

# 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, 2019

(Rs In Millions)

PARTICULARS	Standalone						Consolidated					
	Quarter ended September 30, 2019	Quarter ended June 30, 2019	Quarter ended September 30, 2018	Half year ended September 30, 2019	Half year ended September 30, 2018	Year ended March 31, 2019	Quarter ended September 30, 2019	Quarter ended June 30, 2019	Quarter ended September 30, 2018	Half year ended September 30, 2019	Half year ended September 30, 2018	Year ended March 31, 2019
<b>Income</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
Revenue from Operations	1,806.02	1,753.07	2,530.41	3,559.09	4,477.15	9,312.56	3,265.76	3,427.93	3,803.71	6,693.69	6,792.23	14,495.69
Other income	81.63	88.74	106.05	170.37	519.79	615.07	115.14	97.65	155.57	212.79	581.50	627.06
<b>Total Income</b>	<b>1,887.65</b>	<b>1,841.81</b>	<b>2,636.46</b>	<b>3,729.46</b>	<b>4,996.94</b>	<b>9,927.63</b>	<b>3,380.90</b>	<b>3,525.58</b>	<b>3,959.28</b>	<b>6,906.48</b>	<b>7,373.73</b>	<b>15,122.75</b>
<b>Expenditure</b>												
Employee benefit expenses	1,282.85	1,167.14	1,227.22	2,450.00	2,244.78	5,910.60	2,181.42	2,096.65	2,116.61	4,278.07	4,038.77	8,405.77
Depreciation/Amortisation	118.93	120.74	84.98	239.67	164.55	349.37	162.11	165.45	107.29	327.56	191.58	415.57
Finance Cost	40.99	32.36	34.10	73.35	64.89	114.05	47.79	39.39	34.10	87.18	64.89	114.42
Other expenses	578.07	577.20	784.84	1,155.26	1,454.80	2,125.63	1,143.10	1,214.61	1,304.46	2,357.71	2,248.78	4,814.56
<b>Total Expenses</b>	<b>2,020.84</b>	<b>1,897.44</b>	<b>2,131.14</b>	<b>3,918.28</b>	<b>3,929.02</b>	<b>8,499.65</b>	<b>3,534.42</b>	<b>3,516.10</b>	<b>3,562.46</b>	<b>7,050.52</b>	<b>6,544.02</b>	<b>13,750.32</b>
<b>Profit / (Loss) before share of profit / (loss) of associates, joint venture, exceptional item and tax</b>	<b>(133.19)</b>	<b>(55.63)</b>	<b>505.33</b>	<b>(188.82)</b>	<b>1,067.92</b>	<b>1,427.98</b>	<b>(153.52)</b>	<b>9.48</b>	<b>396.83</b>	<b>(144.04)</b>	<b>829.71</b>	<b>1,372.43</b>
Exceptional Items (Refer Note 4)	-	50.55	-	50.55	-	-	(0.96)	55.45	-	55.45	-	-
Share of profit/(loss) of associates and joint venture (net of tax)	-	-	-	-	-	-	-	(28.19)	(16.76)	(29.15)	(15.41)	29.66
<b>Profit / (Loss) before tax</b>	<b>(133.19)</b>	<b>(5.08)</b>	<b>505.33</b>	<b>(138.27)</b>	<b>1,067.92</b>	<b>1,427.98</b>	<b>(154.48)</b>	<b>36.74</b>	<b>380.07</b>	<b>(117.74)</b>	<b>814.30</b>	<b>1,402.09</b>
Tax expenses:												
Current Tax	-	-	-	-	-	79.16	6.90	2.72	57.67	9.62	74.56	111.46
Deferred Tax	-	-	-	-	(22.04)	(22.04)	-	-	-	-	(22.04)	(21.99)
<b>Profit / (Loss) after tax</b>	<b>(133.19)</b>	<b>(5.08)</b>	<b>505.33</b>	<b>(138.27)</b>	<b>1,089.96</b>	<b>1,370.86</b>	<b>(161.38)</b>	<b>34.02</b>	<b>322.40</b>	<b>(127.36)</b>	<b>761.78</b>	<b>1,312.62</b>
Profit / (Loss) for the year / period attributable to Owners of the Company	(133.19)	(5.08)	505.33	(138.27)	1,089.96	1,370.86	(170.08)	33.91	314.66	(136.17)	749.90	1,313.47
Non controlling interest	-	-	-	-	-	-	8.70	0.11	7.74	8.81	11.88	(0.85)
<b>Other Comprehensive Income (net of tax)</b>												
Items that will be reclassified subsequently to profit or loss												
Net movement on cash flow hedges	(36.81)	18.20	(237.61)	(18.61)	(460.05)	(55.42)	(36.81)	18.20	(237.61)	(18.61)	(460.05)	(55.42)
Exchange differences on translation of foreign operations (including share of associates and joint venture)	-	-	-	-	-	-	4.33	(34.36)	103.68	(30.03)	97.94	10.19
Items that will not be reclassified subsequently to profit or loss												
Re-measurement gains/(losses) on defined benefit plans	(13.50)	(11.57)	0.79	(25.07)	7.67	(16.47)	(13.95)	(11.43)	0.80	(25.38)	7.71	(16.44)
<b>Other Comprehensive Income for the year / period (net of tax)</b>	<b>(50.31)</b>	<b>6.63</b>	<b>(236.82)</b>	<b>(43.68)</b>	<b>(452.38)</b>	<b>(71.89)</b>	<b>(46.43)</b>	<b>(27.59)</b>	<b>(133.13)</b>	<b>(74.02)</b>	<b>(354.40)</b>	<b>(61.67)</b>
<b>Total Comprehensive Income for the year / period</b>	<b>(183.50)</b>	<b>1.55</b>	<b>268.51</b>	<b>(181.95)</b>	<b>637.58</b>	<b>1,298.97</b>	<b>(207.81)</b>	<b>6.43</b>	<b>189.27</b>	<b>(201.38)</b>	<b>407.38</b>	<b>1,250.95</b>
Total Comprehensive Income for the year / period attributable to Owners of the Company	(183.50)	1.55	268.51	(181.95)	637.58	1,298.97	(219.88)	6.32	181.53	(213.56)	395.50	1,251.80
Non controlling interest	-	-	-	-	-	-	12.07	0.11	7.74	12.18	11.88	(0.85)
<b>Paid-up Equity share Capital</b>												
Equity shares of Rs 5 each	661.02	659.63	655.82	661.02	655.82	658.87	661.02	659.63	655.82	661.02	655.82	658.87
Other Equity	-	-	-	8,587.34	7,946.52	8,643.35	-	-	-	9,451.01	8,660.29	9,538.46
<b>Earning Per Share (EPS) of Rs.5 each</b>												
Basic	(1.01)	(0.04)	3.97	(1.05)	8.61	10.63	(1.29)	0.26	2.47	(1.03)	5.93	10.18
Diluted	(1.01)	(0.04)	3.83	(1.05)	8.34	10.39	(1.29)	0.25	2.39	(1.03)	5.74	9.95

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Statement of Assets and Liabilities		Standalone		Consolidated	
		As at		As at	
PARTICULARS	September 30, 2019	March 31, 2019	September 30, 2019	March 31, 2019	(Rs in Millions)
	Unaudited	Audited	Unaudited	Audited	
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, Plant and Equipment	1,340.74	1,389.41	1,686.42	1,799.68	
Right-of-use-asset	202.78	-	489.12	-	
Capital work-in-progress	42.99	42.99	43.18	42.99	
Goodwill on consolidation	-	-	284.84	364.49	
Other Intangible assets	820.60	932.92	1,029.86	1,176.72	
Intangible assets under development	1,782.48	1,397.75	2,779.85	2,233.54	
Investment in subsidiary, associate and a joint venture	934.07	934.07	506.32	524.49	
Deferred tax assets (net)	396.70	396.70	442.29	441.76	
<b>Financial Assets</b>					
(i) Investments	0.05	0.05	0.05	0.05	
(ii) Loans and deposits	69.82	68.64	120.37	112.05	
(iii) Non current bank balances	109.77	109.77	109.77	109.77	
Income tax assets (net)	552.19	652.83	672.95	762.73	
Other non-current assets	425.02	416.93	425.02	491.02	
<b>Current assets</b>					
Investment in subsidiary	-	154.45	-	-	
<b>Financial Assets</b>					
(i) Investments	161.32	156.06	161.32	156.06	
(ii) Trade receivables	3,664.30	2,166.77	2,128.56	2,027.26	
(iii) Cash and cash equivalents	160.48	187.95	832.20	752.92	
(iv) Bank balances other than (iii) above	60.00	65.80	60.00	65.80	
(v) Loans and deposits	59.25	56.83	67.33	65.44	
(vi) Other financial assets	3,020.12	3,716.00	4,326.79	4,211.26	
Other current assets	964.33	870.77	1,114.84	975.76	
<b>Total Assets</b>	<b>14,767.01</b>	<b>13,716.69</b>	<b>17,281.08</b>	<b>16,313.79</b>	
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Equity Share capital	661.02	658.87	661.02	658.87	
Other Equity	8,587.34	8,643.35	9,451.01	9,538.46	
Share application money pending allotment	0.19	-	0.19	-	
Non-controlling interests	-	-	102.62	90.44	
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
<b>Financial Liabilities</b>					
(i) Borrowings	487.68	635.46	487.68	635.46	
(ii) Lease liability	141.36	-	339.02	-	
(iii) Derivative instruments	27.03	24.16	27.03	24.16	
(iv) Other Financial Liabilities	6.00	-	6.00	-	
Deferred Tax Liabilities (Net)	-	-	1.61	1.67	
<b>Current liabilities</b>					
<b>Financial Liabilities</b>					
(i) Borrowings	1,482.63	363.22	1,482.63	371.80	
(ii) Lease liability	66.49	-	161.02	-	
(iii) Trade payables	-	-	-	-	
A) total outstanding dues of micro enterprises and small enterprises	1.18	22.34	1.18	22.34	
B) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	
(iv) Other financial liabilities	1,328.17	1,180.59	1,719.58	1,641.78	
(v) Derivative instruments	622.83	983.28	967.61	1,397.67	
Other current liabilities	46.45	30.71	46.45	30.71	
Provisions	981.71	863.70	1,376.79	1,473.50	
Current Tax liabilities (Net)	326.93	266.05	438.23	367.04	
	-	44.96	11.41	59.89	
<b>Total Equity and Liabilities (Net)</b>	<b>14,767.01</b>	<b>13,716.69</b>	<b>17,281.08</b>	<b>16,313.79</b>	

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Statement of Standalone & Consolidated Cash Flow for the period ended

(Rs in Millions)

PARTICULARS	Standalone		Consolidated	
	Sep 30, 2019	Sep 30, 2018 (Refer Note 1)	Sep 30, 2019	Sep 30, 2018 (Refer Note 1)
<b>A. CASH FLOW USED IN OPERATING ACTIVITIES</b>				
Profit / (Loss) for period before tax	(138.27)	1,067.92	(117.74)	814.30
Exceptional item (Refer Note 4)	(50.55)	-	(55.45)	-
<b>Adjustments to reconcile profit / (loss) for the period to net cash flows</b>				
Depreciation and amortisation	239.67	164.55	327.56	191.58
Expense on Employee Stock Option Scheme (ESOP)	68.45	(1.50)	68.45	(1.50)
Dividend Income	(3.90)	(5.66)	(3.90)	(2.53)
Allowances for credit impaired	54.00	92.80	54.00	128.80
Unrealised foreign exchange (Gain)/loss (net) (Including impact of foreign currency translation)	(67.06)	(2.35)	(82.28)	44.34
Loss on sale of non-current investments (net)	-	3.67	-	-
Profit on sale of Property, Plant and Equipment	(86.76)	(455.77)	(86.82)	(455.77)
Adjustments to the carrying amount of investments	(1.35)	(0.38)	(1.35)	0.38
Bad debts / advances written off	-	-	-	3.67
Share of Loss in Associate	-	-	29.15	15.41
Interest expense	73.35	64.89	87.18	64.89
Interest income	(55.89)	(27.90)	(70.06)	(30.53)
<b>Operating Profit / (Loss) before working capital changes</b>	<b>31.69</b>	<b>900.27</b>	<b>148.74</b>	<b>773.04</b>
<b>Movement in working capital</b>				
Decrease / (Increase) in trade receivables	(1,492.16)	(1,012.29)	(82.34)	(606.41)
Decrease/(Increase) in financial assets and other assets	645.62	(1,587.24)	(146.51)	(1,538.66)
Increase/(Decrease) in financial liabilities, other liabilities and provisions	(81.32)	322.15	(481.39)	307.95
<b>Cash flow from / (used in) operations</b>	<b>(896.17)</b>	<b>(1,377.11)</b>	<b>(561.50)</b>	<b>(1,064.08)</b>
Income taxes paid (net of refunds)	99.18	(56.01)	78.12	(114.24)
<b>Net cash used in operating activities (A)</b>	<b>(796.99)</b>	<b>(1,433.12)</b>	<b>(483.38)</b>	<b>(1,178.32)</b>
<b>B. CASH FLOW USED IN INVESTING ACTIVITIES</b>				
Purchase of Property, Plant and Equipment including intangible assets and capital advances	(446.05)	(515.83)	(646.76)	(673.56)
Proceeds from sale of Property, Plant and Equipment	93.31	465.75	298.75	465.75
Net Increase / (decrease) in non-trade investments	205.00	60.59	-	49.42
Net Increase / (decrease) in bank deposit	(0.60)	683.40	(0.60)	(140.41)
Interest received	18.79	9.77	29.44	12.40
<b>Net cash used in investing activities (B)</b>	<b>(129.55)</b>	<b>703.68</b>	<b>(319.17)</b>	<b>(286.40)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from share capital issued on exercise of stock options	2.15	2.13	2.15	2.13
Proceeds from share premium on exercise of stock options	28.49	21.32	28.49	21.32
Proceeds from share capital issued on Preferential allotment	-	26.04	-	26.04
Proceeds from securities premium on Preferential allotment	-	973.96	-	973.96
Proceeds from share application money	0.19	10.49	0.19	10.49
(Repayment) / Proceeds from Long term secured loans	(163.36)	(141.40)	(157.50)	(49.86)
(Repayment) / Proceeds from Short term borrowings	1,098.78	(62.40)	1,086.14	(123.12)
Interest paid	(66.36)	(59.16)	(81.99)	(59.16)
Dividends paid during the period	-	-	-	(4.74)
<b>Net cash generated from financing activities (C)</b>	<b>899.89</b>	<b>770.98</b>	<b>877.48</b>	<b>797.06</b>
<b>Net Increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(26.65)</b>	<b>41.54</b>	<b>74.93</b>	<b>(667.66)</b>
Effect of exchange differences on Cash and Cash Equivalents held in foreign currency	(0.82)	0.38	4.35	(0.92)
Cash and Cash Equivalents at the beginning of the period	187.95	138.02	752.92	1,402.28
<b>Cash and Cash equivalents at the end of the period</b>	<b>160.48</b>	<b>179.94</b>	<b>832.20</b>	<b>733.70</b>

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**NOTES:**

1. The standalone and consolidated financial results for the quarter and period ended September 30, 2019 were approved by the Board of Directors at its meeting held on November 04, 2019. 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. The comparative cash flow information of the Company for the half year ended September 30, 2018 included in this Statement have not been subjected to the limited review by the statutory auditors.
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. 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. On transition, the adoption of the new standard resulted in the recognition of right-of-use asset (ROU) and a lease liability. Consequently, the Company has recognised right-of-use asset amounting to Rs.141.99 million and Rs.435.18 million in its standalone and consolidated financial statements and lease liability of Rs.141.99 million and Rs.435.18 million in its standalone and consolidated financial statements respectively.
4. Exceptional items in standalone and consolidated financial results for the period ended September 30, 2019 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.
5. 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 period considering factors including existing tax benefits, future plans, etc.
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

  
Venkateswari Saranu

Chief Financial Officer

Place : Chennai

Date : November 04, 2019