , Private Bankers , Advisory firms and independent financial advisors. The product places the role of the Relationship manager at the centre and addresses their priorities of better engagement with and providing intelligent advice to their clients through a 360 deg view , apart from the ability to transact across Exchanges, currencies and asset classes. With a promise of 20% higher productivity and 20% higher revenues, the Product has established a footprint with key clients in Growth Markets and is targeting specific countries based on current Wins and implementations. The product went live in multiple countries in Asia in FY20, adding to the existing installation base in India and the Middle East

Intellect SEEC addresses the Digital and Data needs of the Insurance carriers both through products and by offering Data as a Service. Xponent, an Underwriting workstation that is powered by AI/ML and advanced analytics and delivered in Cloud model, enables underwriters to come up with sharper quotes by providing them intelligence from both structured and unstructured data sources. The product has been adopted by leading Insurers in the US , a strong endorsement of its superior functionality. Fabric Data services functions as a Data refinery, aggregating data from multiple sources, triangulates them and feeds them to consuming applications. Intelligent Data Exchange (IDX) integrates data capture, validation and enrichment eliminating human intervention and enabling straight throughput. These products are implemented in a true cloud native, API led open architecture

All of these products have won multiple accolades and ratings from leading Analysts and awards for Customer implementations. These have been detailed earlier in this report

These apart, we operate the Government eMarketplace portal (GeM) as a Managed Service provider along with our consortium partners and earn a fee based on the transaction value This portal is set to scale much higher values of Gross Merchandise value (GMV) in subsequent financial years, as more State Governments, Departments and Public Sector Enterprises are onboarded and commence transacting on the portal

WHY WOULD OUR CUSTOMERS CHOOSE US OVER OTHERS?

We differentiate ourselves by applying Design Thinking in every facet of our Business process – Development of Products, Adopting technology, Deployment of Frameworks that demystify understanding of Domain and Technology, Building and adoption of low coding platforms that accelerate development of robust and yet agile products that the Market demands and in delivering them in full and ahead of schedule to our Customers. These have been dealt with in detail earlier in this Report. By this differentiated approach, we deliver significantly higher value to our Customers both in supporting their Revenue growth by enabling speed, agility and Customer engagement and in simplifying operational processes, increasing throughput, reducing turnaround times and costs.

Our Design Thinking manifests itself in our unified open architecture that is cloud ready, API led, offers high technology performance, comprehensive functionality and integration with the most recent advancements such as Artificial Intelligence, Machine Learning, Big Data analytics and Robotics Process Automation. Our products are now more than 90% mature - validated externally by fitment to RFP asks. Our delivery methodology has been industrialized with transition from implementation to Adoption and onboarding. Low coding platforms such as Canvas and Hub technology, Testing and Integration frameworks and platforms such as Olive Fabric have reduced implementation cycle time, defect rates and customer support tickets.

Sensing the industry shift towards Cloud deployment, we have invested in the required technologies in FY20 and are ready to service customers both in on-premise as well as Cloud models.

From a referenceability perspective, we currently have over 240 active Customers that we service – across continents and countries. In 24 countries across the globe, one of the Top 3 Financial institutions is our Customer – these include 9 countries in Advanced Markets of Europe, Americas , Japan, Singapore and Australia and 15 countries in other Growth markets. The scale and size of this customer base is proof enough for our Products.

In the Transaction Banking space, we have 90 customers, which represents a little over 30% of the defined space of about 300+ Banks that are engaged in this Business.

Recently, we also launched iTurmeric, a platform for APIfication of applications. This platform provides an API exchange, API studio and developers' sandbox that helps develop, publish and consume APIs for own, third party and ecosystem applications. This platform also enables 'progile' transformation - progressive and agile - that allows Customers to preserve their investment in legacy technologies , while migrating to a cloud ready, open digital architecture without the inherent risks of a rip & replace transition.

WHAT IS OUR BUSINESS MODEL?

Our revenue streams and Business models have been separately articulated in detail in Chapter 6 of this Report.

WHAT ARE THE LEAD INDICATORS FOR OUR GROWTH?

Over the last several Quarters, our deal pipeline as well as leads have been increasing both in quantitative terms and more importantly qualitative terms – by way of well qualified, real and rich pipeline. Several of these are with Global or Continental leaders. We are in the last two in about 40 destiny deals each of Rs. 20 Crs in value or more. The overall deal pipeline is over $500m, while order backlog from License and Subscription deals is over Rs. 2,000 Crs. 90% of our revenues are from existing Customers – an assertion of their endorsement of our engagement. Our subscription revenues were 5.7% of total revenues at the beginning of FY20 and have risen to 10.7% by the end of FY20. The annual run rate of Subscription revenues exceeded Rs. 150 Crs in Q4 / FY20. Our AMC revenues, now growing 10% annually, are expected to accelerate once our ongoing implementations go live, given the higher license components in these projects. Together, they bolster the assured revenue stream, apart from Implementation revenues from committed support engagements.

WHAT IS OUR COST STRUCTURE?

Our key costs are towards

1. Product Manufacturing – Development of Products, Building next versions of current Products and adding User Journeys, Technology re-platforming

2. Research & Engineering – Costs in building core technology components / frameworks / architectures and tools

3. Service Delivery – Implementation costs in delivering the Products to our Customers (roll out costs) plus costs of offering Production support / maintenance

4. Sales & Marketing – Business development, Branding, Market development, Marketing and Pre-Sales costs

5. General Admin costs – Costs of infrastructure, shared and support services including Corporate Management

We have invested in both Product development and Sales & Marketing over the last 3-4 years. With revenues accelerating however, Sales & Marketing / General Admin costs are now down as a percentage of revenues as compared to couple of years ago. Similarly Product development and Research & Engineering costs are also down as a percentage of revenue, though we continue to keep our thrust on focused and targeted investments.

Owing to maturity of our delivery processes, our Margins are maintained at nearly 50% of revenues over years, despite our investments to address delivery requirements of recent wins

In FY20, we managed to rationalize our costs, thanks to our focused industrialization of Product development and implementation. This apart, some of the peak Sales & Marketing investments are behind us. As a result, our annual rate spending is down by Rs. 150 crs in Q4 as compared to Q1 of FY20. Our cost structure is now lean and nimble, with the agility to spend where focus is required for Revenue acceleration

A more detailed coverage of our financial performance, accounting policies, competition and risks/ concerns are addressed in the following sections.

SECTION B & C

1. Overview

Intellect is a Digital Products and Technology Company that addresses the Digital transformation needs of the Banking and Financial Services domains. We have a rich suite of 12 Products that cater to the three main verticals in the Banking Industry viz Retail Banking, Corporate Banking, Treasury & Capital Markets and the Insurance Industry. We differentiate ourselves by our principles and practice of Design Thinking in every aspect of our Business

Post its de-merger from Polaris, Intellect spent the first three years of its journey post listing in

- Investing in its Products - enriching their Functionality, Architecture
- Investing in Sales & Marketing - Brand building, Enlisting Analyst endorsements and gaining Market acceptance - apart from hiring Leaders who brought Relationships
- Expanding its Footprint - winning Customer Logos and enhancing its referenceability
- Sharpening its Execution by investing in Delivery Excellence
- Building its Leadership bandwidth and expertise

This phase - termed Intellect 1.0 - saw us

- establish ourselves as Global Leaders in several categories,
- compete against the World's best and figure amongst the 'final two' in several deals,
- win marquee Logos and prestigious deals and
- deliver to exacting timelines and requirements.

Several of these were detailed in prior year reports.

Commencing from 1st April 2018, the Company is in the Phase for a period of three years upto 31st March 2021 in Intellect 2.0. In this phase, the Company's main agenda is as under:

- Industrialization
- Customer centricity
- Monetization

Under the agenda of Industrialization, the Company is in the process of taking required steps to reduce time to delivery, simplifying and standardising the process and identifying activities can be given out in order to improve the growth from all aspects.

It is also important to note that the Company focuses on Execution, Relationship with Customers and providing Thought Leadership (Domain/Technology) under the agenda of Customer Centricity to ensure the satisfaction and value to the customer.

The Company has also taken steps to evaluate the performance of the team on the basis of revenue generated from license sale and cloud revenue, provides more authority to the team to close the deal, focus on time lines for implementation, cleat cut budget allocations, generating of revenue from Growth and Innovation team on T&M basis, focus on collections and user journey based pricing under an agenda of Monetization.

2. FACTORS IMPACTING OUR RESULTS OF OPERATIONS

In addition to the above factors, the following factors could cause actual results to differ materially from our expectations:

1. Overall global economy;
2. Changes in fiscal, economic or political conditions in India;
3. Company's ability to successfully implement its strategy and its growth and expansion plans;
4. Increasing competition;
5. Changes in the value of the Indian rupee and other currencies; and
6. Regulatory changes pertaining to the BFSI industry in which our Company operates and our Company's ability to respond to them.

Our Company's consolidated revenue, Including Other & Finance income, for Financial Year 2019-20 was Rs.13,733.52 Millions. Our Company's consolidated profit / (loss) after tax for Financial Year 2019-20 was Rs.176.46 Millions. Our Company's standalone revenue, Including Other & Finance income for Financial Year 2019-20 was Rs.7,643.18 Millions. Our Company's standalone profit / (loss) after tax for the Financial Year 2019-20 was Rs. (312.76) Millions.

3.Principal components of our statement of profit and loss account

Revenue

Our revenue consists of:

a. **Revenue from operations** – Our revenue from operations comprises revenue from our four business verticals viz., global consumer banking and central banking, risk, treasury & markets, global transaction banking and insurance.

b. **Finance Income –** Our finance income comprises of interest/dividend from fixed deposits/mutual funds.

c. **Other income** – Other income consisting of interest received on deposits with banks, interest on others, dividends on investments in mutual funds, profit on sale of investments, provision for diminution in value of investments miscellaneous income, profit / (loss) on sale of assets and net gain on foreign currency transactions and translation (other than those considered as finance cost).

Our total revenue, Including Other & Finance income as per the Consolidated Summary Statements, for the Financial Year 2019-20 and the Financial Year 2018-19 was Rs. 13,733.52 Millions, and Rs. 15,122.75 Millions respectively.

Expenses

Our expenses comprised employee benefit expenses, other expenses and finance cost and depreciation and amortisation expenses.

a. **Employee benefit expenses** – Employee benefit expenses comprises salaries, wages and bonus, contribution to provident and other fund, superannuation scheme, other funds, gratuity expense, cost of technical sub-contractors, social security and other benefit plans for overseas employees and staff welfare expenses.

b. Depreciation and amortisation expense - Depreciation and amortisation expense comprises depreciation on fixed assets of the company including depreciation on Lease assets on account of Ind As 116.

c. **Finance cost** – Finance cost comprises interest related expenses including borrowings / Bank Guarantee charges and interest component of Lease assets on account of Ind As 116.

d. **Other expenses** – Other expenses comprises cost of software packages, consumable and maintenance, travelling expenses, communication expenses, professional and legal charges payment to the auditors,, power and fuel, rent, repairs - plant and machinery, repairs - building, repairs - others, business promotion, office maintenance, provision for doubtful debts, bad debts/advances written off, insurance, printing and stationery, rates and taxes excluding taxes on income, directors' sitting fees, bank charges and commission, miscellaneous expenses and net loss on foreign currency transaction and translation (other than considered as finance cost).

Our total expense, as per the Consolidated Summary Statements, for the Financial Year 2019-20 and Financial Year 2018-19 was Rs.13,623.72 Millions and Rs. 13,750.32 Millions respectively.

Tax Expense

Current Tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to our Company. The current tax provision and advance income tax as at balance sheet date have been arrived at after setting off advance tax and current tax provision where our Company has a legally enforceable right to set off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred Tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the taxable income and accounting income. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the year that includes the enactment date. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as our Companydoes not have legal right to do so.

RESULTS OF OPERATIONS FOR FINANCIAL YEAR 2019-20 COMPARED TO FINANCIAL YEAR 2018-19

Revenue

Our total revenue, as per the Consolidated Summary Statements, decreased by 9.19% from Rs.15,122.75 Millions in Financial Year 2018-19 to Rs.13,733.52 Millions in Financial Year 2019-20 due to slow down of GTB Business and shifting of certain deals into subscription model. This decrease was due to slow down in the Global economy inspite we have retained all customers.

Revenue from operations

Our revenue from operations decreased by 7.08% from Rs.14,495.69 Millions in Financial Year 2018-19 to Rs.13,468.84 Millions in Financial Year 2020. The reduction was on account of slow down in GTB business due to postponement of large deals in advance market and shifting of certain deals to subscription model and deferment of certain deals in the other businesses.

Finance income

Our finance income has increased by 70.97% from Rs. 58.37 Millions in Financial Year 2018-19 to Rs.99.79 Millions in Financial Year 2019-20. This was primarily due to interest earned on income tax refund received during the year.

Other income

Our other income decreased by 71.01% from Rs. 568.69 Millions in Financial Year 2018-19 to Rs.164.89 Millions in Financial Year 2019-20. During last year we had earned Rs. 376.90 Millions from sale of assets.

Expenses

Our total expenses remains almost flat as compared to previous year. During last year 2018-19 Company has incurred a total expenditure of Rs. 13,750.32 Millions and during the current year we have incurred Rs. 13,623.72 Millions.

Employee benefit expenses

Our employee benefit expenses comprising salaries, wages and bonus, contribution to provident and other fund, gratuity etc., remains almost flat. During the current financial year 2019-20 Company has incurred Rs.8,120.88 Millions where as during 2018-19. We had incurred Rs. 8,388.74 Millions. This is because of some of the cost saving measures taken by the Company**.**

Depreciation and amortisation expenses

Our depreciation and amortisation expenses increased by 65.93% from Rs. 415.57 Millions in Financial Year 2018-19 to Rs.689.57 Millions in Financial Year 2019-20, primarily, due to the depreciation on Right of Use Assets (Rs.175.78 Millions) on account of introduction of new accounting

standard INDAS 116 besides addition of fixed assets and amortisation of intangibles.

Finance cost

Our finance cost comprising interest expense increased by 51.78% from Rs. 114.42 Millions in Financial Year 2018-19 to Rs.173.67 Millions in Financial Year 2019-20, This increase is primarily, due to adoption of Ind As 116 (lease accounting) where by Rs. 32.61 millions as been accounted as interest on account of this new standard and remaining increase is due to usage of working capital loans for operations.

Other expenses

Our other expenses comprising payment to auditors, cost of software packages, consumable and maintenance, travelling expenses, professional legal charges, rent, business etc., marginally decreased by 3.97% from Rs.4,831.59 Millions in Financial Year 2018-19 to Rs.4,639.60 Million in Financial Year 2019-20 mainly because last year Company had incurred Rs.118.02 Millions towards net loss on foreign currency transaction and translation. This year such a huge impact is not there. Besides, some of the operational expenditures have decreased due to decrease in the operational income.

Profit / (Loss) after tax

As a result of the foregoing factors, our total consolidated profit / (loss) after tax decreased from Rs.1,312.62 Millions in Financial Year 2018-19 to Rs.176.46 Millions in Financial Year 2019-20.

Liquidity and capital resources

Historically, our primary liquidity requirements have been to finance our working capital requirements for our operations and for capital expenditures. We have met these requirements through cash flows from operations as well as through borrowings. As on March 31, 2020, we had Rs.1,062.88 Millions in cash and bank balances, and Rs.1,858.45 Millions in short term borrowings.

We believe that our anticipated cash flow from operations, committed debt facilities, and our existing cash, will be sufficient to meet our operating and capital expenditure requirements for the the Financial Year 2021.

Cash flows

The table below summarizes the statement of cash flows, as per our Consolidated Summary Statement of Cash Flows, for the year / period indicated:

(*in Rs.Millions)*

Particulars	Financial Year	
	2020	2019
Net cash generated from / (used in) operating activities	435.69	(503.44)
Net cash generated from / (used in) investing activities	(998.80)	11.03
Net cash generated from / (used in) financing activities	801.01	629.71

Operating activities

Net cash flow from operating activities comprises (cash consumed) / generated from operations and increase / decrease in working capital. Net cash generated in operating activities increased from Rs. (503.44) Millions in the financial year 2018-19 to Rs.435.69 Millions in the financial year 2019-20 mainly due to decrease in change in movement of working capital.

Investing activities

Net cash used in investing activities comprises sale of non-trade of investments, proceeds received from sale of fixed assets, increase in purchase of property, plant and equipment.

Net cash generated / (used) in investing activities Decreased from Rs. 11.03 Millions in Financial Year 2018-19 to Rs. (998.80) Millions in 2019-20. During last year the primary reason for generation of Rs.11.03 Millions from Investing activities was due to realization of Bank deposits

Financing activities

Net cash flow from financing activities comprises proceeds / repayment of loans. Net cash generated / (used) from financing activities increased from Rs. 629.71 Millions in 2018-19 to Rs. 801.01 Millions in 2019-20. The increase is primarily due to proceeds from short term borrowings during the current year.

Indebtedness

As on March 31, 2020 at standalone level, we had a sanctioned term loan of USD 20 Millions out of which USD 9.38 Millions were outstanding. As on that date, we had sanctioned funded and non funded credit facilities aggregating Rs. 2,200 Millions and Rs. 2,695 Millions respectively, out of which Rs. 1,852.17 Millions were outstanding against funded and the utilisation of non funded credit facility is Rs. 2,026.77 Millions. All the outstanding Loans as the end of the Financial year were secured.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with any entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We confirm that none of our debtors are related parties within the meaning of Accounting Standard INDAS-24 issued by the ICAI other than as disclosed in the financial statements.

Contingent liabilities

The following table sets forth our contingent liabilities.

(*in* Rs. *Millions)*

Particulars	Financial Year 2020	Financial Year 2019
Capital commitments (net of advances and deposit)	12.51	17.97
Demand from Indian income tax authorities	**72.35**	**116.73**
Sales Tax demand from Commercial Tax Officer, Chennai.	7.72	7.72
Service tax demand from Commissioner of Central excise, Chennai.	Nil	8.08

The above contingent liabilities disclosed in the Consolidated Summary Statements are in accordance with INDAS 37 on Provisions, Contingent Liabilities and Contingent Assets.

Key Financial Ratio analysis

Below are some of the key ratios indicating the financial status

Particulars	Financial Year		
	2020	2019	Reason for changes
Debtors Turnover Ratio	5.53	6.53	During the year, the operating income has come down and hence there is a decrease in this ratio.
Interest coverage ratio	2.31	13.25	During the year, the Income from operations has decreased and Finance cost has increased. This as resulted in decrease of this ratio.
Debt Equity Ratio	0.21	0.10	During the year, Company's borrowing has increased and profit has also come down as compared to previous year. Accordingly this ratio has gone up
Operating Profit Margin Ratio	0.001	0.059	During the year, Company's operating profit has come down considerably and hence this ratio has decreased

Particulars	Financial Year		
	2020	2019	Reason for changes
Net Profit Margin Ratio	0.01	0.09	During last year, Company's operating income has come down and accordingly profit has also come down. Hence, this ratio has come down this year.
Return on Networth	0.02	0.13	There is a decline in the Profit during the year besides, the shareholders net worth value has increased as compared to last year. Because of these reasons, this ratio has come down.

Changes in accounting policies

Our Company has not changed its accounting policies in the last five financial years.

Qualifications

Our Financial Statements do not contain any qualifications, reservations by our statutory auditors in there audit reports relating to the respective period.

Quantitative and qualitative disclosure about market risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate and foreign exchange rates of financial instruments. We are exposed to various types of market risks, in the normal course of our business. The following discussion and analysis, which constitutes 'forward-looking statements', involves risk and uncertainties summarise our exposure to different market risks.

Exchange rate risk

Changes in currency exchange rates may indirectly influence our results of operations. Our Company has extensive international operations across globe. Any adverse change in foreign exchange rates may adversely affect our results of operations.

Interest rate risk

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to an extent by Working Capital Loan, and increases in interest expense may have an adverse effect on our results of operations and financial condition. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, we cannot assure that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Credit risk

We are exposed to credit risk on amounts owed to us by our customers. If our customers do not pay us promptly, or at all, it may impact our working capital cycle and/or we may have to make provisions for or write-off on such amounts.

Unusual or infrequent events or transactions

Except as described above, there have been no other events or transactions that, to our knowledge, may be described as 'unusual' or 'infrequent'.

Known trends or uncertainties

Other than as described above, and in this chapter, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

Seasonality of business

Our Company's business is not seasonal.

Significant developments after March 31, 2020 that may affect our future results of operations

No circumstances have arisen since the date of the last Financial Statements which materially and adversely affect or is likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months of the date of the last Financial Statements as disclosed.

There is no development subsequent to March 31, 2020 that we believe is expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

SECTION D

Risks & Concern

Our risks are evaluated under the following categories.

- Market Risk
- Financial Risk
- Business Risk
- Operational Risk
- Regulatory & Compliance Risk
- Intellectual Property Risk
- Cyber Security, Data Privacy & Regulations

1. Market Risk		
1.1 Global Economic Scenario	Technology investments are linked to a country's GDP. Low economic outlook in our key operational markets can affect the growth	• Intellect has four lines of business to de-risk its product portfolio • Our products cater to different markets from highly developed to developing markets thereby de-risking the geographical dependence
1.2 Business Model Changes	Disruptive technologies such as Cloud, Big data, social and smart devices can change the way business is done	• Focused investment in R&D to keep the products relevant and competitive in market place • Creating products with Digital technologies • Our Cloud offering is growing
2. Financial Risk		
2.1 Exchange Risk	Fluctuation in exchange rates	• Quotations in foreign currencies are restricted to few selected major currencies. Quotations are highly controlled for any other currency • We have hedged a portion of our Forex earnings

2.2 Tax Regime Changes	Tax rates, TP policies and concessions for this new emerging area may see changes, having impact on profitability	• Represent to the government through industry and trade body for a stable IP tax regime. Investing in R&D which is the essence of IP creation also results in tax benefits
2.3 Long gestation period - from IP creation to Revenue	IP led business has a larger cash cycle hence it requires investments	• Meticulously plan and monitor CAPEX budget for IP creation
2.4 Larger Cash Cycle	Larger working capital requirement	• Monitoring the DSO tightly and plan for a realistic working capital well in advance
3.Business Risk		
3.1 Implementation Delays	Implementation delays can trigger liability as the compensation is based on the terms of the contract	• Delivery is monitored rigorously through Delivery Excellence processes and Tools • Insurance cover
3.2 New Country Entry Risk	Economic, Social, Political conditions and Events which could adversely affect the financial performance / position of the organization while doing business in a foreign country	• A Country risk assessment clearance from the Risk Department is enforced for any business opportunity in a new country
4. Operational Risk		
4.1 Cloud Infrastructure Risk	With increased cloud adaptability, requirements to have highly skilled resources to manage cloud environments, unique contractual agreements with the customers & cloud service providers, ensuring adequacy of security measures by the service providers, heightened regulations like GDPR, the company is exposed to a risk of SLA / security breaches by cloud service providers which may result in financial implications (imposition of fines & penalties) or reputation damage.	• Cloud governance framework in place to consistently manage cloud environments across the lines of businesses. Periodic reviews are performed to assess the security, internal controls, DR, backup processes, SLAs, service contracts etc. with cloud service providers.
4.2 Business Continuity Risks	Natural calamity as well as man-made disasters may lead to disruption to the business / customer service especially during COVID19 situations	• Intellect has an established enterprise Business Continuity management framework and project level BCPs • Contract clauses provide protection for Force Majeure incidents • Dedicated teams monitor the adequacy of the business continuity arrangements. • Periodic testing & simulations carried out on an annual basis.
4.3 Frauds	Possible fraudulent activities through criminal hacking	• Vulnerability Assessment & Penetration Test (VAPT) is being enforced across all Product releases
4.4 General Liability	Bodily Injury or Property damage to Third party arising out of Intellect's Business operations	• Insurance cover to manage any contingency
5. Regulatory & Compliance Risk	Inadequate or non compliances to the material laws & regulations applicable in the respective countries with business presence may lead to fines & penalties	• A dedicated Legal team takes care of the legal activities • The Secretarial team takes care of the secretarial & compliance related activities • Country specific statutory compliance requirements of our Overseas Subsidiaries is regularly monitored and reported
6. Intellectual Property Risk		
6.1 IP Protection	Difficulties in protecting our IP in some countries that are pivotal for generating revenues	• Registration of the IP in countries that have safe IP protection laws
6.2 Use of Third Party IP – COTS & FOSS	Failure to abide with the terms of the open source licenses could have a negative impact on our business	• Usage of COTS are under agreement and audited from time to time by our IT department • FOSS used by the respective Business units is reported to the IT Department
7. Cyber Security, Data Protection & Privacy Risk		
7.1 Cyber Security	Market penetration, new product roadmaps, emerging technology adoptions and regulatory obligations	• Intellect product council oversees the new technology road map with Chief Architect and CTO on the emerging technology needs. Market specific

		regulatory needs are also incorporated as part of the roadmap • Intellect ensures all its hosted solutions address security requirements of the customer and /or as adopted by the industry • Intellect does both internal and external security control assessments in the form of Audits, Certifications like ISO27001, PCIDSS and SOC2 • Intellect Security policy is institutionalized across the organization. Central Security Group facilitates internal and external assessments on an ongoing and need basis • Insurance cover for Cyber Security
7.2 Data Protection & Privacy	Global business nature brings in Data Protection & Privacy scope to Intellect. Any inadvertent information leakage could lead to hefty penalties and reputational loss.	• We have an established Information and Cyber Security forum and a Central Security Group to cater to the needs of the organization and customers • Data Protection & Privacy programs are covered along with information security practices. GDPR specific assessments were initiated and tracked to closure • Vulnerability Assessment & Penetration Test (VAPT) is being enforced across all Product releases • By adopting new contractual provisions in existing and new contracts

Internal Financial Control and their Adequacy

The Company has disclosure controls and procedures in place that are designed to provide reasonable assurance that material information relating to Intellect is disclosed on a timely basis. Management has reviewed the Company's disclosure controls and concluded that they were effective during the reporting period.

The Managing Director and the Chief Financial Officer (CFO) have evaluated the effectiveness of the Company's disclosure controls and procedures related to the preparation of Management's Discussion and Analysis and the consolidated financial statements. They have concluded that the Company's disclosure controls and procedures were effective, at a reasonable assurance level, to ensure that material information relating to the Company and its consolidated subsidiaries would be made known to them by others within those entities, particularly during the period in which the management's discussion and analysis and the consolidated financial statements contained in this report were being prepared.

The Company's management, with the participation of its MD and CFO, are also responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian GAAP. Under the supervision of the MD and CFO, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Indian GAAP.

The company has a robust financial control in place through a combination of internal control and processes. The controls ensure that transactions are recorded in timely manner, they are complete in all aspects, effectively utilizes the resources of the company and safeguarding the assets.

In line with Sec 134 of the Companies Act 2013, new processes were initiated for its compliance. As a first step the Testing framework was designed, next an auditing firm did the testing according to this framework over a period of 8 weeks. The Testing finding was presented to the Statutory Auditors and to the Board of Directors. Both expressed satisfaction over the internal control operating within the Company.

There have been no changes in the Company's disclosure controls or internal controls over financial reporting during FY2019-20 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company's MD and CFO expect to certify Intellect's annual filings with the Indian securities regulatory authorities.

Also, the company has an Internal Auditing system in place handled by a reputed Chartered Accounting firm. The findings are discussed with the process owners and corrective action is taken as necessary and the report presented to the Audit Committee.

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Notice

NOTICE IS HEREBY GIVEN THAT NINTH ANNUAL GENERAL MEETING OF INTELLECT DESIGN ARENA LIMITED WILL BE HELD ON FRIDAY, AUGUST 21, 2020 AT 11:00 AM IST BY WAY OF VIDEO CONFERENCING ("VC")/OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

Ordinary Business

Item No. 1. – Adoption of Financial Statements;

To receive, consider and adopt:

(i) The Audited standalone financial statements of the Company for the Financial Year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon

(ii) The Audited Consolidated Financial statements of the Company for the Financial Year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon

And in this regard pass the following resolutions as an ordinary business.

(a) "**RESOLVED THAT** the audited standalone financial statements of the Company for the Financial Year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon laid before this said meeting be and hereby considered, approved and adopted."

(b) "**RESOLVED THAT** the audited Consolidated Financial statements of the Company for the Financial Year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon laid before this said meeting be and hereby considered, approved and adopted

Item No. 2: To appoint a Director in the place of Mr. Andrew Ralph England (DIN-08211307), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary resolution;

"**RESOLVED THAT** pursuant to the provisions of Section 152 of Companies Act, 2013, Mr. Andrew Ralph England (DIN-08211307), who retires by rotation at this meeting and being eligible has offered himself for re-appointment , be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

Item No. 3: To Re-appoint Mr. Arun Jain (DIN-00580919) as a Managing Director of the Company for a term consisting of 5 years;

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**

"RESOLVED THAT Mr. Arun Jain (DIN-00580919) who was appointed as a Managing Director of the Company at the 06th Annual General Meeting to hold office for a term consisting of three years , w.e.f., August 21, 2017 and pursuant to Section 152, 196, 197 and 203 of the Companies Act, 2013, read with Schedule V and all other applicable provisions of the act and the rules thereunder or re-enactment thereof for the time being in force and under clause of 34(b) of Articles of Association of the company, the approval of the Company be and is hereby accorded for the re-appointment of Mr. Arun Jain(DIN-00580919) as a Managing Director of the Company for a term consisting of 5 years upto the conclusion of the 14th Annual General Meeting in the Annual General Meeting to be held in the calendar year 2025, based on the recommendations of Nomination, Remuneration and Compensation Committee on a remuneration set out below and other terms and conditions as stated in the Explanatory statement to the said Notice"

Name of the Managing Director	Remuneration (pa)
Mr. Arun Jain	Perquisite- At the actual cost, amount not exceeding Rs.20,00,000/-(Rupees Twenty lakhs only) per annum***

** *The Perquisites as aforesaid shall include the following :

a. Reimbursement of medical expenses & leave travel allowance for self and family.
b. Use of car with chauffeur and telephone at residence.
c. Medical and accident insurance premium as per rules of the company and Keyman Insurance, if any.
d. Leave in accordance with the leave rules of the Company from time to time in force.

Perquisites shall be evaluated at actual cost to the Company and where it is not possible to ascertain the actual cost, such perquisites shall be evaluated as per the Income Tax Rules.

The term "family" means spouse, the dependent children and dependent parents.

RESOLVED FURTHER THAT the aggregate of the remuneration payable to Mr. Arun Jain as detailed above shall be subject to the overall ceilings laid down under Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

RESOLVED FURTHER THAT notwithstanding anything contained herein above stated, where, in any financial year during the tenure of his appointment, the Company incurs a loss or its profits are inadequate, the remuneration payable to Mr. Arun Jain shall be governed by and subject to the ceilings provided in the provisions of Schedule V to the Companies Act 2013.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to alter and vary the terms and conditions of the appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT any Director of the Company or Company Secretary of the Company be and are hereby authorised jointly and/or severally to sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

Item No.4 To appoint Mr. Abhay Anant Gupte (DIN-00389288) as an Independent Director of the Company

To appoint Mr. Abhay Anant Gupte as an independent director and this regard to consider and if thought fit to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013, read with applicable rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), Mr. Abhay Anant Gupte (Director Identification Number - 00389288), Who qualifies for being appointed as an independent director, be and is hereby appointed as an independent director of the company to hold office for first term of 5 years (five) w.e.f. June 15, 2020 till the conclusion of annual general meeting of the company to be held in the calendar year 2025, not liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorize severally to do all acts and takes such steps as may be necessary, proper or expedient to give effect to this resolution and to settle any question, difficulty are doubt that may arise in this regard, as the board in its absolute discretion may deem necessary are desirable and this decision shall be final and binding''.

Item No. 5: (a) Modifications to the terms and conditions of Intellect Stock Option Plan Scheme 2015 ("ISOP 2015)

To approve modifications to the terms and conditions of ISOP 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the approval of the members and subject to the applicable provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the Companies Act, 2013 and any other applicable laws, rules and regulations for the time being in force, if any, approval of Directors be and is hereby accorded, to carry out the following amendments to the Intellect Stock Option Plan 2015.

1. In Chapter 2, "Definitions", following amendments shall be made
   a) Clause 2.19 – shall include RSU and the clause shall stand substituted with
   "Option" or "INTELLECT STOCK OPTION" or "RSU" or "Restricted Stock Unit" means the benefit or right but not an obligation to subscribe for, at a future date, the shares offered by the company, directly or indirectly, at a predetermined price. Options shall include Restricted Stock Units granted under ISOP 2015
2. In Chapter 3, sub clause xixand subclause xxshall be inserted in Clause 3.1.d and shall read as below
   xix to determine vesting schedule and vesting conditions for options granted under Swarnam 601
   xx to determine the number of options to be granted under Swarnam 601, if any, in lieu of Performance Bonus payable to associates
3. In Chapter 6, clause 6.2 shall include one more type "Swarnam 601" and the clause shall stand substituted with
   6.2 Options under ISOP 2015 shall be classified under following types:
   1) Swarnam 101
   2) Swarnam 201
   3) Swarnam 301
   4) Swarnam 401
   5) Swarnam 501
   6) Swarnam 601
4. In Chapter 6, Clause 6.4 shall be amended to include the grant price for options to be granted under Swarnam 601 as Rs.5/- per option and the clause shall stand substituted with

   6.4 Grant price per option shall be as detailed below:

The Grant Price per option shall be at the Market price or discount on Market price or Rs.5/- per option as detailed below

	DISCOUNT PER OPTION (% on Market Price)					
	Price Band	*Swarnam 101*	*Swarnam 201*	*Swarnam 301*	*Swarnam 401*	*Swarnam 501*
A	*Market Price up to Rs.49/-*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
B	*Market Price between Rs.49 to Rs.140/-*	*15%*	*30%*	*50%*	*25%*	*Up to 50%*
C	*Market Price is >Rs. 140/-*	*10%*	*20%*	*50%*	*25%*	*Up to 50%*

Grant price of options (RSUs) underSwarnam 601 shall be Rs.5/- per option

5. In Chapter 6, Clause 6.6 shall be amended and substituted as below

   6.6 Price Band and the Grant price specified in clause 6.4 shall be adjusted for corporate actions, if any applicable

6. In Chapter 7, following provision to be inserted in Clause 7.1

The vesting schedule for Swarnam 601 shall be decided by Nomination Remuneration and Compensation Committee subject to a maximum vesting period of 5 years.

Item No. 5: (b) Modifications to the terms and conditions of Intellect Stock Option Plan Scheme 2016("ISOP 2016)

To approve modifications to the terms and conditions of ISOP 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the approval of the members and subject to the applicable provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, the Companies Act, 2013 and any other applicable laws, rules and regulations for the time being in force, if any, approval of Directors be and is hereby accorded, to carry out the following amendments to the Intellect Stock Option Plan 2016

1. In Chapter 2, "Definitions", following amendments shall be made
   a) Clause 2.20 – shall include RSU and the clause shall stand substituted with
   "Option" or "INTELLECT STOCK OPTION" or "RSU" or "Restricted Stock Unit" means the benefit or right but not an obligation to subscribe for, at a future date, the shares offered by the company, directly or indirectly, at a predetermined price. Options shall include Restricted Stock Units granted under ISOP 2016
2. In Chapter 3, sub clause xix and subclause xx shall be inserted in Clause 3.1.d and shall read as below
   xix to determine vesting schedule and vesting conditions for options granted under Swarnam 601
   xx to determine the number of options to be granted under Swarnam 601, if any, in lieu of Performance Bonus payable to associates
3. In Chapter 6, clause 6.2 shall include one more type "Swarnam 601" and the clause shall stand substituted with
   6.2 Options under ISOP 2016 shall be classified under following types:
   1) Swarnam 101
   2) Swarnam 201
   3) Swarnam 301
   4) Swarnam 401
   5) Swarnam 501
   6) Swarnam 601
4. In Chapter 6, Clause 6.4 shall be amended to include the grant price for options to be granted under Swarnam 601 as Rs.5/- per option and the clause shall stand substituted with

   6.4 Grant price per option shall be as detailed below:

The Grant Price per option shall be at the Market price or discount on Market price or Rs.5/- per option as detailed below

	DISCOUNT PER OPTION (% on Market Price)					
	Price Band	*Swarnam 101*	*Swarnam 201*	*Swarnam 301*	*Swarnam 401*	*Swarnam 501*
A	*Market Price up to Rs.49/-*	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*

B	*Market Price between Rs.49 to Rs.140/-*	*15%*	*30%*	*50%*	*25%*	*Up to 50%*
C	*Market Price is >Rs. 140/-*	*10%*	*20%*	*50%*	*25%*	*Up to 50%*

Grant price of options (RSUs) underSwarnam 601 shall be Rs.5/- per option

5. In Chapter 6, Clause 6.6 shall be amended and substituted as below Price Band and the Grant price specified in clause 6.4 shall be adjusted for corporate actions, if any applicable
6. In Chapter 7, following provision to be inserted in Clause 7.1

The vesting schedule for Swarnam 601 shall be decided by Nomination Remuneration and Compensation Committee subject to a maximum vesting period of 5 years.

RESOLVED FURTHER that the Board or any Committee thereof, be and are hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all such things incidental and ancillary thereto."

By Order of the Board
for **Intellect Design Arena Limited**

V.V.Naresh
Senior Vice President - Company Secretary & Compliance Officer

Place: Chennai
Date: June 15, 2020

Notes

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this, to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. The Board, at its meeting held on March 23, 2020, has approved to change the RTA from M/s Kfin Technologies Private Ltd to Cameo Corporate Services Ltd. Members can contact the Company or Company's Registrars and Transfer Agents, Cameo Corporate Services Ltd viz, www.cameoindia.com for assistance in this regard.
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM, along with the Annual Report 2019-20, is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.intellectdesignarenalimited.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.
7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
9. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
10. The Register of Members and Share Transfer Books of the Company will remain closed from August 10, 2020 to August 21, 2020 (both days inclusive) for the purpose of the ANNUAL GENERAL MEETING.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. Remote e-voting commences on August 18, 2020 at 9 AM and will end on August 20, 2020 at 5 PM (IST), and at the end of e-voting period, the facility shall forthwith be blocked. Those Members, who will be present at the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

    The results for the e-voting shall be declared within 48 hours from the date of AGM held through VC/OAVM. The results, along with Scrutinizer's Report, shall also be placed on the websites of the stock exchanges and the Company.
13. The Detailed instructions on remote e-voting is made part of a separate sheet "Instructions for e-voting" attached to this Notice.
14. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the Depositories as on the cut-off date, i.e., August 7, 2020, only shall be entitled to avail the facility of remote e-voting. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM MODE ARE AS UNDER

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

1. Facility of joining the AGM through VC / OAVM shall be open before 15 minutes of the time scheduled for the AGM and will be kept open till the expiry of 15 minutes after such scheduled time. This is available for Members on first come, first served basis.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-voting's agency. The facility of casting votes by a Member using remote e-voting, as well as the e-voting system on the date of the EGM/AGM, will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 Members on first come, first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.intellectdesign.com.

   The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on August 18, 2020 at 9 AM and ends on August 20, 2020 at 5 PM. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date August 14, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) Now enter your User ID

   a) For CDSL: 16 digits beneficiary ID,

   b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasiusingyourlogin credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Votingoption and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form

PAN: Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders, as well as physical shareholders)

- Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

  Dividend Bank Details

OR Date of Birth (DOB): Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.

- If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the Intellect Design Arena Limited on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders-, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERSATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further, shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants cvonnecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting, may register themselves as a speaker by sending their request in advance at least 10 days prior to the meeting, mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The Shareholders who do not wish to speak during the AGM, but have queries, may send their queries in advance - 10 days prior to the meeting, mentioning their name, demat account number/folio number, email id, mobile number at Company.secretary@intellectdesign.com(company email id). These queries will be replied to by the Company suitably by email.
6. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system available during the AGM.
3. If any votes are cast by the Shareholders through the e-voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the Shareholders attending the meeting.
4. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual Shareholders are required to send the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at the email address viz; vasumathyassociates@gmail.com and Company.Secretray@intellectdesign.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

By Order of the Board
for **Intellect Design Arena Limited**

V.V.Naresh
Senior Vice President - Company Secretary & Compliance Officer

Place: Chennai
Date:June 15, 2020

STATEMENT PURSUANT T0 SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.3

Mr. Arun Jain (DIN: 00580919) was appointed as a Managing Director at the 6th Annual General Meeting to hold office for a period of 3 (three) years, w.e.f., August 21, 2017 and his term expires at the closure of the 9th AGM to be held on August 21, 2020. The Nomination and Remuneration Committee of the Board of Directors held on June 15, 2020 on the basis of the report of performance evaluation, has recommended re- appointment of Mr. Arun Jain as a Managing Director for a term of 5 (five) years.

Hence, it is proposed to seek the Members' approval for the reappointment of Mr. Arun Jain as Managing Director for a period of 5 (five) years and remuneration payable to Mr. Arun Jain in terms of Schedule V of the Act. In accordance with MCA Circular no. 20/2020, this item is considered unavoidable and forms part of this Notice.

The Broad particulars of the terms of appointment of and remuneration payable to Mr. Arun Jain are as under:

Name of the Managing Director	Remuneration (Per Annum)
Mr. Arun Jain	Perquisite- At the actual cost ,amount not exceeding Rs.20,00,000/-(Rupees Twenty lakhs only) per annum***

*** The Perquisites as aforesaid shall include the following :

a) Reimbursement of medical expenses & leave travel allowance for self and family.
b) Use of car with chauffeur and telephone at residence.
c) Medical and accident insurance premium as per rules of the company and Keyman Insurance, if any.
d) Leave in accordance with the leave rules of the Company from time to time in force.

Perquisites shall be evaluated at actual cost to the Company and where it is not possible to ascertain the actual cost, such perquisites shall be evaluated as per the Income Tax Rules.

The term "family" means spouse, the dependent children and dependent parents.

General:

i. The Managing Director will perform his respective duties as such with regard to all work of the Company, they will manage and attend to such business, and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such Statutory Reports, directions, and regulations as may from time to time be given and made by the Board and the functions of the Managing Director will be under the overall supervision of the Board.
ii. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
iii. The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.
iv. The office of the Managing Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing. Mr. Arun Jain satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for their appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of appointment of Mr. Arun Jain under Section 190 of the Act.

None of the Directors, Key Managerial Personnel, or their relatives, except Mr. Arun Jain to whom the resolution relates, is interested or concerned in the Resolution. The Board recommends the resolution set forth in Item No. 3 for the approval of Members.

Item No. 4:

Mr. Abhay Anant Gupte (DIN- 00389288) was appointed on the Board of Directors of the Company at the meeting held on June 15, 2020 as an Additional Director(Independent Category) of the Company pursuant to Section 149, 152 and 161 of the Companies Act, 2013, based on the recommendations of Nomination Remuneration and Compensation Committee. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Abhay Anant Gupte shall hold office up to the date of the ensuing Annual General Meeting. In terms of Section 149, read with Schedule IV and all other applicable provisions of the Companies Act, 2013. Accordingly, The Board of Directors at the meeting held on June 15, 2020 recommended for the approval of Members for the appointment of Mr. Abhay Anant Gupte (DIN-00389288) as an Independent Director for the first term consisting of 5 years w.e.f June 15, 2020 until the conclusion of the 14th Annual General Meeting of the Company to be held in the calendar year 2025. In accordance with MCA Circular no. 20/2020, this item is considered unavoidable and forms part of this Notice.

The Company has received the following:

i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014,
ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013
iii. Declaration of Independence, that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations, 2015.
iv. Draft letter for appointment of Mr. Abhay Anant Gupte as an Independent Director setting out terms and conditions will be available for inspection in electronic form on the website of the Company

Justification for appointment of Mr.Abhay Anant Gupte

The Board of Directors, based on the recommendation of Nomination, Remuneration & Compensation Committee on June 15, 2020 has appointed as an Additional (independent) category of the Company, Mr. Abhay Anant Gupte, CEO-Manipal Technologies Ltd, having widespread of experience in the fields of Finance, Banking etc. He is responsible for the businesses and subsidiaries in India, Germany, Kenya and Nigeria. He has been MD& CEO of Indian operations of global IT Companies such as EDS and Logica, and also held senior leadership positions at Amercian Express Bank & GE Capital.

No Director, Key Managerial Personnel or their relatives, except Mr. Abhay Anant Gupte to whom the resolution relates, is interested or concerned in the Resolution. The Board recommends the Ordinary Resolution set forth in Item No. 4 of the Notice for the approval of the Member.

Items Nos.5 (a) and (b):

Intellect Stock Option Plan 2015 (ISOP 2015) and Intellect Stock Option Plan 2016 (ISOP 2016) were framed with the objective of rewarding associates for their performance and Wealth Sharing. In the current scenario, amidst the existing market conditions due to the Global Pandemic, stock options are becoming less attractive. The associates have voluntarily surrendered a major portion of the options granted to them under ISOP 2015 and ISOP 2016 Schemes. The Company wants to ultilize the cancelled options that arose out of the voluntarily surrender by the associates including any future surrender for re-issue as RSU's. As RSU'S are not part of those two Schemes and to make the schemes more attractive, the Nomination Remuneration and Compensation Committee and the board has decided to amend these Schemes to include Restricted Stock Units(RSU's) to facilitate grant of fresh RSU's in lieu of options surrendered as well as for future grants.

As per Regulation 7(2) of SEBI (Share Based Employee Benefits) Regulations, 2014, the Company is required to obtain the consent of the members by way of Special Resolution to vary the terms of ESOP and ESPS Scheme of the Company.

The amendments and modifications are being carried out in the aforesaid schemes, to provide for the grant of RSUs as part of these Schemes.

No Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the above resolutions, save in respect of RSUs that may be granted to them.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36(3) OF SEBI(LODR), 2015 AND SS-2

The brief resume, age, qualifications, functional expertise and the membership on various Boards and Committee to be appointed/re-appointed at the ninth annual general meeting of the company are furnished below.

S.No	Particulars	Mr. Arun Jain	Mr. Abhay Anant Gupte	Mr. Andrew Ralph England
a)	Date of Birth	30.12.1959	04.05.1961	06.07.1957
b)	Age	60	59	63 years
c)	Qualifications	Bachelor of Science (Electrical Engineering) from Delhi University	Post Graduate from IIT Delhi	M.A English language and literature from St Andrews University, Scotland
d)	Experience	Over 33 years	Over 37 Years	Approx. 37 years
e)	Expertise in functional areas	Expertise in Banking technology and rich experience in working with Global clients in BFSI domain for over three decades	Abhay Anant Gupte, Managing Director and CEO, Manipal Technologies Limited (MTL), is responsible for its businesses & subsidiaries in India, Germany, Kenya and Nigeria. He has over 37 years of work experience with large global and Indian organisations. Prior to joining MTL, he was MD & CEO of Indian operations of global IT companies such as EDS and Logica. He has also held senior leadership positions at American Express Bank and GE Capital.	Andrew Ralph England was an external senior advisor of Transaction banking in McKinsey. He has a rich experience of running Transaction Banking in leading global banks. He has held the positions of Managing Director and Head of Transaction Banking at Lloyds Banking Group; Head of CEE, Global Transaction Banking at Unicredit Group and Head of Cash & Trade Product at Deutsche Bank, where he was also an Executive Committee member for Global Transaction Banking. These roles followed on from a successful career of various leadership positions at Citi and Lloyds.
f)	No. of Board Meeting attended during the Financial Year 2019-20	6	Nil	6
g)	Terms and Conditions of appointment	The terms and conditions of reappointment will be on the same terms as mentioned in the notice elsewhere in this report	1. The terms and conditions of reappointment will be on the same terms as mentioned in the notice elsewhere in this report. 2. Sitting fees shall be paid to him for attending the meetings of Board of Directors and Committee Meeting as envisaged under Companies Act, 2013. 3. Non-Executive Director/ Independent Directors shall be paid commission upto 1% or maximum of Rs. 50 Lakhs whichever is less	1. The terms and conditions of re-appointment will be on the same terms as approved by the members of the Company in the AGM held on August 21, 2019
h)	Date of appointment on the Board of Directors	August 30, 2014 (First appointment)	June 15, 2020	October 25, 2018
i)	Shareholding as on March 31, 2020	75,56,321	Nil	Nil
j)	Relationship with other Directors/KMP	Mr. Arun Jain is brother-in-law of Mr. Anil Kumar Verma, Whole time Director of the Company	Nil	Nil
k)	Directorship, Membership / Chairmanship of Committees of other Board	1. Maveric Systems Limited 2. Adrenalin eSystems Limited 3. School of Design Thinking Private Limited 4. Startup Nukad India Foundation 5. Polaris Banyan Holding Private Limited 6. Grow Talent Company Limited	1. Manipal Technologies Limited 2. Manipal International Press Limited, Nigeria 3. Manipal International Printing Press Limited, Kenya	1. Intellect Design Arena Limited, UK. 2. Intellect Design Arena Limited – Chairman of Risk Management Committee 3. Onyx Global Consulting Ltd

Brief Resume of Mr. Arun Jain

Arun Jain is the Founder of Polaris Group and Chairman and Managing Director of Intellect Design Arena Limited. Intellect is a specialist in applying true Digital Technologies, offering the world's first full spectrum Banking and Insurance Technology product company, across Consumer Banking, Central Banking, Transaction Banking, Risk, Treasury and Markets and Insurance. With revenues of INR 13,468.84 Million (USD 191 Mn) and an employee base of over 4000, Intellect powers over 240 leading Banks and Financial Institutions around the globe with its suite of products. IBS Intelligence, a leading global research firm, in its 2020 Sales League Table ranked Intellect # 1 in Retail Banking, Whole sale Banking & Transaction Banking.

Arun commenced his entrepreneurial journey by setting up Nucleus Software Workshop in 1986. In 1993, he founded Polaris Software Lab, which recorded a CAGR of over 100% during the seven-year period 1993-2000. This path of deep domain expertise, vision and planning began in 1993, with just $250 and a dream. His journey was guided by two strong beliefs – (1) ordinary people coming together to achieve extraordinary results (2) the power of the organisational subconscious in realising the vision. Intellect Design Arena Limited is his third venture, in pursuit of his vision to make India the IP Capital towards the next growth wave for the IT Industry. Arun's passion to create a technology product powerhouse from India made Intellect a reality.

Arun is passionate about Design Thinking as a science to create the biggest impact on Individual and organisational performance. He visualises it as a platform for learning and applying, with a child-like curiosity to ask questions, forming the foundation of the practice of Design Thinking. An avid practitioner, Arun also evangelises Design Thinking through public workshops, branded as UnMukt. FinTech 8012, the World's first Design Center dedicated to Financial Technology is a testimony of his commitment to Design Thinking. He architected the creation of this Center from Concept to Execution.

Arun has been entrusted with the responsibility as the Chief Mentor of the Centre of Excellence for FinTech set up by the Ministry of Electronics & Information Technology (MeitY), Govt. of India. He is a Governing Council Member of STPI (Software Technology Parks of India) and also a Member in the Advisory Council of TechNest, an incubation facility provided by STPI-Chennai. He has held and continues to hold positions in industry bodies and trade organisations such as CII, MMA, National Institute of Electronics and Information Technology (NIELIT) and the Indo American Chamber of Commerce.

Confederation of Indian Industry (CII) has conferred the Lifetime Achievement Award to Arun at India's premier ICT Event, Connect 2016. He was also conferred the 'Lifetime Achievement Award' at the 4th edition of the Design Thinking Conclave & Awards 2018. Arun has received multiple awards including Lions Clubs International Award for "Youth Empowerment'', INDO ASEAN Business Initiative Award, ICICI Venture – CII Connect Entrepreneur Award, Visionary of India 2014-15, amongst others in recognition of his contribution to the Industry and the Society. His contribution was recognised by the Times Group, with an award and a feature in a book titled 'Pathfinders' that lauds the achievements of extraordinary personalities in the IT & ITES industry.

With the constant drive to better the community around him, Arun instituted Mission Samriddhi – a social impact enterprise dedicated to holistic human development in rural India through the unique philosophy of Celebrate-Connect-Catalyse, Ullas Trust – a social impact organisation working towards igniting less privileged young minds into realising their true potential, Start-Up Nukkad – a unique initiative for budding entrepreneurs to understand their purpose and mentor their curiosity and School of Design Thinking – focusing on shaping thinking of young minds and professionals through Design The Thinking™ philosophy.

Arun holds a degree in Electrical Engineering from the Delhi College of Engineering.

Brief Resume of Mr. Abhay Anant Gupte

Abhay Anant Gupte, Managing Director and CEO, Manipal Technologies Limited (MTL), is responsible for its businesses & subsidiaries in India, Germany, Kenya and Nigeria. He has over 37 years of work experience with large global and Indian organisations.

Prior to joining MTL, he was MD & CEO of Indian operations of global IT companies such as EDS and Logica. He has also held senior leadership positions at American Express Bank and GE Capital.

Abhay Anant Gupte is an alumnus of IIT, New Delhi. He is a guest speaker at various Engineering and Management institutes, Associations and public forums, etc. He is mentor to executive leadership of large global companies.

Brief Resume of Mr. Andrew Ralph England

Andrew Ralph England currently serves as Director of Intellect's subsidiary Intellect Design Arena Limited, UK and Head of Strategy, iGTB. He joined us from McKinsey, where he was the External Senior Advisor of Transaction Banking.

Andrew brings with him an experience of running Transaction Banking in leading global banks. He has held the positions of Managing Director and Head of Transaction Banking at Lloyds Banking Group; Head of CEE, Global Transaction Banking at Unicredit Group and Head of Cash & Trade Product at Deutsche Bank, where he was also an Executive Committee member for Global Transaction Banking. These roles followed on from a successful career of various leadership positions at Citi and Lloyds.

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Design center for financial institutions

Design focuses on connecting the dots of innovation where desirability, feasibility and viability converge. Innovation need not restrict itself to the corporate world.

Arun Jain
Chairman & Managing Director,
Intellect Design Arena Ltd.

8012
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