

# CONNECT

**Q4 AND FY20 ANNUAL RESULTS ENDING  
31<sup>st</sup> MARCH, 2020**

**JUNE 15, 2020**

Earnings Announcement





# Safe Harbor Statement

Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to our ability to manage growth, intense competition among Indian and overseas IT Products companies, various factors which may affect our cost advantage, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Intellect Design Arena has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry.

Intellect Design Arena may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.



# Update on Intellect Strategy

**We provided a strategic direction three years back for each of our Lines of Business and Products**

- Intellect strategy has 4 elements : Products, Markets, Customer, MOAT
- Since each product requires huge investments and management time in building market acceptance and customer implementation, Intellect calibrated its investment year-on-year for Go To Market
  - iGTB : FY 19
  - iGCB : FY 20
  - iSEEC : FY 21
  - iRTM : FY 22
- As per Intellect strategy forecast, we anticipated cloud adoption in the Banking and Financial industry to start in the calendar year 2020, but its adoption accelerated by an year. Intellect invested additional 150 man-years of Research & Development efforts to move all products to API, micro-services based and cloud-ready architecture using low coding platform.
- We invested in AI / Machine Learning platform - Fabric data services. This platform is capable of data ingestion from structured as well as unstructured sources to drive the accuracy and intelligence of the data. As a focussed strategy, we sharpened Underwriter use case to 92% accuracy to drive decision grade data.
- As of now, all the 4 business units are cash flow positive this year.



# iGTB Business Updates

- The Business scaled significantly and doubled from FY17 to FY19 moving from \$53m to \$100m in two years of rapid growth
- FY20 was a year of Product Engineering & Delivery Execution after rapidly growing over the previous 2 years
  - Postponement of a large deal in Japan and several deals in US/Europe owing to global slowdown of Trade resulted in fewer deal closures in Q1-Q3
  - Q4 FY 20 saw revival of License wins of \$10M with 3 large global banks across North America, Europe & Middle East
  - In FY20 we had 15 New License Go LIVE ; 6 Upgrades and 40 Significant Extensions
  - 3 New Cloud Platforms ( CBX – C-19; CBX S 19; IPSH 19 ) went live with customers
- AMC is continuing to grow @ 11% over last 2 years and FY21 and then will accelerate to 20% in FY 22, based on above Go lives and Deals signed in FY20.
  - AMC grew by 11.5% in FY 19
  - AMC grew by 11% in FY 20
  - AMC growth of 11% expected in FY 21
  - AMC growth of 20% expected in FY 22 (2 large Deals of \$ 10M+ license won in FY 19 will be in production)
- Significantly increased share in Advanced Markets acquiring key Logos over last 3 years
  - INR 500 cr worth License won in last 3 years globally
  - Top 15 out of 50 Global Transaction Banks trust iGTB
  - Liquidity & CBX emerged as clear Market Leaders in Advanced Markets.
  - Currently 23% of Global Cross Border Cash Concentration (Liquidity) for Top 6 currencies is powered by iGTB



# iGTB Business Updates

- In Growth Markets, DTB has the largest Market share with close to 50 installs.
- Won 12 Analyst Awards and recognition in FY20 from all leading Analysts (Forrester, IDC, Celent, Aite, IBS)
- 34 Customer Awards were won in Corporate Banking by 17 Customers who are powered by iGTB
- We have a strong pipeline - for Digital / Payments / Liquidity in the Advanced Markets as well as for DTB - Digital Transaction Banking - in the Growth Markets
  - In last 100 days we have submitted 18 proposals with \$ 50M+
  - We will need to be work thru the current uncertain times to monetise
- iGTB is the leading FINTECH Brand trusted by the Leading Corporate Banks in the World.



## IDC Product Update

Launch of IDC 19.1 with Open Banking & Regulatory Compliant Version on Cloud for UK and Europe Markets. One amongst 4 solutions certified for Open Banking Compliance.

Launch of IDC 21.1 in 2021 with Open API , Full Microservices , Fully Scalable & Cloud Native Solution.

Will position IDC as one amongst 4 Global vendors with this Architecture.

## Recognized by Analysts

**Gartner.**

**Ranked #1 FOR OPEN BANKING**

*One of Top 6 Global Vendors in Magic Quadrant for retail system*

**Top Scorer in Peer insights against all Core banking vendors**

**CELENT**

Intellect Digital Core (IDC) adjudged **WINNER @ "Breadth of Functionality"** category for APAC, EMEA & LATAM 2019. Only Product company with complete Corp Banking suite

**FORRESTER**

**Rated Strong Performer in** Wave™: Digital Banking Engagement Platform

Recognized as a **Global Player & Global Pursuer (Top5)** for Combined Deals & New Named Deals - Global Banking Platform Deals Survey - 2019

## Validated by Market

IDC Deals	Submitted	Results Awaited
Europe & Australia	7	3
Total	25	9

**25 Proposals Submitted with 9 in Results Awaited Stage.**

**Strategy to expand Advanced Markets presence showing good momentum. Preparing for US entry in 2022-23**

**28 % of Deals from Advanced Markets.**

## Quantum & SME Lending Update

**Quantum**

**A Category Leader in Central Banking Solutions as a Specialist Solution.**

**Recent transformational wins : Bank of Mongolia, Central Bank of Papua New Guinea and close to signing a Central Bank in Africa.**

**SME Origination**

**Launched CBX(O) :Origination Platform with Cloud Native Microservices Architecture focused on SME lending. Have won 4 Client wins.**



# Cambridge-Intellect present...

## The first-ever Executive Leadership Program for **Digital Transformation**



1

Think  
Digital.  
Not  
Banking

2

Deep Dive  
into  
Disruptive  
Technologies

3

New  
Business  
Models

4

Leveraging  
Design Thinking  
for Transformation

5

Customised  
Blueprints  
for Digital

6

Case Studies  
and Group  
Exercises

7

Mentoring  
from  
Experts

8

Curated  
Cambridge  
Experience

9

Graduation  
Ceremony



# Intellect SEEC Business Updates

- The Business had a successful FY20 on all 3 dimensions :
  1. Major flagship logos won in the US and UK Insurance Market including some of the largest carriers in the world
  2. Data and Machine Learning algorithms proved highly effective (92%+) in major use cases at global large insurers. We are now replacing human work (including major BPO providers) with our ML software at global carriers
  3. Continued win of analyst awards, media coverage and inbound client interest to do business
- Data subscription growth rate at over 70% per annum as of end of FY20
- iSEEC expanded its offerings along the full value chain of Data - Intake – Underwriting using Big Data and Intelligence (AI/ML)
- Multiple strategic carriers currently in process of conversion from PoC / Machine Learning model deployment in pre production
- The Business is poised to expand its footprint to more Carriers in the US and foray into the UK
- ITC - the signature Insurance Industry event in Las Vegas in September 2019 saw iSEEC received significant traction for Xponent





# iRTM Business Updates

- Capital Cube (Intellect Treasury) has more than 40 installations. The product is processing more than 2.5 Trillion worth of assets on annualized basis. Reserve Bank of India works on Intellect Treasury. Citibank is using Intellect Treasury for over 34 countries for its Money Market module.
- This year we have started investing in designing Go To Market for high rich assets of Risk and Treasury unit. In first quarter, we spotted 2 markets with highest TAM for designing Go To Market.
- In April, we launched **CBX FX Trading platform**, which helps Corporate to book trades from their office. This product has received good reception during its webinar launch.
- Similarly, Liquidity and balancing Assets / Liabilities has also been an area with significant interest especially post Covid environment .
- iRTM has launched **Contextual Asset Liability Management -CALM** - a product that is again Cloud ready - in April to address this product
- The Business looks to scale in FY22 with investments in Go To Market



# iGov Business Updates

- The Platform was fully operational in FY20 and underwent several enhancements to meet the Market requirements
- Owing to the General Elections, procurement in Q1FY20 was impacted. While the GMV grew subsequently, Covid 19 has again impacted Business in recent months
- Government Buyer organisations registered on GeM increased by 10,751. As on 31st March 2020, 44,633 Buyer Organisations are registered for procurement
- 1,65,194 new Seller organisations started selling on GeM. As on 31st March 2020, 3,55,723 Sellers are selling through GeM
- Number of Orders placed on GeM increased by 2,15,479 during previous fiscal. Average number of Orders placed daily on GeM increased from 7,557 in March 2019 to 9,025 in March 2020.
- Value of Orders placed on GeM increased from INR 23,747 Cr to INR 46,320 Cr during previous fiscal. 110% growth in Average Daily Value of Orders (INR 48.3 Cr in Dec 2018 to INR 101.48 Cr in March 2020)
- Number of Product Catalogs available increased by 12,95,037. As on 31st March 2020, 21,97,902 Product Catalogs were available for procurement by Buyer Organisations
- 2,463 new Product Categories were included to enhance the footprint. As on 31st March 2020, 5,605 Product Categories were available

# iTurmeric

- Intellect launched iTurmeric - a unique platform for progile transformation / modernization of legacy platforms to Cloud ready/ API - microservices driven open architecture and Digital channels in April.
- Built on the robust principles of Design Thinking, the platform is the outcome of R&D at Intellect
- Intellect has partnered with IBM for joint GTM of this product across geographies
- The Platform integrates the following offerings in a single environment facilitating easy/ intuitive design of transition from legacy systems to the new architecture allowing Banks/ Financial institutions to preserve their investments in legacy / diverse platforms while rapidly jumpstarting the Digital transformation without the pains of a rip & replace option.
  - API exchange
  - API studio - for design of APIs
  - Experience studio for design of User Experience
  - Integration Studio - to design integration of various co-existent platforms
  - Developers' Sandbox to deliver proofs of concept / prototyping
- Intellect and IBM will pursue a phased GTM programme to take this product to various geographies.
- We are already performing proof of concept for a large European retailer and close to concluding a deal with a Bank in Indonesia based on this platform



# Operations

- Cost structure realigned by using Design Thinking practices
  - Product Innovation
  - Delivery Excellence – Reduction in implementation cycle by 40%
  - Defect reduction by 80%
  - Low coding platform like Purple Fabric, Canvas, ARX, Hub
- Our per deal license value has moved up 50% over the last two years with License constituting 60% of deal value as against 40% earlier.
- Intellect's working capital has touched 150 days which is due to \$ 10 m license sign up in the last 2 weeks of Q4. We have a sharp focus on reducing DSO's substantially. As of May 31<sup>st</sup>, Intellect has collected 305 crores for the current quarter.



# Business Continuity – Covid 19

We took several measures – both internal & external - to tackle the COVID pandemic.

## INTERNAL

- Travel Advisories (mid Feb) - Gauging the development of the pandemic, we started and issued travel advisories to all associates
- Work from Home (March 25) - Commenced work from home seamlessly for all Delivery, Production Support, Maintenance and Engineering teams plus support functions
- SLA and Weekly Monitoring - All SLA levels are being maintained on Project Deliveries as well as Support and weekly monitoring carried out by Business Continuity teams.
- Review of Cost Structure - Rigorously reviewed our cost structure and we are now optimized in terms of org structure and key cost heads such as Payroll, Infrastructure, Business promotion etc.



# Business Continuity – Covid 19

## EXTERNAL

- Intellect did a risk assessment in the early days of Covid and two key risks were identified

Possible deferral  
of projects by  
Customers

Delayed inflow of  
collections and  
therefore  
pressure on Cash

- The position on these is as follows
  - Intellect has not come across significant project deferrals so far. Keeping our fingers crossed given the intensity of Covid 19 impact
  - \$40m collection in April and May
  - Added INR 100 Cr to our cash balances in these two months.
  - Our net debt was almost NIL at end May.
  - Enough borrowing lines to address working capital requirements/ growth needs
  - May 31 Cash balances are healthy ; thus no cash raise plans as committed last year



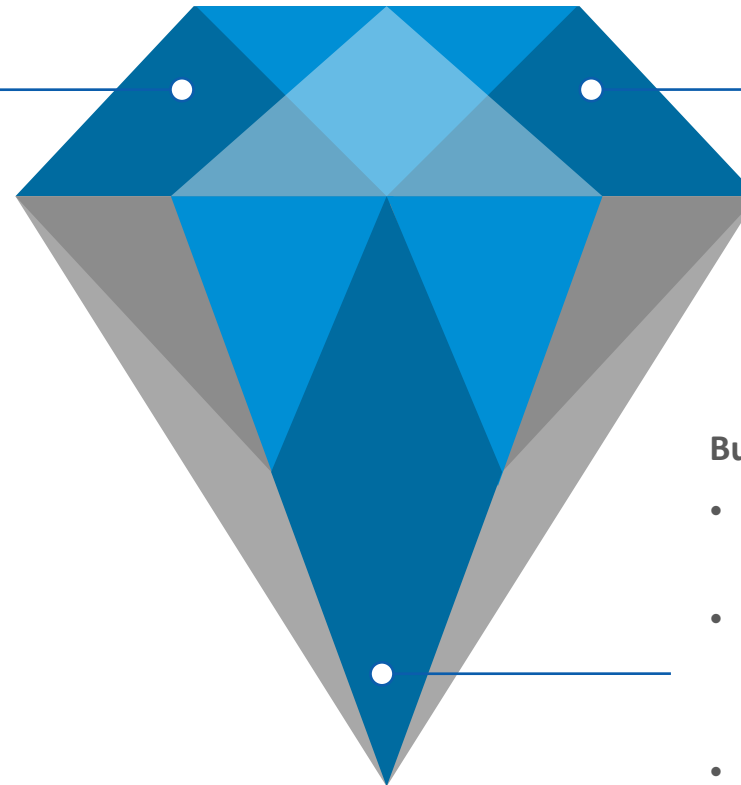
# Managing through uncertainty – Covid 19



Apart from the internal and external measures, we also analysed the environment, saw emerging trends and encapsulated the learnings

## Covid 19 will impact Banks owing to:

- deferred loan recoveries and interest income
- reduced income due to lower economic and business activity
- possible risk of growing NPAs due to many Businesses going bankrupt
- pressure on Lending



## Banks are likely to:

- curtail capital spending
- look for cost reduction

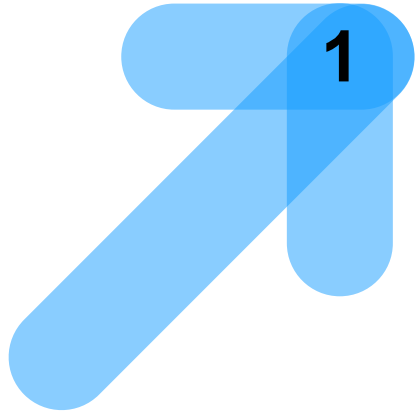
## But the greenshoot trends are :

- Digital adoption would see acceleration post COVID, as per several studies published
- Bankd would look for solutions to reduce costs, help with smarter credit decisioning , enhance self service channels to replace in-person services .
- Similar conclusions have emerged for Insurance carriers as well.

# Business levers in growth mode during uncertainty



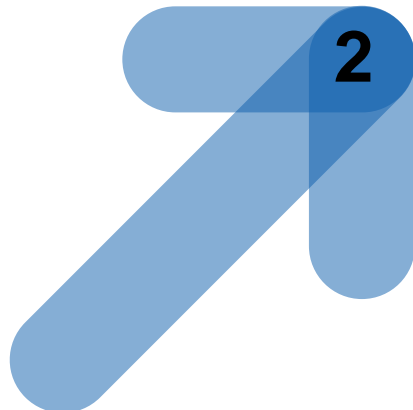
Redefined the Go-To-Market Strategy of our Products and for the key Business needs of Banks/ Insurance Carriers



## Strategic Shift 1

### Focus on existing customers

- Enhanced focus on our rich customer asset base of 240+ customers.
- Work with them as a Trusted Partner in their Technology/ Transformation agenda - offering contextual support based on the unique needs in their journey.
- Deepen our engagement and offer more products per customer and expand our footprint

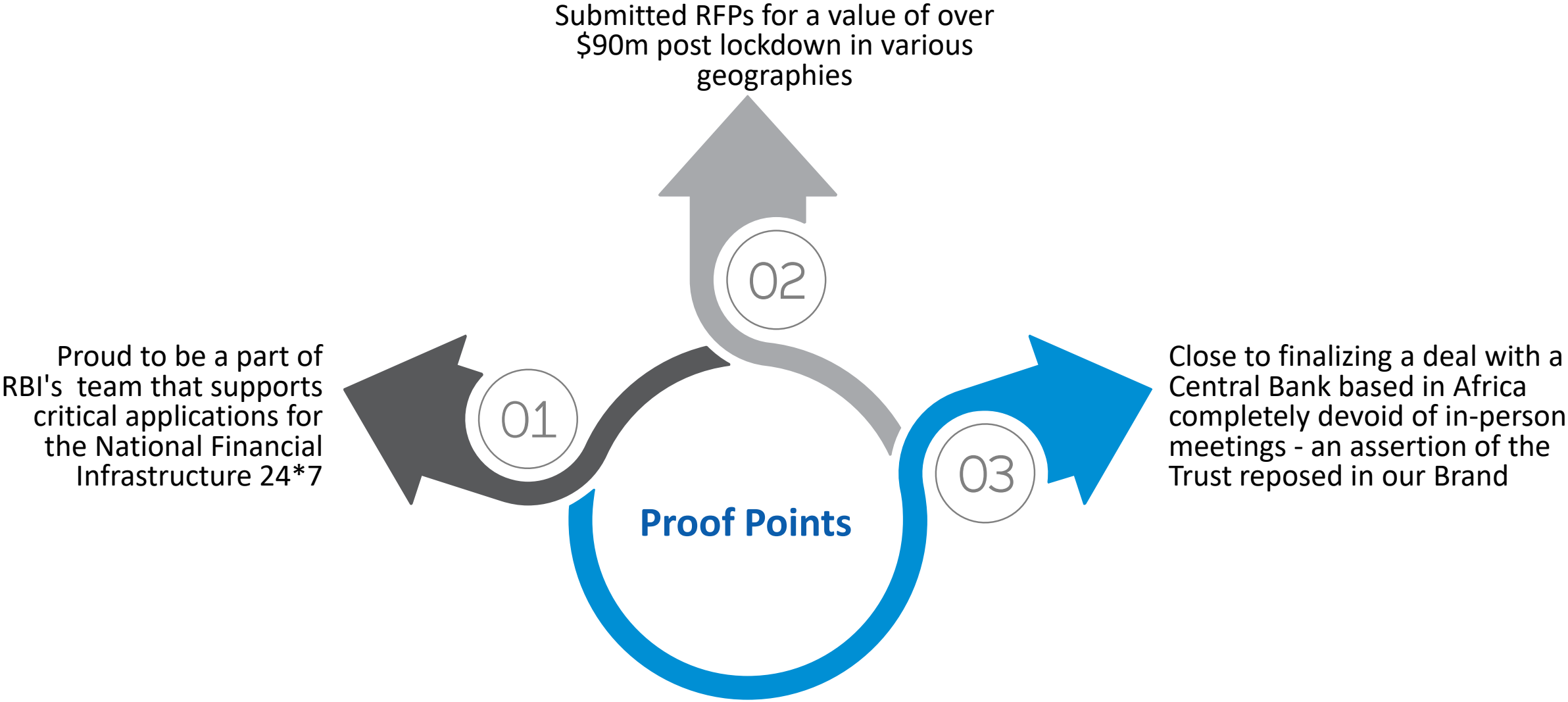


## Strategic Shift 2

### Agile in responding to the market shift towards Cloud Deployment/ Subscription model

- Trend observed especially in the iGCB and iSEEC Businesses
- Intellect products are Cloud ready and based on API/ Microservices architecture
- This will be an attractive alternative to Financial Institutions that wish to avoid Capital spending, to pursue their transformation without deferring them

# Business levers – Trusted Brand **during uncertainty**





# Executive Summary – Q4 and FY20

## E1: Revenue

### Q4 FY20

- Total Revenue for Q4 FY20 at INR 360 Cr
- In \$ terms, Q4 FY20 Revenue at \$ 49.7 Mn

### FY20

- Total Revenue for FY20 at INR 1351 Cr
- In \$ terms, FY20 Revenue at \$ 191 Mn

## E2: License, AMC and SaaS Revenue

### Q4 FY20

- Q4 FY20 License Revenue is INR 101 Cr
- Q4 FY20 AMC Revenue is INR 67 Cr
- Cloud revenue of Q4 FY20 is INR 38 Cr

### FY20

- FY20 License Revenue is INR 248 Cr
- FY20 AMC Revenue is INR 253 Cr
- Cloud revenue of FY20 is INR 122.41 Cr



# Executive Summary – Q4 and FY20

## E3: Gross Margin, EBITDA and PAT

### Q4 FY20

- Gross Margin is INR 192.74 Cr in Q4 FY20
- EBITDA for Q4 FY20 is INR 63.93 Cr
- Net Profit for Q4 FY20 is INR 40.99 Cr

### FY20

- Gross Margin is INR 652.2 Cr in FY20
- EBITDA for FY20 is INR 74.82 Cr
- Net Profit for FY20 is INR 15.98 Cr

## E4: Order backlog – Cloud/Subscription deals

- Order backlog relating to License based (License, AMC and implementation ) deals - **INR 1150 Cr** as of Q4 FY 20
- Order backlog relating to other Cloud deals - **INR 850 Cr** as of Q4 FY 20

## E5: iGTB registered INR 544.48 Cr Revenue in FY 20

- iGTB registered INR 544.48 Cr in FY 20 and INR 163.4 Cr revenue in Q4 FY20
- 62.7% of its FY 20 and 67.4% of its Q4 FY20 revenue is from Advanced Markets



# Executive Summary – Q4 and FY20

## E6: Collections and Investment in Product Development (Capitalised)

### Q4 FY 20

- Collections for Q4 FY20 stood at INR 298.48 Cr
- Investment in Product Development (Capitalised) for Q4 FY 20 stood at INR 23.97 Cr

### FY 20

- Collections for FY20 stood at INR 1283.10 Cr
- Investment in Product Development (Capitalised) stood at INR 110.50 Cr

## E7: Cash and Debt position

- Cash and Cash Equivalent is INR 134.3Cr
- Net Cash is INR (50.90 Cr)
- Term loan is INR (70.32 Cr)

## E8: Digital led wins and Implementations

- Intellect was awarded **27 Digital led wins including 10 large Digital Transformation deal wins** in FY 20
- Q4 FY20 recorded 7 Digital led wins including 3 large Digital Transformation deal wins
- Intellect went live in **44 financial institutions across the world in FY 20 including 5** in Q4 FY20

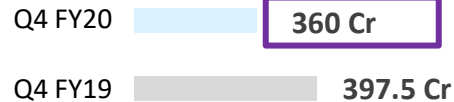




# Financial Highlights – Q4 FY20 Revenue at **INR 360 Cr**

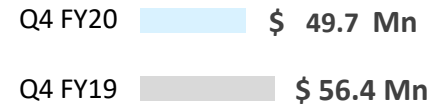
Q4 FY20 REVENUE (INR)

**360 Cr**



Q4 FY20 REVENUE (US \$)

**\$ 49.7 Mn**



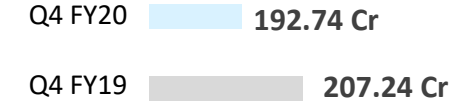
EBITDA (INR)

**63.93 Cr**



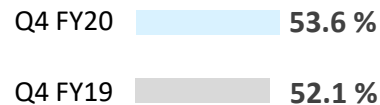
GROSS MARGIN (INR)

**192.74 Cr**



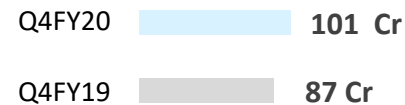
GROSS MARGIN % (INR)

**53.6 %**



LICENSE (INR)

**101Cr**



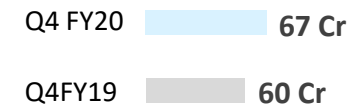
SAAS Revenue(INR)

**38 Cr**



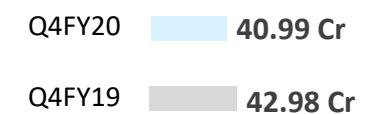
AMC (INR)

**67 Cr**



PAT - INR

**40.99 Cr**



Collections for  
Q4 FY20 (INR)

**298.5 Cr**

Investment in Product  
Development (Capitalized)

**23.97Cr**

Deal Wins in Q4 FY20

**7**

Large Deal Win

**3**

Implementations  
(Go Lives)

**5**

CSR contribution

**Nil**



# Financial Highlights - FY20 Revenue at **INR 1351 Cr**

FY20 REVENUE (INR)

**1351 Cr**



FY20 REVENUE (US \$)

**\$ 191 Mn**



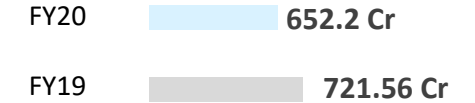
EBITDA (INR)

**74.82 Cr**



GROSS MARGIN (INR)

**652.2 Cr**



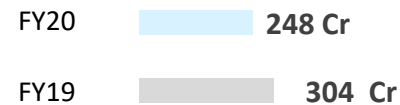
GROSS MARGIN % (INR)

**48 %**



LICENSE (INR)

**248 Cr**



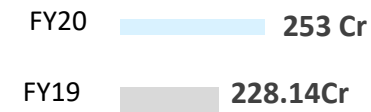
SAAS Revenue(INR)

**122.4 Cr**



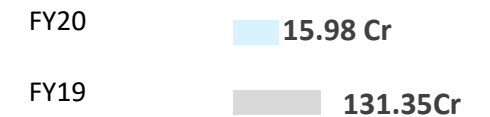
AMC (INR)

**253 Cr**



PAT (INR)

**15.98 Cr**



Collections for  
FY20 (INR)

**1283.1Cr**

Investment in Product  
Development (Capitalized)

**110.5 Cr**

Deal Wins in Q3 FY20

**27**

Large Deal Win

**10**

Implementations  
(Go Lives)

**44**

CSR contribution

**1.8 Cr**



# Strong Order backlog

## Q4 FY20

### License Based

(License, AMC\*, Implementation, etc.,)

**INR 1150 Cr**

### SaaS and Subscription Based

**INR 850 Cr**

(Including GeM project)

## Q3 FY 20

### License Based

(License, AMC\*, Implementation, etc.,)

**INR 1125 Cr**

### Subscription/Cloud Based

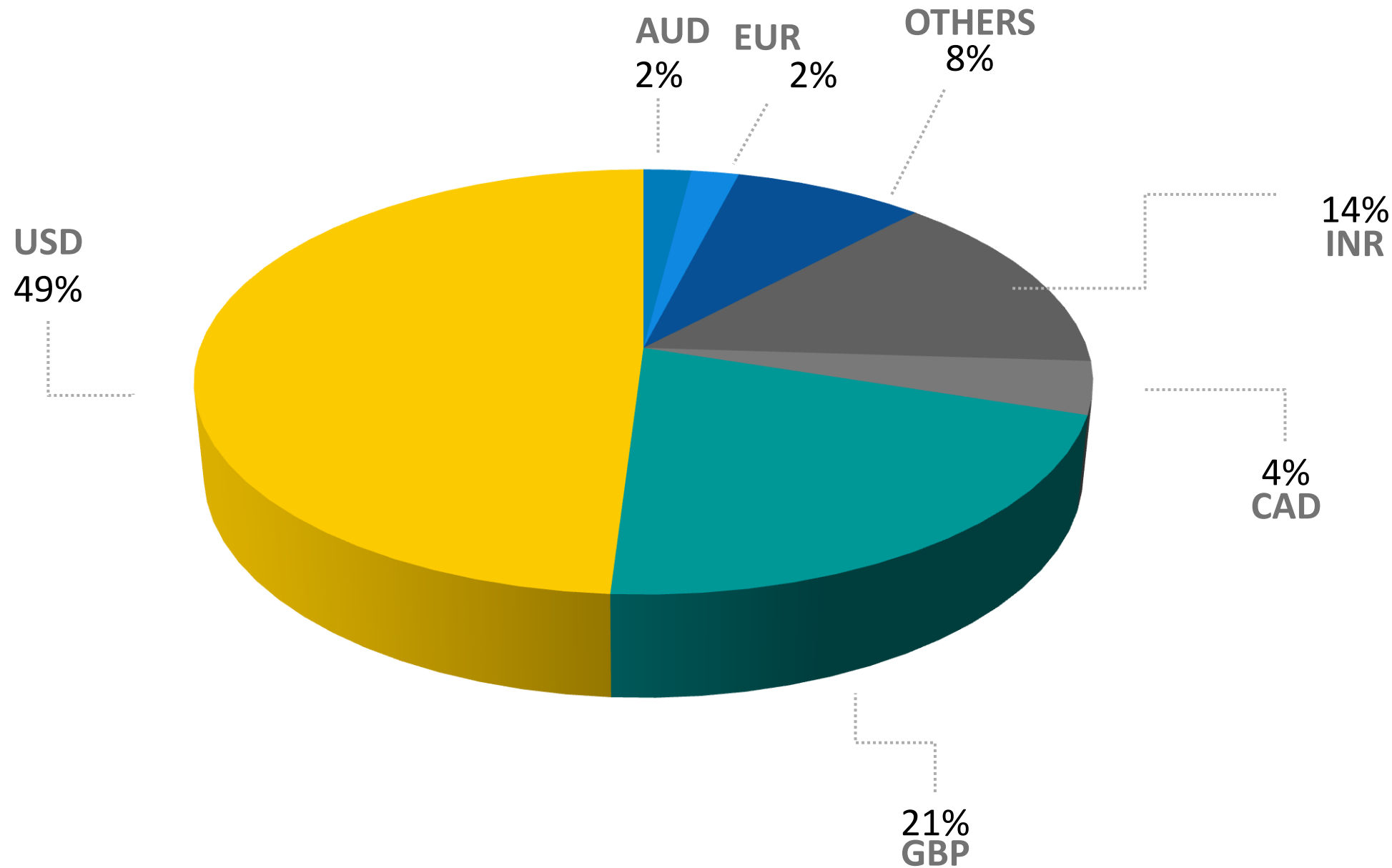
**INR 825 Cr**

(Including order backlog of GeM project)

**Repeat revenue from existing customers stood at 90% (Q4 FY20)**

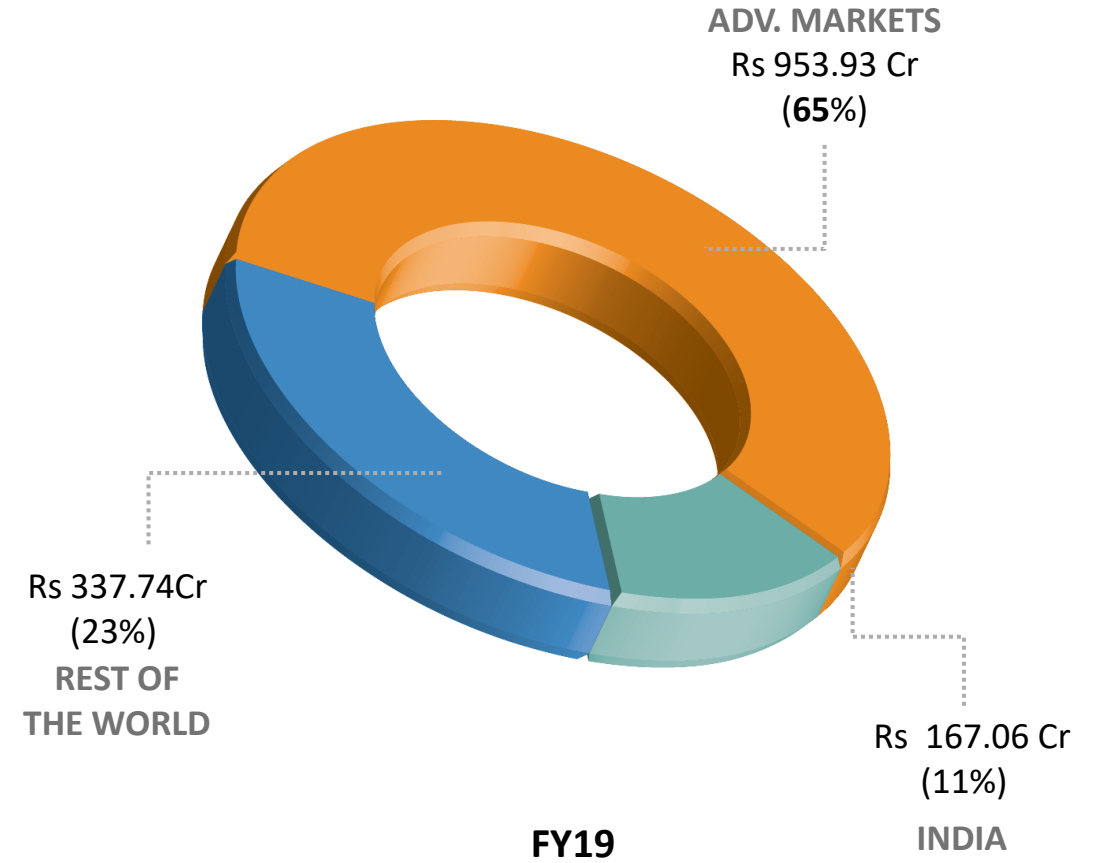
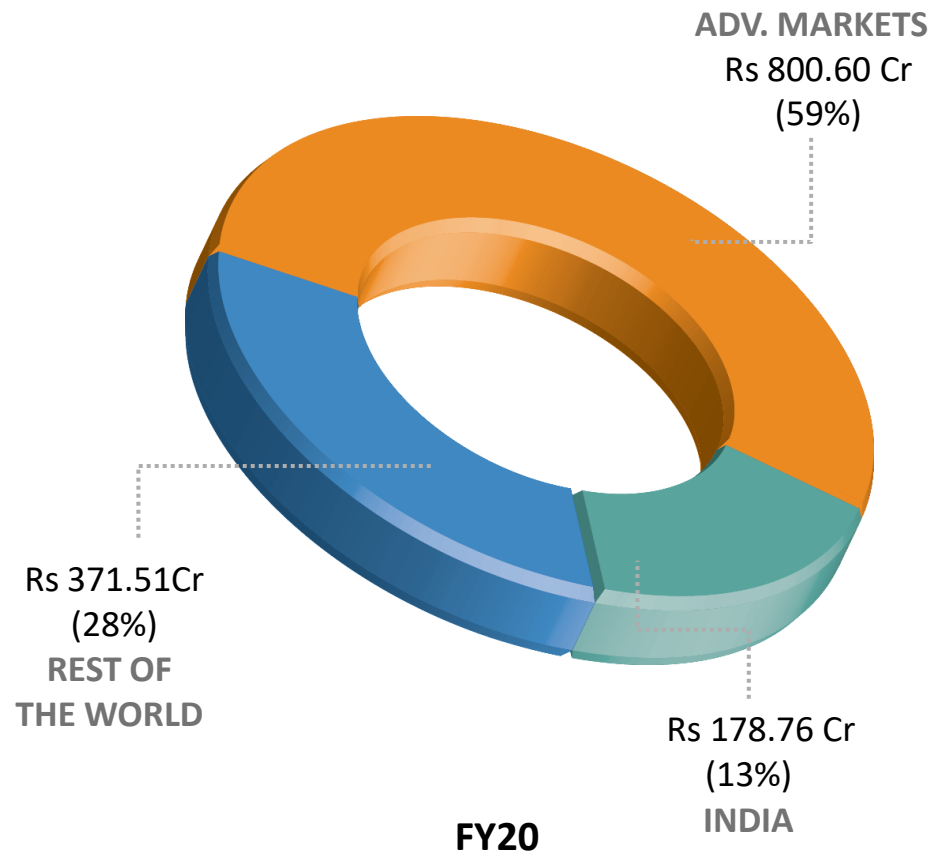
\*AMC considered for the next 12 months

# Currency wise Revenue Mix – Q4 FY20





# Revenues across Geographies



Adv. Markets: Americas, Europe, Australia, New Zealand, Singapore, Japan

# Financial Results for the Fourth Quarter Ending – March 31, 2020



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

Rs. In Lakhs

Particulars	QUARTER ENDED			YEAR ENDED	
	March 31, 2020 (Q4 FY 20)	December 31, 2019 (Q3 FY20)	March 31, 2019 (Q4 FY 19)	March 31, 2020 (FY20)	March 31, 2019 (FY 19)
<b>INCOME</b>					
Income from software product license and related services	35,964.28	32,033.03	39,758.20	1,35,086.74	1,45,873.25
<b>EXPENDITURE</b>					
Software development expenses	16,690.00	17,110.89	19,033.85	69,866.63	73,717.60
<b>Gross Margin</b>	<b>19,274.28</b>	<b>14,922.14</b>	<b>20,724.36</b>	<b>65,220.11</b>	<b>72,155.65</b>
<b>Gross Margin %</b>	<b>53.59%</b>	<b>46.58%</b>	<b>52.13%</b>	<b>48.28%</b>	<b>49.46%</b>
Selling and marketing & General and administrative expenses	9,050.00	10,699.47	11,716.31	42,132.35	44,968.45
Research & Engineering expenses	2,357.52	3,145.97	3,192.44	12,188.17	10,039.81
ESOP Cost	490.00	524.00	383.00	1,698.00	558.00
Provision for Debts and Write offs	984.11	195.00	219.48	1,719.11	1,739.17
<b>Total Expenditure</b>	<b>29,571.63</b>	<b>31,675.33</b>	<b>34,545.08</b>	<b>1,27,604.29</b>	<b>1,31,023.02</b>
<b>EBITDA</b>	<b>6,392.65</b>	<b>357.70</b>	<b>5,213.13</b>	<b>7,482.48</b>	<b>14,850.22</b>
Depreciation	(1,074.50)	(974.04)	(563.43)	(3,968.89)	(2,291.13)
Amortisation	(837.73)	(733.89)	(583.81)	(2,926.84)	(1,864.58)
Hedge Impact	(161.81)	(83.97)	(196.00)	(398.33)	(916.31)
Finance Charges	(382.42)	(482.52)	(270.71)	(1,736.69)	(1,144.25)
<b>Profits / (Loss) before other income / minority interest</b>	<b>3,936.20</b>	<b>(1,916.72)</b>	<b>3,599.17</b>	<b>(1,548.27)</b>	<b>8,633.96</b>
Other Income (including Treasury)	298.36	338.18	566.43	2,944.44	6,270.56
Reinstatement of Receivables / Liabilities	(621.99)	504.37	(305.06)	255.64	(1,180.31)
Minority Interest/ Share of profit/(loss ) of Associate Companies	615.47	219.87	611.03	455.66	305.03
<b>Profit / (Loss) before tax</b>	<b>4,228.03</b>	<b>(854.30)</b>	<b>4,471.66</b>	<b>2,107.46</b>	<b>14,029.24</b>
Provision for taxation	(128.98)	(283.85)	(173.83)	(509.00)	(894.70)
<b>Profit / (Loss) after tax</b>	<b>4,099.05</b>	<b>(1,138.15)</b>	<b>4,297.83</b>	<b>1,598.46</b>	<b>13,134.54</b>





# Board Announcement

**Board has approved inducting Abhay Gupte as Additional Director on the Board. He will be an independent director**

Abhay 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 EDS, a global IT organization between 1998 and 2008. He was also MD – Global Operations of UK based product company Logica between 2008 and 2013. He has also held senior leadership positions at American Express Bank and GE Capital.

Abhay is alumnus of IIT New Delhi. He is a guest speaker at various Engineering and Management Institutes, associations and public forums, etc. He is a mentor to the executive leadership of large global companies.

# Digital Deals and Implementations



## FY 20

27

Total Wins in **FY20** including  
**10** large Digital  
transformation deal

44

Total  
Implementations in  
FY20

## Q4 FY 20

7

Total Wins in Q4 FY20  
including **3** large Digital  
transformation deal

5

Total  
Implementations in  
Q4 FY20

### 3 Large Deals in Q4 FY 20

- Intellect has won a landmark, multi-million-dollar deal with one of the top 10 banks. The Bank has been using iGTB's Liquidity Management Solution (LMS) for over 10 years and has now chosen to upgrade its client liquidity management capabilities to iGTB's latest LMS and the front end Contextual Banking Experience (CBX)
- One of the largest custodian banks has chosen iGTB's world-leading cash and liquidity functionality built on cloud-native, fully open source, API microservices technology.
- Intellect further expands its footprint in the Kingdom of Saudi Arabia, partnering with one of the top 5 banks. The bank has chosen iGTB's Digital Transaction Banking (DTB) solution

# Healthy Pipeline

Destiny Deals

41

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## Active Pursuits – Q4 FY20

- The current funnel of Intellect is around INR 3840 Cr (\$ 512 mn) out of which INR 2820 Cr ( \$ 376 mn) is accounted by 120 Opportunities
- Average deal size in Q4 FY20 stands at INR 15 Cr (\$ 2 mn) against INR 14 Cr (\$ 1.9 mn) in Q4 FY19

## Destiny Deals – Q4 FY20

- Average deal size of destiny deals stands at INR 38 Cr (\$ 5 mn) in Q4 FY20
- 41 destiny deals in Q4 FY20 against 39 in Q4 FY19
- Destiny deals contributes to 57% of total Opportunity funnel in Q4 FY20

# Active Pursuits

## High value active pursuits

41

- 7 pursuits are of value more than **INR 50 Cr each**
- 12 pursuits are of value between **INR 30 Cr to INR 50 Cr**
- 22 pursuits are of value between **INR 20 Cr to INR 30 Cr**

	Q3 FY20 Active Pursuits	Won	Lost	Added	Q4 FY20 Active Pursuits	Remarks
>50 Cr	8	1	1	1	7	1 deal Won 1 deal Lost 6 deals from Q3 FY20 + 1 new deal added
30 Cr – 50 Cr	13	2		1	12	2 deals Won 11 deals from Q3 FY20 + 1 new deal added
20 Cr – 30 Cr	20		1	3	22	1 deal Lost 19 deals from Q3 FY20 + 3 new deals added

# Management Observations



**Arun Jain**

Chairman &  
Managing Director

“

**Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited** said, *“2019-20 year was a year of change. Change in adoption of Cloud technology, Change in moving from large Capital intensive technology transformation to Subscription based Project funding model and Change in moving from robotic process automation to Hyper intelligent Automation using Data. During the year, Intellect has invested an amount of over 40 Cr (150 man years of efforts) of additional R&D money to move all the products to API/Microservices based architecture using Low coding platforms. These changes put additional pressure on expected revenues and profitability during the year but these investments have made Intellect products API/Microservices based and Cloud ready. The interest in Intellect products has gone up substantially in Europe and Americas.”*



**Venkateswarlu Saranu**

Chief Financial Officer

“

**Venkateswarlu Saranu, Chief Financial Officer, Intellect Design Arena Limited** said, *“During the year, we applied Design Thinking to align cost by industrializing the products and processes. We are able to bring down implementation cycle time by 40% and defect rate by 60%. This has resulted in significant reduction in pre EBITDA cost during the year.”*

