

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, 2020

(Rs in Millions)

		Standalone						Consolidated					
PARTICULARS		Quarter ended September 30, 2020	Quarter ended June 30, 2020	Quarter ended September 30, 2019	Half year ended September 30, 2020	Half year ended September 30, 2019	Year ended March 31, 2020	Quarter ended September 30, 2020	Quarter ended June 30, 2020	Quarter ended September 30, 2019	Half year ended September 30, 2020	Half year ended September 30, 2019	Year ended March 31, 2020
Income		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations		2,387.57	2,128.05	1,806.02	4,515.62	3,559.09	7,413.30	3,718.06	3,458.93	3,265.76	7,176.99	6,693.69	13,468.84
Other income		27.53	81.92	81.63	109.45	170.37	229.88	21.68	77.63	115.14	99.31	212.79	264.68
Total Income		2,415.10	2,209.97	1,887.65	4,625.07	3,729.46	7,643.18	3,739.74	3,536.56	3,380.90	7,276.30	6,906.48	13,733.52
Expenditure													
Employee benefit expenses		1,221.04	1,232.38	1,282.85	2,453.42	2,450.00	4,616.63	2,057.49	2,156.34	2,181.42	4,213.83	4,278.07	8,120.88
Depreciation/Amortisation		129.08	123.57	118.93	252.65	239.67	485.65	193.95	188.45	162.11	382.40	327.56	689.57
Finance Cost		19.92	34.82	40.99	54.74	73.35	158.03	25.48	39.45	47.79	64.93	87.18	173.67
Other expenses		534.58	396.86	578.07	931.44	1,155.26	2,630.93	796.67	623.29	1,143.10	1,419.96	2,357.71	4,639.60
Total Expenses		1,904.62	1,787.63	2,020.84	3,692.25	3,918.28	7,891.24	3,073.59	3,007.53	3,534.42	6,081.12	7,050.52	13,623.72
Profit / (Loss) before share of profit / (loss) of associates, joint venture, exceptional item and tax		510.48	422.34	(133.19)	932.82	(188.82)	(248.06)	666.15	529.03	(153.52)	1,195.18	(144.04)	109.80
Exceptional items		-	-	-	-	50.55	50.55	-	-	-	-	55.45	55.45
Share of profit/(loss) of associates and joint venture (net of tax)		-	-	-	-	-	-	(2.02)	(58.46)	(0.96)	(60.48)	(29.15)	62.11
Profit / (Loss) before tax		510.48	422.34	(133.19)	932.82	(138.27)	(197.51)	664.13	470.57	(154.48)	1,134.70	(117.74)	227.36
Tax expenses:													
Current Tax		111.35	94.90	-	206.25	-	-	130.84	106.96	6.90	237.80	9.62	48.46
Deferred Tax		(60.84)	(61.91)	-	(122.75)	-	115.25	(60.84)	(61.91)	-	(122.75)	-	2.44
Profit / (Loss) after tax		459.97	389.35	(133.19)	849.32	(138.27)	(312.76)	594.13	425.52	(161.38)	1,019.65	(127.36)	176.46
Profit / (Loss) for the year / period attributable to Owners of the Company		459.97	389.35	(133.19)	849.32	(138.27)	(312.76)	591.80	426.11	(170.08)	1,017.91	(136.17)	159.91
Non controlling interest		-	-	-	-	-	-	2.33	(0.59)	8.70	1.74	8.81	16.55
Other Comprehensive Income (net of tax)													
Items that will be reclassified subsequently to profit or loss													
Net movement on cash flow hedges		230.89	151.97	(36.81)	382.86	(18.61)	(287.06)	230.89	151.97	(36.81)	382.86	(18.61)	(287.06)
Exchange differences on translation of foreign operations (including share of associates and joint venture		-	-	-	-	-	-	(37.05)	5.87	4.33	(31.18)	(30.03)	151.54
Items that will not be reclassified subsequently to profit or loss													
Re-measurement gains/ (losses) on defined benefit plans		(15.46)	(8.13)	(13.50)	(23.59)	(25.07)	(26.09)	(15.45)	(8.27)	(13.95)	(23.72)	(25.38)	(26.23)
Other Comprehensive Income for the year / period (net of tax)		215.43	143.84	(50.31)	359.27	(43.68)	(313.15)	178.39	149.57	(46.43)	327.96	(74.02)	(161.75)
Total Comprehensive Income for the year / period		675.40	533.19	(183.50)	1,208.59	(181.95)	(625.91)	772.52	575.09	(207.81)	1,347.61	(201.38)	14.71
Total Comprehensive Income for the year / period attributable to Owners of the Company		675.40	533.19	(183.50)	1,208.59	(181.95)	(625.91)	771.69	575.73	(219.88)	1,347.42	(213.56)	(12.87)
Non controlling interest		-	-	-	-	-	-	0.83	(0.64)	12.07	0.19	12.18	27.58
Paid-up Equity share Capital													
Equity shares of Rs 5 each		662.67	662.24	661.02	662.67	661.02	661.69	662.67	662.24	661.02	662.67	661.02	661.69
Other Equity					9,638.61	8,587.34	8,269.11				11,295.05	9,451.01	9,788.44
Earning Per Share (EPS) of Rs.5 each													
Basic		3.47	2.94	(1.01)	6.41	(1.05)	(2.37)	4.47	3.22	(1.29)	7.69	(1.03)	1.21
Diluted		3.42	2.94	(1.01)	6.35	(1.05)	(2.37)	4.40	3.22	(1.29)	7.61	(1.03)	1.19

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Statement of Asset and Liabilities				(Rs in Millions)	
PARTICULARS	Standalone		Consolidated		
	As at		As at		
	September 30, 2020	March 31, 2020	September 30, 2020	March 31, 2020	
	Unaudited	Audited	Unaudited	Audited	
ASSETS					
Non-current assets					
Property, Plant and Equipment	1,209.58	1,275.61	1,713.43	1,642.17	
Right-of-Use asset	118.87	159.70	377.01	421.25	
Capital work-in-progress	42.99	42.99	43.23	43.23	
Goodwill on consolidation	-	-	296.45	304.09	
Other Intangible assets	917.86	837.49	1,338.90	1,313.17	
Intangible assets under development	2,202.54	2,102.23	3,417.48	3,072.01	
Investment in subsidiary, associate and a joint venture	936.22	934.07	354.16	602.64	
Deferred tax assets (net)	404.21	281.45	572.47	446.58	
Financial Assets					
(i) Investments	0.05	0.05	0.05	0.05	
(ii) Loans and deposits	54.93	71.10	107.43	120.46	
(iii) Derivative instruments	32.60	-	32.60	-	
(iv) Non current bank balances	118.09	114.53	118.09	114.53	
Income tax assets (net)	508.71	539.89	542.63	638.56	
Other non-current assets	399.70	463.22	399.70	463.22	
Current assets					
Financial Assets					
(i) Investments	375.34	165.72	375.34	165.72	
(ii) Trade receivables	2,505.04	4,455.36	1,897.40	2,847.08	
(iii) Cash and cash equivalents	304.37	359.56	1,083.74	997.24	
(iv) Bank balances other than (iii) above	76.35	65.64	76.35	65.64	
(v) Loans and deposits	40.14	48.98	48.73	57.67	
(vi) Derivative instruments	8.32	-	8.32	-	
(vii) Other financial assets	3,505.09	2,347.98	4,517.35	4,393.50	
Other current assets	999.62	960.75	1,017.71	987.96	
Total Assets	14,760.62	15,226.32	18,338.57	18,696.77	
EQUITY AND LIABILITIES					
EQUITY					
Equity Share capital	662.67	661.69	662.67	661.69	
Other Equity	9,638.61	8,269.11	11,295.05	9,788.44	
Non-controlling interests	-	-	104.83	118.01	
LIABILITIES					
Non-current liabilities					
Financial Liabilities					
(i) Borrowings	250.32	347.07	250.32	347.07	
(ii) Lease liability	90.37	114.41	247.40	291.44	
(iii) Derivative instruments	-	179.18	-	179.18	
(iv) Other Long Term Financial Liabilities	6.00	6.00	6.00	6.00	
Deferred Tax Liabilities (Net)	-	-	2.26	2.23	
Current liabilities					
Financial Liabilities					
(i) Borrowings	-	1,852.17	109.17	1,858.45	
(ii) Lease liability	41.36	54.04	150.46	144.54	
(iii) Trade payables					
A) total outstanding dues of micro enterprises and small enterprises	4.52	14.29	4.52	14.29	
B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,547.30	1,653.06	1,754.25	2,065.44	
(iv) Other financial liabilities	866.41	552.08	1,423.75	928.36	
(v) Derivative instruments	-	162.76	-	162.76	
Other current liabilities	1,226.27	1,027.12	1,762.81	1,693.71	
Provisions	426.79	333.34	542.69	426.92	
Current Tax liabilities (Net)	-	-	22.39	8.24	
Total Equity and Liabilities	14,760.62	15,226.32	18,338.57	18,696.77	

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PARTICULARS	Standalone		Consolidated		(Rs in Millions)
	Sep 30, 2020	Sep 30, 2019	Sep 30, 2020	Sep 30, 2019	
A. CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES					
Profit / (Loss) for period before tax	932.82	(138.27)	1,134.70	(117.74)	
Exceptional item	-	(50.55)	-	(55.45)	
Adjustments to reconcile profit / (loss) for the period to net cash flows					
Depreciation and amortisation	252.65	239.67	382.40	327.56	
Expense on Employee Stock Option Scheme (ESOP)	149.00	68.45	149.00	68.45	
Dividend income	(21.27)	(3.90)	(7.35)	(3.90)	
Allowances for credit impaired	69.00	54.00	69.00	54.00	
Unrealised foreign exchange loss (net) (including impact of foreign currency translation)	0.42	(67.06)	12.00	(82.28)	
Gain on sale of current investments (net)	(2.34)	-	(2.34)	-	
Profit on sale of Property, Plant and Equipment	(0.26)	(86.76)	(0.45)	(86.82)	
Adjustments to the carrying amount of investments	(0.19)	(1.35)	(0.19)	(1.35)	
Bad debts / advances written off	-	-	0.45	-	
Share of Loss/(Profit) in Associate	-	-	60.48	29.15	
Interest expense	54.74	73.35	64.93	87.18	
Interest income	(13.01)	(55.89)	(18.07)	(70.06)	
Operating Profit / (Loss) before working capital changes	1,421.56	31.69	1,844.56	148.74	
Movement in working capital					
Decrease / (Increase) in trade receivables	1,844.01	(1,492.16)	846.00	(82.34)	
Decrease / (Increase) in financial assets and other assets	(1,134.85)	645.62	(128.70)	(146.51)	
Increase / (Decrease) in financial liabilities, Other liabilities and provisions	490.35	(81.32)	374.32	(481.39)	
Cash flow (used in) / from operations	2,621.07	(896.17)	2,936.18	(561.50)	
Income taxes paid (net of refunds)	(175.07)	99.18	(130.83)	78.12	
Net cash (used in) / from operating activities (A)	2,446.00	(796.99)	2,805.35	(483.38)	
B. CASH FLOW USED IN / (FROM) INVESTING ACTIVITIES					
Purchase of Property, Plant and Equipment including intangible assets, and capital advances	(337.34)	(446.05)	(551.12)	(646.76)	
Proceeds from sale of Property, Plant and Equipment	0.95	93.31	1.14	298.75	
Proceeds from disposal of investment in subsidiary	-	205.00	-	-	
Investment in subsidiary	(2.15)	-	-	-	
(Purchase) / sale proceeds of other current investments	(199.74)	-	(199.74)	-	
Net Increase / (decrease) in bank deposit	(14.26)	(0.60)	(14.26)	(0.60)	
Interest received	13.01	18.79	18.07	29.44	
Dividend received	13.92	-	-	-	
Net cash (used in) / from investing activities (B)	(525.61)	(129.55)	(745.91)	(319.17)	
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from share capital issued on exercise of stock options	0.97	2.15	0.98	2.15	
Proceeds from share premium on exercise of stock options	11.91	28.49	11.91	28.49	
Proceeds from share Application money	-	0.19	-	0.19	
Payment of principal portion of lease liabilities	(25.02)	-	(82.79)	-	
(Repayment) / Proceeds from Long term secured loans	(90.13)	(163.36)	(90.13)	(157.50)	
(Repayment) / Proceeds from Short term borrowings	(1,814.92)	1,098.78	(1,712.03)	1,086.14	
Interest paid	(54.74)	(66.36)	(64.93)	(81.99)	
Dividends paid	-	-	(13.38)	-	
Net cash (used in) / generated from financing activities (C)	(1,971.93)	899.89	(1,950.37)	877.48	
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(51.54)	(26.65)	109.07	74.93	
Effect of exchange differences on Cash & Cash Equivalents held in foreign currency	(3.65)	(0.82)	(22.57)	4.35	
Cash and Cash Equivalents at the beginning of the year	359.56	187.95	997.24	752.92	
Cash and cash equivalents at the end of the year	304.37	160.48	1,083.74	832.20	

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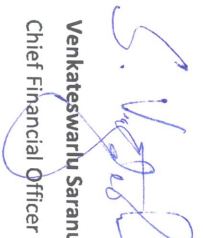
1. The standalone and consolidated financial results for the quarter and period ended September 30, 2020 were approved by the Board of Directors at its meeting held on October 30, 2020. The statutory auditors have conducted a limited review of the above standalone and consolidated financial results. 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. On July 1, 2020, the Company has increased its ownership interest in Intellect Polaris Design LLC ("IPDLLC") from 50% to 100% resulting in IPDLLC becoming a wholly owned subsidiary. The Company has consolidated IPDLLC in the current quarter.
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



Venkateswarlu Saranu
Chief Financial Officer

Place : Chennai

Date : October 30, 2020