

INTELLECT DESIGN ARENA LIMITED

CIN : L72900TN2011PLC080183

Regd Office : Carex Centre, 244 (Old no. 713) Anna Salai, Chennai 600 006, Ph:++91-44-6700 8000, Fax:++91-44-6700 8874

AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS OF INTELLECT DESIGN ARENA LIMITED FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in millions)

| PARTICULARS | Standalone | | | | | Consolidated | | | | |
|--|---------------------------------|---------------------------------------|---------------------------------|------------------------------|------------------------------|---------------------------------|---------------------------------------|---------------------------------|------------------------------|------------------------------|
| | Quarter ended March 31, 2022 | Quarter ended December 31, 2021 | Quarter ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 | Quarter ended March 31, 2022 | Quarter ended December 31, 2021 | Quarter ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 |
| | Audited Refer Note 1 | Unaudited | Audited Refer Note 1 | Audited | Audited | Audited Refer Note 1 | Unaudited | Audited Refer Note 1 | Audited | Audited |
| Income | | | | | | | | | | |
| Revenue from Operations | 3,493.74 | 3,147.47 | 2,803.04 | 12,550.08 | 10,032.28 | 5,094.06 | 5,082.90 | 3,975.69 | 18,781.86 | 14,974.59 |
| Other income | 108.85 | 103.09 | 25.51 | 363.47 | 153.80 | 132.84 | 108.04 | 28.11 | 405.01 | 126.82 |
| Total Income | 3,602.59 | 3,250.56 | 2,828.55 | 12,913.55 | 10,186.08 | 5,226.90 | 5,190.94 | 4,003.80 | 19,186.87 | 15,101.41 |
| Expenditure | | | | | | | | | | |
| Employee benefits expense (Refer Note 4) | 1,473.05 | 1,417.05 | 1,233.98 | 5,582.46 | 4,937.67 | 2,500.09 | 2,324.58 | 1,949.86 | 9,194.53 | 8,080.30 |
| Depreciation and amortisation expenses | 184.70 | 178.21 | 125.05 | 690.33 | 500.14 | 264.97 | 246.86 | 195.54 | 975.62 | 767.14 |
| Finance Cost | 6.37 | 6.75 | 10.69 | 29.63 | 74.98 | 9.54 | 9.61 | 13.32 | 42.71 | 91.74 |
| Other expenses | 1,221.56 | 1,148.74 | 865.54 | 3,967.37 | 2,447.50 | 1,387.78 | 1,428.11 | 1,026.39 | 4,866.71 | 3,346.15 |
| Total Expenses | 2,885.68 | 2,750.75 | 2,235.26 | 10,269.79 | 7,960.29 | 4,162.38 | 4,009.16 | 3,185.11 | 15,079.57 | 12,285.33 |
| Profit before share of profit of associates and tax | 716.91 | 499.81 | 593.29 | 2,643.76 | 2,225.79 | 1,064.52 | 1,181.78 | 818.69 | 4,107.30 | 2,816.08 |
| Share of profit / (loss) of associates (net of tax) | - | - | - | - | - | 130.87 | (31.05) | 82.85 | 24.53 | 84.79 |
| Profit before tax | 716.91 | 499.81 | 593.29 | 2,643.76 | 2,225.79 | 1,195.39 | 1,150.73 | 901.54 | 4,131.83 | 2,900.87 |
| Tax expenses: (Refer Note 5) | | | | | | | | | | |
| Current Tax | (0.52) | 214.34 | 117.37 | 427.06 | 514.10 | 44.88 | 250.20 | 148.11 | 516.94 | 590.80 |
| Deferred Tax | 200.04 | (111.34) | (81.38) | 195.88 | (360.84) | 196.50 | (112.55) | (68.65) | 110.47 | (336.29) |
| Profit after tax | 517.39 | 396.81 | 557.30 | 2,020.82 | 2,072.53 | 954.01 | 1,013.08 | 822.08 | 3,504.42 | 2,646.36 |
| Profit for the year / period attributable to Owners of the Company | 517.39 | 396.81 | 557.30 | 2,020.82 | 2,072.53 | 952.60 | 1,008.54 | 806.10 | 3,490.82 | 2,627.68 |
| Non controlling interest | - | - | - | - | - | 1.41 | 4.54 | 15.98 | 13.60 | 18.68 |
| Other Comprehensive Income (net of tax) | | | | | | | | | | |
| Items that will be reclassified subsequently to profit or loss | | | | | | | | | | |
| Net movement on cash flow hedges | (110.79) | 168.96 | 29.15 | 154.78 | 527.45 | (110.79) | 168.96 | 29.15 | 154.78 | 527.45 |
| Exchange differences on translation of foreign operations | - | - | - | - | - | 15.01 | (5.45) | (27.61) | (4.56) | (7.03) |
| Items that will not be reclassified subsequently to profit or loss | | | | | | | | | | |
| Re-measurement gains/ (losses) on defined benefit plans | 3.52 | 1.26 | 22.82 | 15.56 | (10.54) | 3.54 | 1.25 | 23.17 | 16.10 | (10.32) |
| Other Comprehensive Income / (Loss) for the year / period (net of tax) | (107.27) | 170.22 | 51.97 | 170.34 | 516.91 | (92.24) | 164.76 | 24.71 | 166.32 | 510.10 |
| Total Comprehensive Income for the year / period | 410.12 | 567.03 | 609.27 | 2,191.16 | 2,589.44 | 861.77 | 1,177.84 | 846.79 | 3,670.74 | 3,156.46 |
| Total Comprehensive Income for the year / period attributable to Owners of the Company | 410.12 | 567.03 | 609.27 | 2,191.16 | 2,589.44 | 857.49 | 1,173.27 | 831.54 | 3,653.53 | 3,141.18 |
| Non controlling interest | - | - | - | - | - | 4.28 | 4.57 | 15.25 | 17.21 | 15.28 |
| Paid-up Equity share Capital | | | | | | | | | | |
| Equity shares of Rs. 5 each | 672.77 | 671.74 | 664.87 | 672.77 | 664.87 | 672.77 | 671.74 | 664.87 | 672.77 | 664.87 |
| Other Equity | | | | 13,881.19 | 11,195.98 | | | | 17,414.70 | 13,263.51 |
| Earning Per Share (EPS) of Rs.5 each | | | | | | | | | | |
| Basic | 3.88 | 2.98 | 4.20 | 15.19 | 15.63 | 7.14 | 7.57 | 6.07 | 26.25 | 19.82 |
| Diluted | 3.71 | 2.84 | 4.09 | 14.55 | 15.42 | 6.83 | 7.21 | 5.92 | 25.14 | 19.55 |

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| Statement of Asset and Liabilities | | | | | (Rs. in Millions) |
|---|---------------------------|---------------------------|---------------------------|---------------------------|-------------------|
| Particulars | Standalone As at | | Consolidated As at | | |
| | March 31, 2022 Audited | March 31, 2021 Audited | March 31, 2022 Audited | March 31, 2021 Audited | |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, Plant and Equipment | 1,050.17 | 1,115.73 | 1,489.54 | 1,546.04 | |
| Capital work-in-progress | 43.40 | 42.99 | 43.40 | 43.25 | |
| Investment Property | 19.67 | - | 19.67 | - | |
| Goodwill on consolidation | - | - | 304.57 | 293.80 | |
| Other Intangible assets | 1,662.86 | 1,383.88 | 2,307.16 | 1,767.80 | |
| Intangible assets under development | 2,076.32 | 1,960.93 | 3,397.55 | 3,448.35 | |
| Right-of-use assets | 71.32 | 105.01 | 229.43 | 357.48 | |
| Investment in subsidiaries and associates | 1,320.44 | 936.22 | 523.96 | 499.43 | |
| Deferred tax assets (net) | 352.57 | 642.28 | 599.80 | 807.35 | |
| Financial Assets | | | | | |
| (i) Investments | 0.05 | 0.05 | 0.05 | 0.05 | |
| (ii) Loans and deposits | 28.03 | 39.12 | 95.97 | 90.92 | |
| (iii) Non current bank balances | 227.95 | 126.10 | 362.95 | 126.10 | |
| (iv) Derivative Instruments | 138.28 | 75.52 | 138.28 | 75.52 | |
| Income tax assets (net) | 406.90 | 574.40 | 446.50 | 631.13 | |
| Other non-current assets | 304.69 | 302.79 | 304.69 | 302.79 | |
| Current assets | | | | | |
| Financial Assets | | | | | |
| (i) Investments | 3,638.31 | 962.90 | 3,638.31 | 962.90 | |
| (ii) Trade receivables | 2,899.86 | 3,670.43 | 1,893.30 | 1,867.55 | |
| (iii) Cash and cash equivalents | 703.29 | 441.28 | 1,461.84 | 1,447.43 | |
| (iv) Bank balances other than (iii) above | 92.22 | 80.02 | 125.63 | 80.02 | |
| (v) Loans and deposits | 29.49 | 37.70 | 29.49 | 46.71 | |
| (vi) Derivative Instruments | 202.00 | 109.99 | 202.00 | 109.99 | |
| (vii) Other financial assets | 5,434.77 | 3,778.13 | 7,257.36 | 4,909.38 | |
| Other current assets | 907.51 | 985.33 | 1,063.76 | 1,027.43 | |
| Total Assets | 21,610.10 | 17,370.80 | 25,935.21 | 20,441.42 | |
| EQUITY AND LIABILITIES | | | | | |
| EQUITY | | | | | |
| Equity Share Capital | 672.77 | 664.87 | 672.77 | 664.87 | |
| Other Equity | 13,881.19 | 11,195.98 | 17,414.70 | 13,263.51 | |
| Non-controlling Interests | - | - | 128.95 | 119.92 | |
| LIABILITIES | | | | | |
| Non-current liabilities | | | | | |
| Financial Liabilities | | | | | |
| (i) Borrowings | - | 75.56 | - | 75.56 | |
| (ii) Lease Liabilities | 25.15 | 59.01 | 73.16 | 182.43 | |
| (iii) Other Long Term Liabilities | 6.00 | 6.00 | 6.00 | 6.00 | |
| Deferred Tax Liabilities (Net) | - | - | 10.68 | 21.32 | |
| Current liabilities | | | | | |
| Financial Liabilities | | | | | |
| (i) Borrowings | - | 344.05 | 8.40 | 434.41 | |
| (ii) Lease Liabilities | 35.62 | 35.25 | 122.63 | 132.21 | |
| (iii) Trade payables | - | 10.32 | - | 10.32 | |
| A) total outstanding dues of micro enterprises and small enterprises | 2,939.14 | 1,713.45 | 2,567.57 | 1,650.87 | |
| B) total outstanding dues of creditors other than micro enterprises and small enterprises | 805.47 | 649.45 | 1,329.14 | 1,007.73 | |
| (iv) Other financial liabilities | 2,722.24 | 2,155.03 | 2,775.89 | 2,205.55 | |
| Other current liabilities | 522.52 | 446.45 | 720.63 | 602.00 | |
| Provisions | - | 15.38 | 104.69 | 64.72 | |
| Current Tax liabilities (Net) | - | - | - | - | |
| Total Equity and Liabilities | 21,610.10 | 17,370.80 | 25,935.21 | 20,441.42 | |


Continued...


| Statement of Cash Flows | | Standalone | | Consolidated | | (Rs. in Millions) |
|---|---------------------------|---------------------------|---------------------------|---------------------------|--|-------------------|
| Particulars | March 31, 2022 Audited | March 31, 2021 Audited | March 31, 2022 Audited | March 31, 2021 Audited | | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | | | |
| Profit for year before tax | 2,643.76 | 2,225.79 | 4,131.83 | 2,900.87 | | |
| Adjustments to reconcile profit for the year to net cash flows | | | | | | |
| Depreciation and amortization expenses | 690.33 | 500.14 | 975.62 | 767.14 | | |
| Expense on Employee Stock Option Scheme (ESOP) | 418.45 | 287.00 | 418.45 | 287.00 | | |
| Employee benefits expense (Government Grant received) (Refer Note 4) | - | - | (91.87) | - | | |
| Impairment losses on financial instrument and contract asset | 0.78 | 123.36 | 87.83 | 158.38 | | |
| Bad debts / advances written off | 242.37 | 220.27 | 322.35 | 350.45 | | |
| Dividend income | (14.87) | (25.35) | (6.36) | (11.43) | | |
| Interest income | (102.72) | (22.09) | (147.04) | (35.53) | | |
| Fair value gain on financial instruments at fair value through profit or loss | (26.08) | (3.69) | (26.08) | (3.69) | | |
| Gain on sale of current investments (net) | (19.56) | (4.63) | (19.56) | (4.63) | | |
| Unrealised foreign exchange loss (net) (Including impact of foreign currency translation) | 63.86 | 39.65 | 61.75 | (46.78) | | |
| (Gain)/loss on disposal of Property, Plant and Equipment (net) | (100.08) | 11.55 | (100.13) | 11.33 | | |
| Finance Cost | 29.63 | 74.07 | 42.71 | 91.74 | | |
| Share of Profit in Associates, net of tax | - | - | (24.53) | (84.79) | | |
| Operating Profit before working capital changes | 3,825.87 | 3,426.07 | 5,624.97 | 4,380.06 | | |
| Movement in working capital | | | | | | |
| Decrease / (Increase) in trade receivables | 480.42 | 565.18 | (363.47) | 624.37 | | |
| Decrease / (Increase) in financial assets and other assets | (1,549.55) | (1,450.07) | (2475.73) | (596.55) | | |
| Increase / (Decrease) in financial liabilities, other liabilities and provisions | 2,000.93 | 1,767.84 | 1,895.57 | 752.24 | | |
| Cash flow from operations | 4,757.67 | 4,309.02 | 4,681.34 | 5,160.12 | | |
| Income taxes (paid) net of refunds | (134.90) | (533.23) | (151.97) | (526.89) | | |
| Net cash from operating activities (A) | 4,622.77 | 3,775.79 | 4,529.37 | 4,633.23 | | |
| B. CASH FLOW USED IN INVESTING ACTIVITIES | | | | | | |
| Purchase of Property, Plant and Equipment including intangible assets, changes in capital work in progress and capital advances | (1,012.64) | (731.20) | (1,292.21) | (1,138.17) | | |
| Proceeds from sale of Property, Plant and Equipment | 106.08 | 0.98 | 106.14 | 1.20 | | |
| (Purchase) / sale proceeds of current investments | (2,623.40) | (777.44) | (2,623.40) | (777.44) | | |
| Investment in subsidiaries | (384.21) | (2.16) | - | - | | |
| Deposits made during the year | (114.05) | (16.47) | (282.45) | (16.47) | | |
| Interest received | 56.51 | 12.61 | 100.49 | 26.05 | | |
| Dividend received | 8.51 | 13.92 | - | - | | |
| Net cash used in investing activities (B) | (3,963.20) | (1,499.76) | (3,991.43) | (1,904.83) | | |
| C. CASH FLOW USED IN FINANCING ACTIVITIES | | | | | | |
| Proceeds from share capital issued on exercise of stock options | 7.90 | 3.18 | 7.90 | 3.18 | | |
| Proceeds from share premium on exercise of stock options | 75.13 | 50.44 | 75.13 | 50.44 | | |
| Payment of lease liabilities | (42.44) | (53.70) | (162.13) | (189.08) | | |
| (Repayment) / Proceeds from Long term borrowings | (75.56) | (268.64) | (74.82) | (268.64) | | |
| (Repayment) / Proceeds from Short term borrowings | (344.05) | (1852.17) | (334.88) | (1768.08) | | |
| Interest paid | (22.43) | (66.71) | (24.03) | (67.82) | | |
| Dividends paid during the year | - | - | (8.18) | (13.38) | | |
| Net cash used in financing activities (C) | (401.45) | (2,187.60) | (521.01) | (2,253.38) | | |
| Net increase in cash and cash equivalents (A+B+C) | 258.12 | 88.43 | 16.93 | 475.02 | | |
| Effect of exchange differences on Cash & Cash Equivalents | 3.89 | (6.71) | (2.52) | (24.83) | | |
| 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 | 703.29 | 441.28 | 1,461.84 | 1,447.43 | | |

NOTES:

- 1) The standalone and consolidated financial results for the quarter and year ended March 31, 2022 were approved by the Board of Directors at its meeting held on May 5, 2022. These financial results are prepared in accordance with the India 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 statutory auditors have conducted an audit of the above standalone and consolidated financial results. Further, the standalone and consolidated financial results for the quarter ended March 31, 2022 and March 31, 2021 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.
- 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 Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone and consolidated financial results, including but not limited to its assessment of, liquidity and going concern assumption, carrying amount of trade receivables, revenue accrued not billed, goodwill on consolidation, intangible assets and intangible assets under development. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone and consolidated financial results and believes that the impact of COVID-19 is not material to these standalone and consolidated financial results and expects to recover the carrying amount of its assets. The impact of COVID-19 on standalone and consolidated financial results may differ from that estimated as at the date of approval of these standalone and consolidated financial results owing to the nature and duration of COVID-19.
- 4) Employee benefit expenses for the year ended March 31, 2022 in standalone and consolidated financial results includes aggregate employee stock based compensation of INR 92.04 million for quarter ending March 31, 2022 and INR 418.85 million for the year ending March 31, 2022 (includes a credit of INR 91.87 million towards waiver of a loan obtained by Intellect Design Arena Inc from Bank of America, NA under the Paycheck Protection Program during quarter ended June 2021, as such loan proceeds were used to retain workers and paying payroll costs).
- 5) Tax expense for the quarter and year ended March 31, 2022 in the consolidated and standalone financial results includes reduction in deferred tax charge arising out of the estimated impact of the Taxation Laws (Amendment) Ordinance 2019. This is arising from the re-measurement of deferred tax liability that is expected to reverse in future when the Company will migrate to the new tax regime.
- 6) For financial year 2022, the Board recommended a final dividend of ₹2.5/- (par value of ₹5/- each) per equity share. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company. For the financial year ended 2021, no dividend was declared by the Company.
- 7) 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.
- 8) 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 : May 05, 2022