# INTELLECT DESIGN ARENA LIMITED

CIN : L72900TN2011PLC080183

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**AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS OF INTELLECT DESIGN ARENA LIMITED FOR THE YEAR ENDED MARCH 31, 2020**

**(Rs. in millions)**

| PARTICULARS | Standalone | | | | | Consolidated | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Quarter ended March 31, 2020 | Quarter ended December 31, 2019 | Quarter ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 | Quarter ended March 31, 2020 | Quarter ended December 31, 2019 | Quarter ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
| | Audited Refer Note 2 | Unaudited | Audited Refer Note 2 | Audited | Audited | Audited Refer Note 2 | Unaudited | Audited Refer Note 2 | Audited | Audited |
| **Income** | | | | | | | | | | |
| Revenue from Operations | 2,036.66 | 1,817.55 | 2,489.05 | 7,413.30 | 9,312.56 | 3,580.25 | 3,194.91 | 3,956.22 | 13,468.84 | 14,495.69 |
| Other income | 16.94 | 118.47 | 52.50 | 229.88 | 615.07 | 29.84 | 84.26 | 56.64 | 264.68 | 627.06 |
| **Total Income** | **2,053.60** | **1,936.02** | **2,541.55** | **7,643.18** | **9,927.63** | **3,610.09** | **3,279.17** | **4,012.86** | **13,733.52** | **15,122.75** |
| **Expenditure** | | | | | | | | | | |
| Employee benefit expenses | 953.65 | 1,212.98 | 1,330.84 | 4,616.63 | 4,907.39 | 1,742.21 | 2,100.61 | 2,194.38 | 8,120.88 | 8,388.74 |
| Depreciation/Amortisation | 126.24 | 119.74 | 98.21 | 485.65 | 349.37 | 191.22 | 170.79 | 114.73 | 689.57 | 415.57 |
| Finance Cost | 42.71 | 41.96 | 26.87 | 158.03 | 114.05 | 38.24 | 48.25 | 27.07 | 173.67 | 114.42 |
| Other expenses | 626.57 | 925.00 | 950.89 | 2,630.93 | 3,128.84 | 1,277.16 | 1,066.93 | 1,290.64 | 4,639.60 | 4,831.59 |
| **Total Expenses** | **1,749.17** | **2,299.68** | **2,406.81** | **7,891.24** | **8,499.65** | **3,248.83** | **3,386.58** | **3,626.82** | **13,623.72** | **13,750.32** |
| **Profit / (Loss) before share of profit / (loss) of associates, joint venture, exceptional item and tax** | **304.43** | **(363.66)** | **134.74** | **(248.06)** | **1,427.98** | **361.26** | **(107.41)** | **386.04** | **109.80** | **1,372.43** |
| Exceptional items (Refer Note 6) | - | - | - | 50.55 | - | - | - | - | 55.45 | - |
| Share of profit/(loss) of associates and joint venture (net of tax) | - | - | - | - | - | 62.23 | 29.03 | 46.71 | 62.11 | 29.66 |
| **Profit / (Loss) before tax** | **304.43** | **(363.66)** | **134.74** | **(197.51)** | **1,427.98** | **423.49** | **(78.38)** | **432.75** | **227.36** | **1,402.09** |
| Tax expenses: | | | | | | | | | | |
| Current Tax | - | - | 79.16 | - | 79.16 | 10.45 | 28.39 | 15.53 | 48.46 | 111.46 |
| Deferred Tax | 115.25 | - | - | 115.25 | (22.04) | 2.44 | - | 1.85 | 2.44 | (21.99) |
| **Profit / (Loss) after tax** | **189.18** | **(363.66)** | **55.58** | **(312.76)** | **1,370.86** | **410.60** | **(106.77)** | **415.37** | **176.46** | **1,312.62** |
| Profit / (Loss) for the year / period attributable to | | | | | | | | | | |
| Owners of the Company | 189.18 | (363.66) | 55.58 | (312.76) | 1,370.86 | 409.91 | (113.82) | 429.77 | 159.91 | 1,313.47 |
| Non controlling interest | - | - | - | - | - | 0.69 | 7.05 | (14.40) | 16.55 | (0.85) |
| **Other Comprehensive Income (net of tax)** | | | | | | | | | | |
| **Items that will be reclassified subsequently to profit or loss** | | | | | | | | | | |
| Net movement on cash flow hedges | (293.93) | 25.47 | 112.07 | (287.06) | (55.42) | (293.93) | 25.47 | 112.07 | (287.06) | (55.42) |
| Exchange differences on translation of foreign operations (including share of associates and joint venture) | - | - | - | - | - | 86.93 | 98.00 | (21.23) | 151.54 | 10.19 |
| **Items that will not be reclassified subsequently to profit or loss** | | | | | | | | | | |
| Re-measurement gains/ (losses) on defined benefit plans | (9.53) | 8.51 | (11.87) | (26.09) | (16.47) | (9.52) | 8.67 | (11.87) | (26.23) | (16.44) |
| **Other Comprehensive Income for the year / period (net of tax)** | **(303.46)** | **33.98** | **100.20** | **(313.15)** | **(71.89)** | **(216.52)** | **132.14** | **78.97** | **(161.75)** | **(61.67)** |
| **Total Comprehensive Income for the year / period** | **(114.28)** | **(329.68)** | **155.78** | **(625.91)** | **1,298.97** | **194.08** | **25.37** | **494.34** | **14.71** | **1,250.95** |
| Total Comprehensive Income for the year / period attributable to | | | | | | | | | | |
| Owners of the Company | (114.28) | (329.68) | 155.78 | (625.91) | 1,298.97 | 188.01 | 16.04 | 508.74 | (12.87) | 1,251.80 |
| Non controlling interest | - | - | - | - | - | 6.07 | 9.33 | (14.40) | 27.58 | (0.85) |
| **Paid-up Equity share Capital** | | | | | | | | | | |
| Equity shares of Rs 5 each | 661.69 | 661.32 | 658.87 | 661.69 | 658.87 | 661.69 | 661.32 | 658.87 | 661.69 | 658.87 |
| Other Equity | | | | 8,269.11 | 8,643.35 | | | | 9,788.44 | 9,538.46 |
| **Earning Per Share (EPS) of Rs.5 each** | | | | | | | | | | |
| Basic | 1.43 | (2.75) | 0.42 | (2.37) | 10.63 | 3.10 | (0.81) | 3.27 | 1.21 | 10.18 |
| Diluted | 1.42 | (2.75) | 0.41 | (2.37) | 10.39 | 3.07 | (0.81) | 3.20 | 1.19 | 9.95 |

S. Vaigetah

| Statement of Asset and Liabilities | | | | (Rs. in Millions) |
|---|---|---|---|---|
| Particulars | Standalone As at | | Consolidated As at | |
| | March 31, 2020 Audited | March 31, 2019 Audited | March 31, 2020 Audited | March 31, 2019 Audited |
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, Plant and Equipment | 1,275.61 | 1,389.41 | 1,642.17 | 1,799.68 |
| Capital work-in-progress | 42.99 | 42.99 | 43.23 | 42.99 |
| Goodwill on consolidation | - | - | 304.09 | 364.49 |
| Other Intangible assets | 837.49 | 932.92 | 1,313.17 | 1,176.72 |
| Intangible assets under development | 2,102.23 | 1,397.75 | 3,072.01 | 2,233.54 |
| Right-of-use- asset | 159.70 | - | 421.25 | - |
| Investment in subsidiary, associate and a joint venture | 934.07 | 934.07 | 602.64 | 524.49 |
| Deferred tax assets (net) | 281.45 | 396.70 | 446.58 | 441.76 |
| Financial Assets | | | | |
| (i) Investments | 0.05 | 0.05 | 0.05 | 0.05 |
| (ii) Loans and deposits | 71.10 | 68.64 | 120.46 | 112.05 |
| (iii) Non current bank balances | 114.53 | 109.77 | 114.53 | 109.77 |
| Income tax assets (net) | 539.89 | 652.83 | 638.56 | 762.73 |
| Other non-current assets | 463.22 | 416.93 | 463.22 | 491.02 |
| **Current assets** | | | | |
| Investment in subsidiary - (Refer Note 6) | - | 154.45 | - | - |
| Financial Assets | | | | |
| (i) Investments | 165.72 | 156.06 | 165.72 | 156.06 |
| (ii) Trade receivables | 4,455.36 | 2,166.77 | 2,847.08 | 2,027.26 |
| (iii) Cash and cash equivalents | 359.56 | 187.95 | 997.24 | 752.92 |
| (iv) Bank balances other than (iii) above | 65.64 | 65.80 | 65.64 | 65.80 |
| (v) Loans and deposits | 48.98 | 56.83 | 57.67 | 65.44 |
| (vi) Other financial assets | 2,347.98 | 3,716.00 | 4,393.50 | 4,211.26 |
| Other current assets | 960.75 | 870.77 | 987.96 | 975.76 |
| **Total Assets** | **15,226.32** | **13,716.69** | **18,696.77** | **16,313.79** |
| **EQUITY AND LIABILITIES** | | | | |
| **EQUITY** | | | | |
| Equity Share capital | 661.69 | 658.87 | 661.69 | 658.87 |
| Other Equity | 8,269.11 | 8,643.35 | 9,788.44 | 9,538.46 |
| Non-controlling interest | - | - | 118.01 | 90.44 |
| **LIABILITIES** | | | | |
| **Non-current liabilities** | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 347.07 | 635.46 | 347.07 | 635.46 |
| (ii) Lease liability | 114.41 | - | 291.44 | - |
| (iii) Derivative instruments | 179.18 | 24.16 | 179.18 | 24.16 |
| (iv) Other Long Term Liabilities | 6.00 | - | 6.00 | - |
| Deferred Tax Liabilities (Net) | - | - | 2.23 | 1.67 |
| **Current liabilities** | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 1,852.17 | 363.22 | 1,858.45 | 371.80 |
| (ii) Lease liability | 54.04 | - | 144.54 | - |
| (iii) Trade payables | | | | |
| A) total outstanding dues of micro enterprises and small enterprises | 14.29 | 22.34 | 14.29 | 22.34 |
| B) total outstanding dues of creditors other than micro enterprises and small enterprises | 1,653.06 | 1,180.59 | 2,065.44 | 1,641.78 |
| (iv) Other financial liabilities | 552.08 | 983.28 | 928.36 | 1,397.67 |
| (v) Derivative instruments | 162.76 | 30.71 | 162.76 | 30.71 |
| Other current liabilities | 1,027.12 | 863.70 | 1,693.71 | 1,473.50 |
| Provisions | 333.34 | 266.05 | 426.92 | 367.04 |
| Current Tax liabilities (Net) | - | 44.96 | 8.24 | 59.89 |
| **Total Equity and Liabilities** | **15,226.32** | **13,716.69** | **18,696.77** | **16,313.79** |

S. Venkatesh

(Rs. in Millions)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | March 31, 2020 Audited | March 31, 2019 Audited | March 31, 2020 Audited | March 31, 2019 Audited |
| **A. CASH FLOW USED IN OPERATING ACTIVITIES** | | | | |
| Profit / (Loss) for year before tax | (197.51) | 1,427.98 | 227.36 | 1,402.09 |
| Exceptional item (Refer Note 6) | (50.55) | - | (55.45) | - |
| **Adjustments to reconcile profit / (loss) for the year to net cash flows** | | | | |
| Depreciation/Amortisation | 485.65 | 349.37 | 689.57 | 415.57 |
| Expense on Employee Stock Option Scheme (ESOP) | 169.85 | 55.84 | 169.85 | 55.84 |
| Dividend income | (8.37) | (14.02) | (8.37) | (7.05) |
| Allowances for credit impaired on receivables and revenue accrued not billed | 160.00 | 131.80 | 171.91 | 167.92 |
| Bad debts / advances written off | - | 6.00 | - | 6.00 |
| Unrealised foreign exchange loss (net) (Including impact of foreign currency translation) | (12.07) | 89.20 | 51.05 | 20.80 |
| Loss on sale of non-current investments (net) | - | 0.38 | - | 0.38 |
| Net gain on disposal of Property, Plant and Equipment | (96.98) | (494.46) | (97.22) | (494.46) |
| Adjustments to the carrying amount of investments; | (1.29) | (0.30) | (1.29) | - |
| Interest expense | 158.03 | 114.05 | 173.67 | 114.42 |
| Interest income | (70.68) | (39.41) | (91.43) | (51.32) |
| Share of Loss/(Profit) in Associate | - | - | (62.11) | (29.66) |
| **Operating Profit / (Loss) before working capital changes** | **536.08** | **1,626.43** | **1,167.54** | **1,600.53** |
| **Movement in working capital** | | | | |
| Decrease / (Increase) in trade receivables | (2,316.47) | 286.43 | (871.47) | 217.42 |
| Decrease / (Increase) in financial assets and other assets | 1,327.06 | (3,269.72) | (106.75) | (2,633.49) |
| Increase / (Decrease) in financial liabilities, Other liabilities and provisions | 237.23 | 763.03 | 175.29 | 640.68 |
| **Cash flow from / (used in) operations** | **(216.10)** | **(593.83)** | **364.61** | **(174.86)** |
| Income taxes (paid) /net of refunds | 111.47 | (253.03) | 71.08 | (328.58) |
| **Net cash (used in) / from operating activities (A)** | **(104.63)** | **(846.86)** | **435.69** | **(503.44)** |
| **B. CASH FLOW USED IN INVESTING ACTIVITIES** | | | | |
| Purchase of Property, Plant and Equipment including intangible assets, and capital advances | (933.00) | (1,033.55) | (1,350.02) | (1,301.33) |
| Proceeds from sale of Property, Plant and Equipment | 106.17 | 508.52 | 106.42 | 508.35 |
| (Purchase) / sale proceeds of other long term investments | - | 50.31 | - | - |
| Net Increase / (decrease) in non-trade investments | 205.00 | - | 205.00 | 50.78 |
| Net Increase / (decrease) in bank deposit | 8.01 | 703.36 | 8.00 | 703.36 |
| Interest received | 14.57 | 30.92 | 31.80 | 42.82 |
| Dividend received | - | 14.02 | - | 7.05 |
| **Net cash (used in) / from investing activities (B)** | **(599.25)** | **273.58** | **(998.80)** | **11.03** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Proceeds from share capital issued on exercise of stock options | 2.82 | 5.18 | 2.82 | 5.18 |
| Proceeds from share premium on exercise of stock options | 38.03 | 61.85 | 38.03 | 61.85 |
| Proceeds from share capital issued on Preferential allotment | - | 26.04 | - | 26.04 |
| Proceeds from securities premium on Preferential allotment | - | 973.96 | - | 973.96 |
| Payment of principal portion of lease liabilities | (81.55) | - | (138.02) | - |
| (Repayment) / Proceeds from Long term secured loans | (399.81) | (323.87) | (399.81) | (323.87) |
| (Repayment) / Proceeds from Short term borrowings | 1,449.72 | (6.10) | 1,449.72 | 2.49 |
| Interest paid | (136.08) | (114.03) | (151.73) | (114.43) |
| Dividends paid during the year | - | - | - | (1.51) |
| **Net cash (used in) / generated from financing activities (C)** | **873.13** | **623.03** | **801.01** | **629.71** |
| **Net increase / (decrease) in cash and cash equivalents (A+B+C)** | **169.25** | **49.75** | **237.90** | **137.30** |
| Effect of exchange differences on Cash & Cash Equivalents held in foreign currency | 2.36 | 0.18 | 6.42 | 0.88 |
| Cash and Cash Equivalents at the beginning of the year | 187.95 | 138.02 | 752.92 | 614.74 |
| **Cash and cash equivalents at the end of the year** | **359.56** | **187.95** | **997.24** | **752.92** |
| **Cash and cash equivalents** | **359.56** | **187.95** | **997.24** | **752.92** |

**NOTES:**

1) The standalone and consolidated financial results for the quarter and year ended March 31, 2020 were approved by the Board of Directors at its meeting held on Jun 15, 2020. The statutory auditors have conducted a audit of the above standalone and consolidated financial results. These financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
2) The standalone and consolidated financial results for the quarter ended March 31, 2020 and March 31, 2019 are balancing figure between audited figures in respect of the full financial year and the unaudited published year to date figures upto the third quarter ended December 31 for respective years which are subject to limited review.
3) Based on the "Management Approach" as defined under Ind AS 108 Operating Segments, the Company's performance is evaluated and resources are allocated based on an analysis of various performance indicators by a single business segment i.e. 'Software Product License & related services'.
4) 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, goodwill on consolidation, intangible assets and intangible assets under development. In developing the assumption relating to the possible future uncertainties in the global conditions because of the pandemic, the Company as on date of approval of these financial 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 and consolidated financial results and the Company will continue to closely monitor any material changes to future economic conditions.
5) Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1,2019 using the modified retrospective method. Accordingly, comparatives for the year ended March 31,2019 have not been retrospectively adjusted. Consequently, the Company has recognized an equivalent right-of-use asset and lease liability amounting to Rs.239.42 million and Rs.550.39 million in its standalone and consolidated financial statements respectively.
6) Exceptional items in standalone and consolidated financial results for the year ended March 31, 2020 represents profit of Rs. 50.55 million and Rs.55.45 million respectively, from disposal of shares of SFL Properties Private Limited, a wholly owned subsidiary by the Company for an aggregate consideration of Rs. 205 million.
7) 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.
8) During the year, the Company has reviewed functions performed by the holding company, subsidiaries, branches to reflect its business requirements and update its global transfer pricing policy. Consequent to this, the Company trued up necessary adjustments in the current period / year.
9) Figures of the earlier period, wherever necessary, have been regrouped to conform with those of the current periods.

For Intellect Design Arena Limited

**Arun Jain**
Chairman and Managing Director

**Venkateswarlu Saranu**
Chief Financial Officer

Place : Chennai
Date : June 15, 2020