

INTELLECT DESIGN ARENA LIMITED

CIN : L72900TN2011PLC080183

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UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS OF INTELLECT DESIGN ARENA LIMITED FOR THE PERIOD ENDED SEPTEMBER 30, 2021

(Rs in Millions)

PARTICULARS	Standalone						Consolidated					
	Quarter ended September 30, 2021	Quarter ended June 30, 2021	Quarter ended September 30, 2020	Half year ended September 30, 2021	Half year ended September 30, 2020	Year ended March 31, 2021	Quarter ended September 30, 2021	Quarter ended June 30, 2021	Quarter ended September 30, 2020	Half year ended September 30, 2021	Half year ended September 30, 2020	Year ended March 31, 2021
Income	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	3,132.71	2,776.17	2,387.57	5,908.88	4,515.62	10,032.28	4,521.41	4,083.49	3,718.06	8,604.90	7,176.99	14,974.59
Other income	44.76	170.65	27.53	215.41	109.45	153.80	0.83	163.29	21.68	164.12	99.31	126.82
Total Income	3,177.47	2,946.82	2,415.10	6,124.29	4,625.07	10,186.08	4,522.24	4,246.78	3,739.74	8,769.02	7,276.30	15,101.41
Expenditure												
Employee benefit expenses	1,387.04	1,305.32	1,221.04	2,692.36	2,453.42	4,937.67	2,267.57	2,102.29	2,057.49	4,369.86	4,213.83	8,080.30
Depreciation/Amortisation	171.75	155.66	129.08	327.41	252.65	500.14	236.90	226.89	193.95	463.79	382.40	767.14
Finance Cost	7.70	8.82	19.92	16.52	54.74	74.98	11.90	11.65	25.48	23.55	64.93	91.74
Other expenses	846.50	814.44	534.58	1,660.94	931.44	2,447.50	1,071.93	978.89	796.67	2,050.82	1,419.96	3,346.15
Total Expenses	2,412.99	2,284.24	1,904.62	4,697.23	3,692.25	7,960.29	3,588.30	3,319.72	3,073.59	6,908.02	6,081.12	12,285.33
Profit / (Loss) before share of profit / (loss) of associates, joint venture and tax	764.48	662.58	510.48	1,427.06	932.82	2,225.79	933.94	927.06	666.15	1,861.00	1,195.18	2,816.08
Share of profit/(loss) of associates and joint venture (net of tax)	-	-	-	-	-	-	(27.72)	(47.58)	(2.02)	(75.30)	(60.48)	84.79
Profit / (Loss) before tax	764.48	662.58	510.48	1,427.06	932.82	2,225.79	906.22	879.48	664.13	1,785.70	1,134.70	2,900.87
Tax expenses:												
Current Tax	95.28	118.00	111.35	213.28	206.25	514.10	83.89	138.01	130.84	221.90	237.80	590.80
Deferred Tax	107.14	-	(60.84)	107.14	(122.75)	(360.84)	24.43	2.05	(60.84)	26.48	(122.75)	(336.29)
Profit / (Loss) after tax	562.06	544.58	459.97	1,106.64	849.32	2,072.53	797.90	739.42	594.13	1,537.32	1,019.65	2,646.36
Profit / (Loss) for the year / period attributable to Owners of the Company	562.06	544.58	459.97	1,106.64	849.32	2,072.53	792.42	737.25	591.80	1,529.67	1,017.91	3,141.18
Non controlling interest	-	-	-	-	-	-	5.48	2.17	2.33	7.65	1.74	18.68
Other Comprehensive Income (net of tax)												
Items that will be reclassified subsequently to profit or loss												
Net movement on cash flow hedges	115.98	(19.37)	230.89	96.61	382.86	527.45	115.98	(19.37)	230.89	96.61	382.86	527.45
Exchange differences on translation of foreign operations (including share of associates and joint venture)	-	-	-	-	-	-	(64.75)	50.63	(37.05)	(14.12)	(31.18)	(7.03)
Items that will not be reclassified subsequently to profit or loss												
Re-measurement gains/ (losses) on defined benefit plans	14.42	(3.64)	(15.46)	10.78	(23.59)	(10.54)	14.92	(3.61)	(15.45)	11.31	(23.72)	(10.32)
Other Comprehensive Income for the year / period (net of tax)	130.40	(23.01)	215.43	107.39	359.27	516.91	66.15	27.65	178.39	93.80	327.96	510.10
Total Comprehensive Income for the year / period	692.46	521.57	675.40	1,214.03	1,208.59	2,589.44	864.05	767.07	772.52	1,631.12	1,347.61	3,156.46
Total Comprehensive Income for the year / period attributable to Owners of the Company	692.46	521.57	675.40	1,214.03	1,208.59	2,589.44	860.15	762.61	771.69	1,622.76	1,347.42	3,141.18
Non controlling interest	-	-	-	-	-	-	3.90	4.46	0.83	8.36	0.19	15.28
Paid-up Equity share Capital												
Equity shares of Rs 5 each	670.62	668.77	662.67	670.62	662.67	664.87	670.62	668.77	662.67	670.62	662.67	664.87
Other Equity	-	-	-	-	-	-	-	-	-	-	-	-
Earning Per Share (EPS) of Rs.5 each												
Basic	4.23	4.09	3.47	8.34	6.41	15.63	5.96	5.54	4.47	11.53	7.69	19.82
Diluted	4.03	3.89	3.42	7.96	6.35	15.42	5.68	5.27	4.40	11.00	7.61	19.55

Statement of Asset and Liabilities	PARTICULARS	Stand-alone		Consolidated	
		As at		As at	
		September 30, 2021 Unaudited	March 31, 2021 Audited	September 30, 2021 Unaudited	March 31, 2021 Audited
ASSETS					
Non-current assets					
Property, Plant and Equipment	1,076.06	1,115.73	1,506.51	1,546.04	
Capital work-in-progress	43.59	42.99	43.85	43.25	
Goodwill on consolidation	-	-	298.30	293.80	
Other Intangible assets	1,684.44	1,383.88	2,001.05	1,767.80	
Intangible assets under development	1,868.51	1,960.93	3,483.90	3,448.35	
Right-of-Use asset	89.12	105.01	292.70	357.48	
Investment in subsidiary, associate and a joint venture	936.22	936.22	424.14	499.43	
Deferred tax assets (net)	535.14	642.28	782.52	807.35	
Financial Assets					
(i) Investments	0.05	0.05	0.05	0.05	
(ii) Loans and deposits	23.91	39.12	95.12	90.92	
(iii) Derivative instruments	83.32	75.52	73.75	75.52	
(iv) Non current bank balances	54.56	126.10	83.32	126.10	
Income tax assets (net)	241.64	574.40	298.79	631.13	
Other non-current assets	417.62	302.79	417.62	302.79	
Current assets					
Financial Assets					
(i) Investments	1,585.02	962.90	1,585.02	962.90	
(ii) Trade receivables	3,717.04	3,670.43	2,058.23	1,867.55	
(iii) Cash and cash equivalents	223.12	441.28	862.50	1,447.43	
(iv) Bank balances other than (iii) above	64.74	80.02	82.74	80.02	
(v) Loans and deposits	45.40	37.70	45.40	46.71	
(vi) Derivative instruments	198.80	109.99	198.80	109.99	
(vii) Other financial assets	4,796.69	3,778.13	6,391.92	4,909.38	
Other current assets	885.18	985.33	926.74	1,027.43	
Total Assets	18,570.17	17,370.80	21,952.97	20,441.42	
EQUITY AND LIABILITIES					
EQUITY					
Equity Share capital	670.62	664.87	670.62	664.87	
Other Equity	12,702.18	11,195.98	15,179.17	13,263.51	
Non-controlling interests	-	-	128.28	119.92	
LIABILITIES					
Non-current liabilities					
Financial Liabilities					
(i) Borrowings	-	75.56	-	75.56	
(ii) Lease liability	40.05	59.01	120.52	182.43	
(iii) Derivative instruments	-	-	-	-	
(iv) Other Long Term Financial Liabilities	6.00	6.00	6.00	6.00	
Deferred Tax Liabilities (Net)	-	-	20.54	21.32	
Current liabilities					
Financial Liabilities					
(i) Borrowings	-	-	29.69	90.36	
(ii) Lease liability	38.94	35.25	132.89	132.21	
(iii) Trade payables	-	-	-	-	
A) total outstanding dues of micro enterprises and small enterprises	0.51	10.32	0.51	10.32	
B) total outstanding dues of creditors other than micro enterprises and small enterprises	2,068.59	1,732.81	2,060.29	1,674.89	
(iv) Other financial liabilities	487.45	974.14	792.87	1,327.76	
(v) Derivative instruments	-	-	-	-	
Other current liabilities	2,083.15	2,155.03	2,124.87	2,205.55	
Provisions	472.68	446.45	647.45	602.00	
Current Tax liabilities (Net)	-	15.38	39.27	64.72	
Total Equity and Liabilities	18,570.17	17,370.80	21,952.97	20,441.42	

PARTICULARS	Standalone		Consolidated		(Rs in Millions)
	Half year ended Sept 30, 2021	Half year ended Sept 30, 2020	Half year ended Sept 30, 2021	Half year ended Sept 30, 2020	
A. CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES					
Profit / (Loss) for period before tax	1,427.06	932.82	1,785.70	1,134.70	
Adjustments to reconcile profit / (loss) for the period to net cash flows					
Depreciation and amortisation	327.41	252.65	463.79	382.40	
Expense on Employee Stock Option Scheme (ESOP)	241.70	149.00	241.70	149.00	
Employee benefit expenses (Government grant received)	-	-	(91.87)	-	
Dividend income	(4.06)	(21.27)	(4.06)	(7.35)	
Allowances for credit impaired	239.00	69.00	259.00	69.00	
Unrealised foreign exchange loss (net) (including impact of foreign currency translation)	28.02	0.42	10.01	12.00	
Gain on sale of current investments (net)	(4.51)	(2.34)	(4.51)	(2.34)	
Profit on sale of Property, Plant and Equipment	(65.45)	(0.26)	(65.49)	(0.45)	
Fair value gain on financial instruments at fair value through profit and loss	(10.93)	(0.19)	(10.93)	(0.19)	
Bad debts / advances written off	-	-	-	0.45	
Share of Loss/(Profit) in Associate	-	-	75.29	60.48	
Interest expense	16.51	54.74	23.55	64.93	
Interest income	(55.88)	(13.01)	(75.41)	(18.07)	
Operating Profit / (Loss) before working capital changes	2,138.87	1,421.56	2,606.77	1,844.56	
Movement in working capital					
Decrease / (Increase) in trade receivables	(287.57)	1,844.01	(440.90)	846.00	
Decrease / (Increase) in financial assets and other assets	(1,033.13)	(1,134.85)	(1,498.77)	(128.70)	
Increase / (Decrease) in financial liabilities, Other liabilities and provisions	129.93	490.35	135.83	374.32	
Cash flow (used in) / from operations	948.10	2,621.07	802.93	2,936.18	
Income taxes paid (net of refunds)	150.32	(175.07)	131.21	(130.83)	
Net cash (used in) / from operating activities (A)	1,098.42	2,446.00	934.14	2,805.35	
B. CASH FLOW USED IN / (FROM) INVESTING ACTIVITIES					
Purchase of Property, Plant and Equipment including intangible assets, and capital advances	(483.13)	(337.34)	(630.15)	(551.12)	
Proceeds from sale of Property, Plant and Equipment	69.44	0.95	69.49	1.14	
Investment in subsidiary	-	(2.15)	-	-	
(Purchase) / sale proceeds of other current investments	(602.61)	(199.74)	(602.61)	(199.74)	
Net Increase / (decrease) in bank deposit	86.82	(14.26)	49.63	(14.26)	
Interest received	9.67	13.01	28.37	18.07	
Dividend received	-	13.92	-	-	
Net cash (used in) / from investing activities (B)	(919.81)	(525.61)	(1,085.27)	(745.91)	
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from share capital issued on exercise of stock options	5.75	0.97	5.75	0.98	
Proceeds from share premium on exercise of stock options	50.01	11.91	50.01	11.91	
Payment of principal portion of lease liabilities	(17.08)	(25.02)	(86.92)	(82.79)	
(Repayment) / Proceeds from Long term secured loans	(419.61)	(90.13)	(419.61)	(90.13)	
(Repayment) / Proceeds from Short term borrowings	-	(1,814.92)	30.45	(1,712.03)	
Interest paid	(16.51)	(54.74)	(13.29)	(64.93)	
Dividends paid	-	-	-	(13.38)	
Net cash (used in) / generated from financing activities (C)	(397.44)	(1,971.93)	(433.61)	(1,950.37)	
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(218.83)	(51.54)	(584.74)	109.07	
Effect of exchange differences on Cash and Cash Equivalents held in foreign currency	0.67	(3.65)	(0.19)	(22.57)	
Cash and cash equivalents at the beginning of the year	441.28	359.56	1,447.43	997.24	
Cash and cash equivalents at the end of the year	223.12	304.37	862.50	1,083.74	
Cash and cash equivalents	223.12	304.37	862.50	1,083.74	

NOTES:

1. The standalone and consolidated financial results for the quarter and period ended September 30, 2021 were approved by the Board of Directors at its meeting held on October 28, 2021. The statutory auditors have conducted a limited review of the above standalone and consolidated financial results. These financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
2. 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'.
3. The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown of economic activity. The Company has considered the possible effects that may result from COVID 19 on its operations including but not limited to its assessment 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 results 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.
4. Employee benefit expenses for the period ended September 30, 2021 in consolidated financial results includes aggregate employee stock based compensation of INR 242 Million for the period ending September 30, 2021 and INR 108 million for quarter ending September 30, 2021 and a credit of INR 92 Million towards waiver of a loan obtained by Intellect Design Arena Inc from Bank of America, NA under the Paycheck Protection Program, as such loan proceeds were used to retain workers and paying payroll costs.
5. The Indian Parliament has approved the Code of Social Security, 2020 ('Code') which relates to the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the relevant rules are yet to be framed. In view of this, impact if any, of the changes will be assessed and accounted in period of notification of the Code.
6. 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

DIN :00580919



Venkateswarlu Saranu

Chief Financial Officer

Place : Chennai

Date : October 28, 2021