

June 15, 2020

INTELLECT /SEC/2020-21

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5th Floor, Plot No. /1, G Block,  
BandraKurla Complex,  
Bandra (E), Mumbai – 400051

INTELLECT

BSE Ltd.  
1" Floor, New Trade Ring, Rotunda Building, PJ Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.

538835

Dear Sirs,

**Sub-Intimation under Regulation 30(6) of SEBI (Listing Obligations and Disclosures Requirements), 2015**

In accordance with Regulation 30(6) of SEBI (Listing Obligations and Disclosures Requirements), 2015, we are enclosing herewith the presentation being made on audited financial results to the analysts and institution investors held on June 15, 2020.

Kindly take the above information on record.

Thanking you,  
Yours Truly,

For Intellect Design Arena Ltd



V V Naresh  
Company Secretary and Compliance Officer  
Encl: As above

**Intellect Design Arena Limited**

Registered Office: 244 Anna Salai, Chennai - 600 006, India | Ph: +91-44-6615 5100 | Fax: +91-44-6615 5123

Corporate Headquarters: SIPCOT IT Park Siruseri, Chennai - 600 130, India | Ph: +91-44-6700 8000 | Fax: +91-44-6700 8874

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# CONNECT

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

**JUNE 15, 2020**



# Safe Harbor Statement

Company's



# Update on Intellect Strategy

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

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# iGTB Business Updates

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# iGTB Business Updates

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## 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

WINNER @ "Breadth of Functionality"



Rated Strong Performer in

Global Player & Global Pursuer (Top5)

## Validated by Market

IDC Deals	Submitted	Results Awaited

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.

Intellect present...

## Digital Transformation







# Intellect SEEC Business Updates

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# iRTM Business Updates

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- **CBX FX Trading platform**
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- **Contextual Asset Liability Management -CALM**
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# iGov Business Updates

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# iTurmeric

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# Operations

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- 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



# Business Continuity – Covid 19

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## INTERNAL

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# Business Continuity – Covid 19

## EXTERNAL

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Possible deferral  
of projects by  
Customers

Delayed inflow of  
collections and  
therefore  
pressure on Cash

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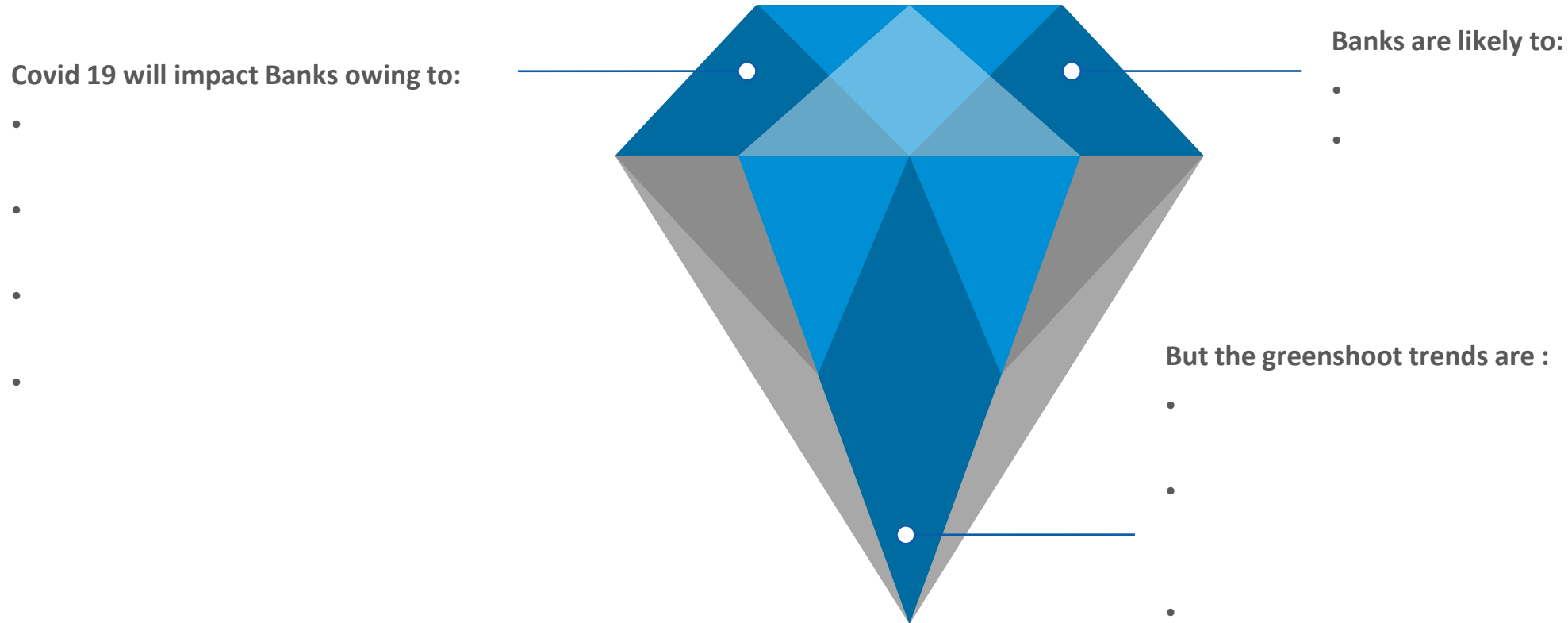
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# Managing through uncertainty – Covid 19



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

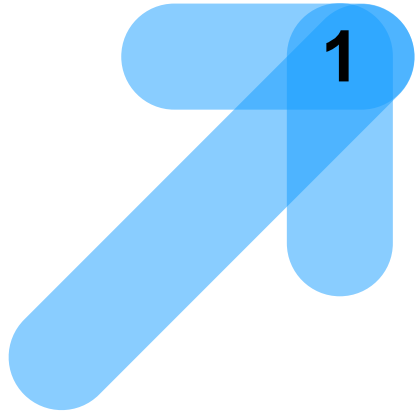




# Business levers in growth mode during uncertainty



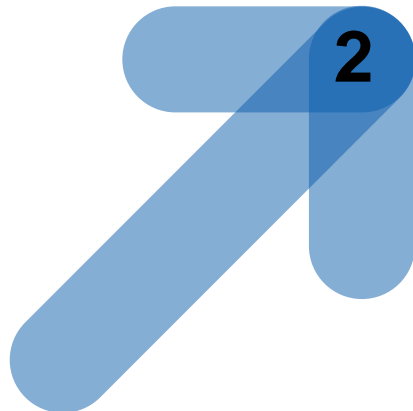
Redefined the Go-To-Market Strategy of our Products and for the key Business needs of Banks/ Insurance Carriers



## Strategic Shift 1

**Focus on existing customers**

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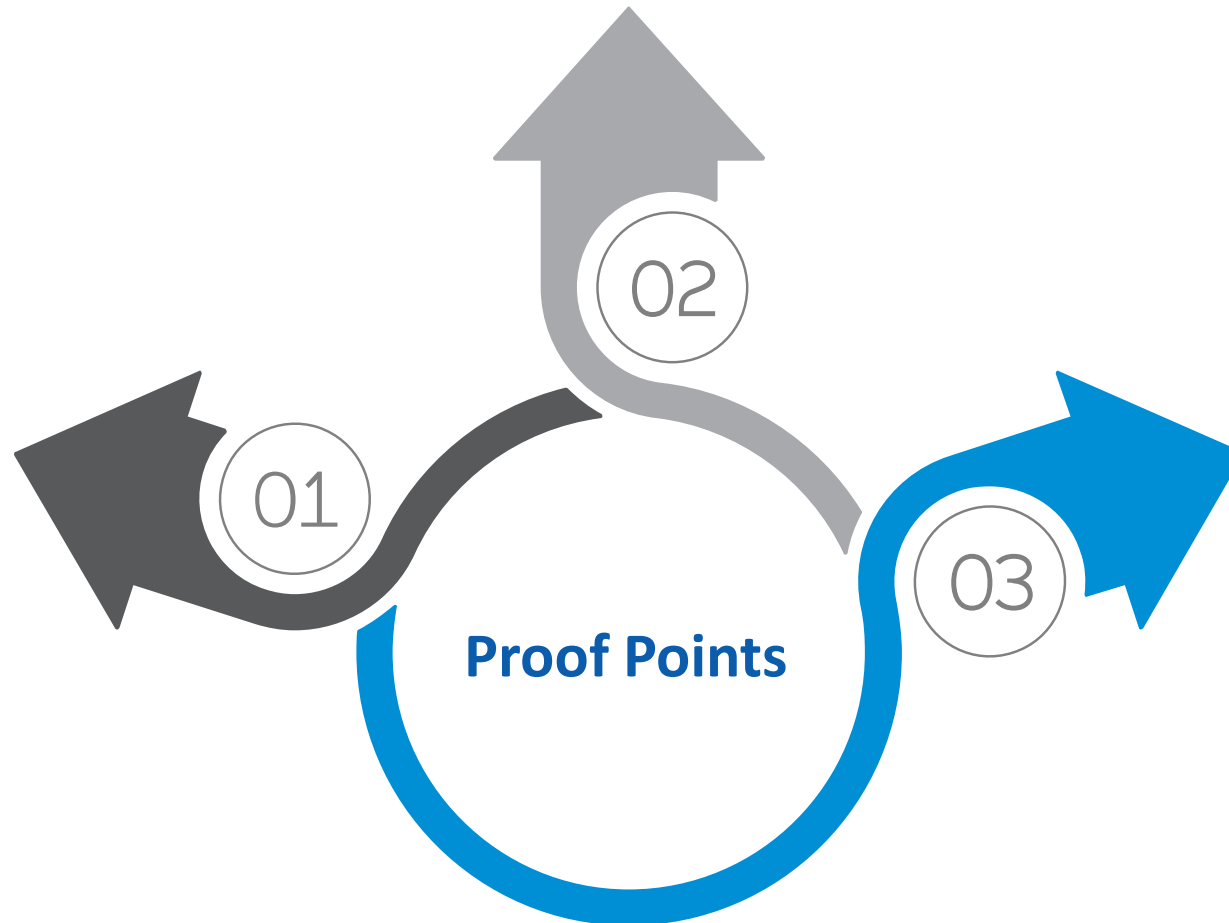


## Strategic Shift 2

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

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





# Executive Summary – Q4 and FY20

## E1: Revenue

### Q4 FY20

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### FY20

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## E2: License, AMC and SaaS Revenue

### Q4 FY20

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### FY20

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# Executive Summary – Q4 and FY20

## E3: Gross Margin, EBITDA and PAT

### Q4 FY20

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### FY20

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## E4: Order backlog – Cloud/Subscription deals

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INR 1150 Cr

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INR 850 Cr

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

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# Executive Summary – Q4 and FY20

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

### Q4 FY 20

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### FY 20

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## E7: Cash and Debt position

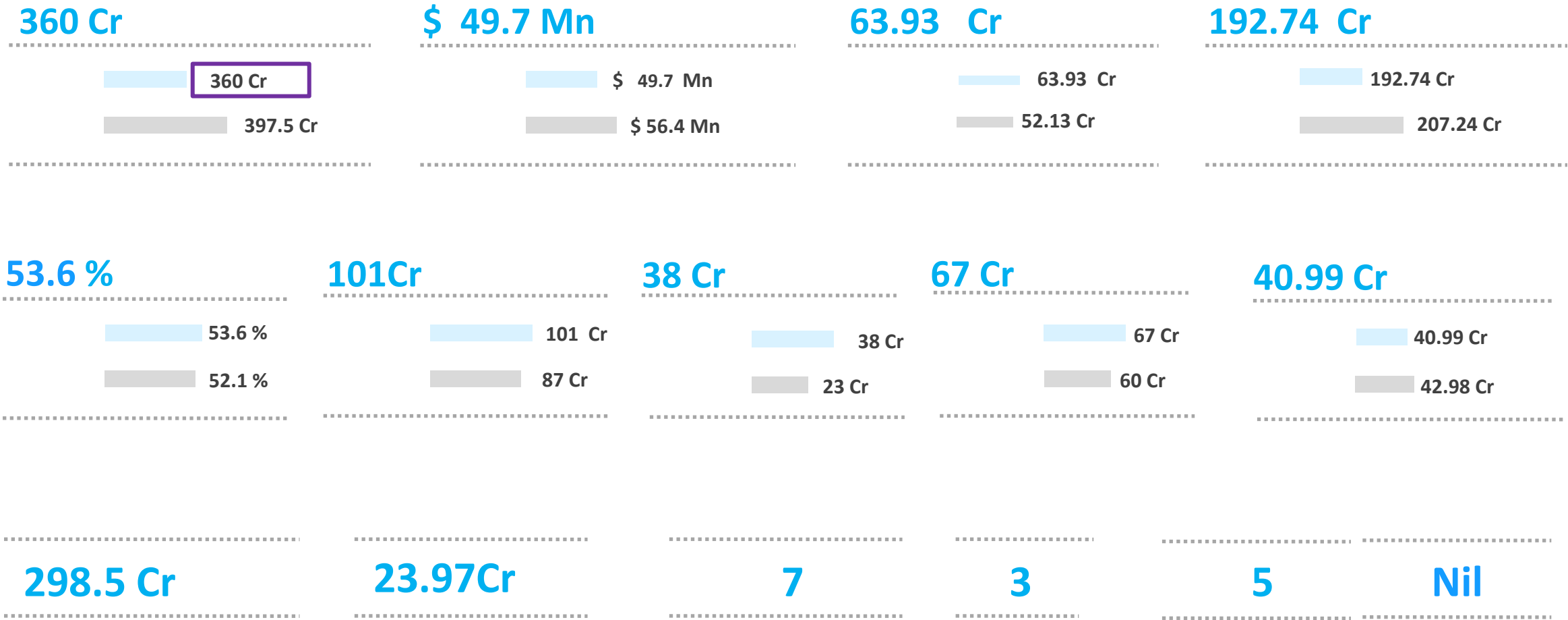
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## E8: Digital led wins and Implementations

- 27 Digital led wins including 10 large Digital Transformation deal wins
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- 44 financial institutions across the world in FY 20 including 5

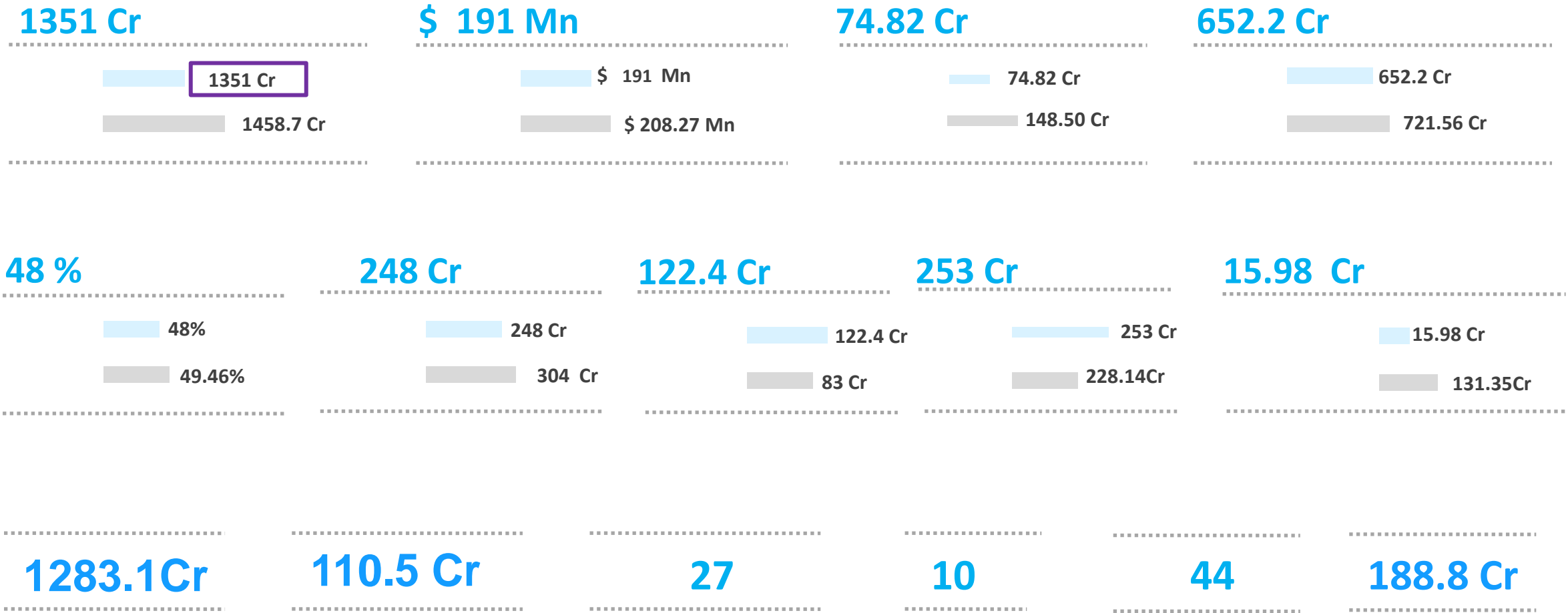


# Financial Highlights – Q4 FY20 Revenue at **INR 360 Cr**





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





# Strong Order backlog

**Q4 FY20**

License Based

**INR 1150 Cr**

SaaS and Subscription Based

**INR 850 Cr**

**Q3 FY 20**

License Based

**INR 1125 Cr**

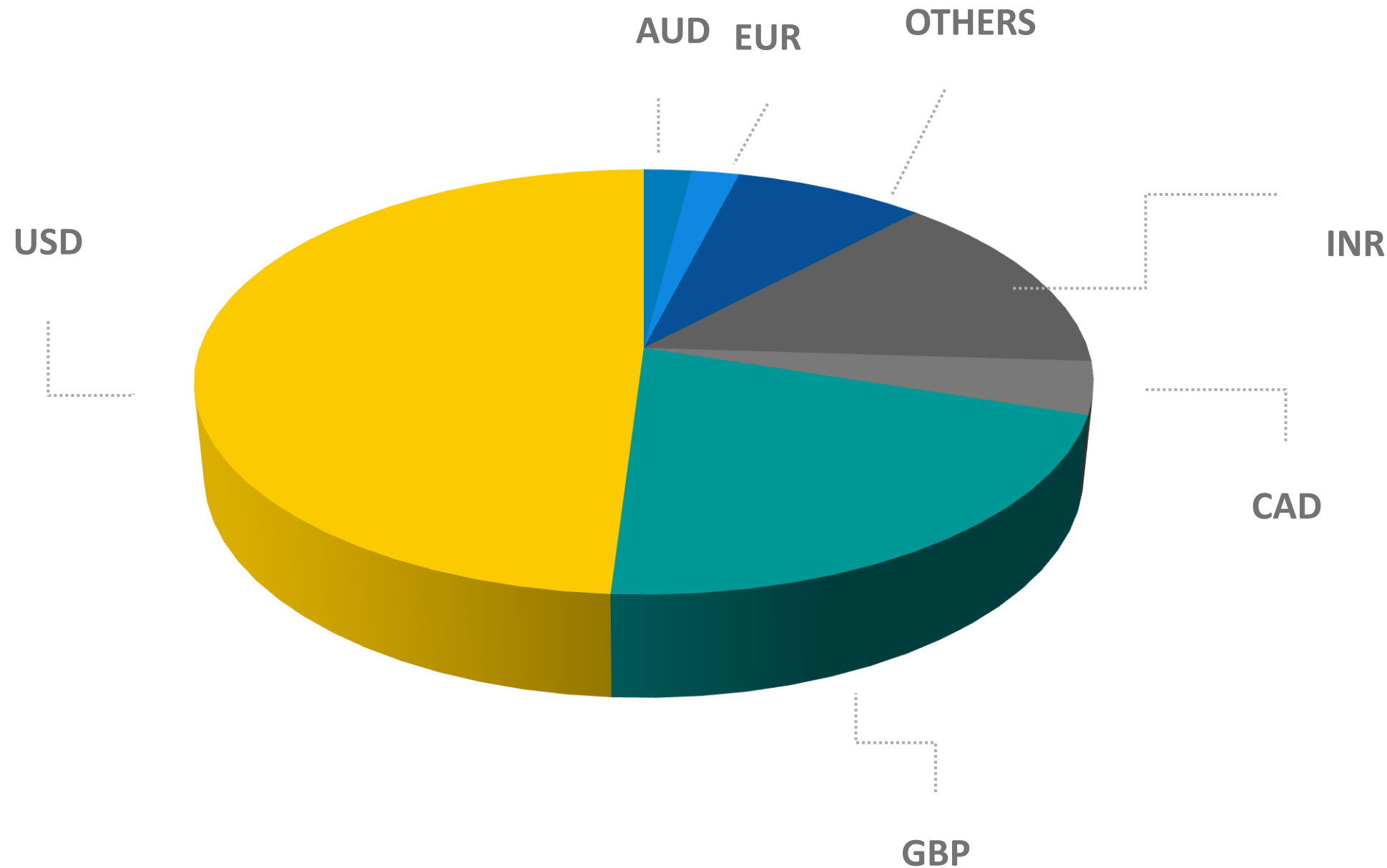
Subscription/Cloud Based

**INR 825 Cr**

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

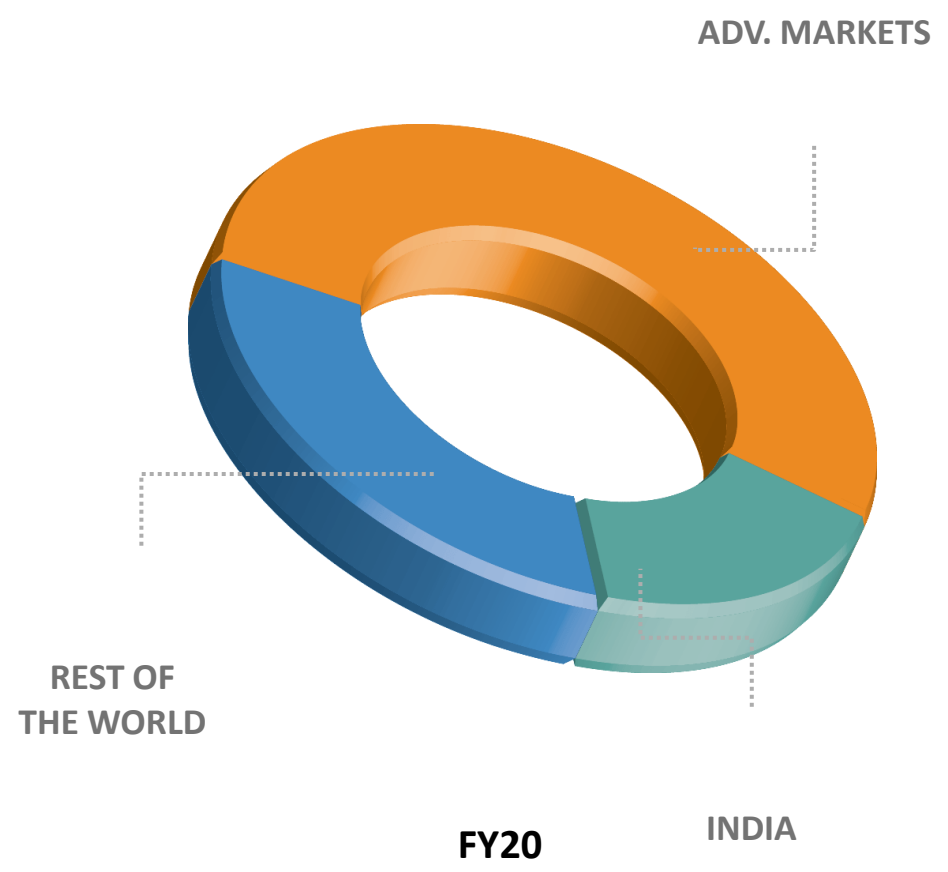


# Currency wise Revenue Mix – Q4 FY20

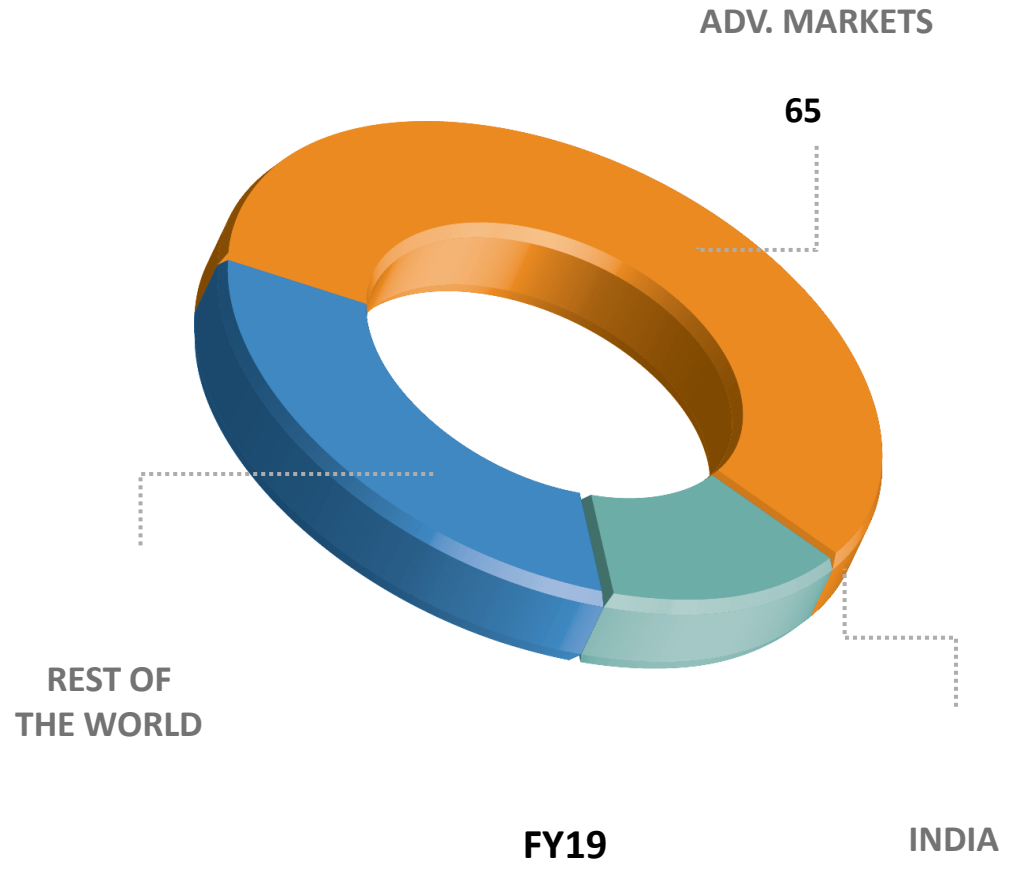




# Revenues across Geographies



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**

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# Digital Deals and Implementations



FY 20

27

FY20

44

Q4 FY 20

7

5

3 Large Deals in Q4 FY 20

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iGTB's

iGTB's

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iGTB's

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iGTB's



# Healthy Pipeline

Destiny Deals

**41**

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## Active Pursuits – Q4 FY20

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## Destiny Deals – Q4 FY20

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# Active Pursuits

High value active pursuits

41

- INR 50 Cr each
- INR 30 Cr to INR 50 Cr
- INR 20 Cr to INR 30 Cr

	Q3 FY20 Active Pursuits	Won	Lost	Added	Q4 FY20 Active Pursuits	Remarks
>50 Cr	8				7	
30 Cr – 50 Cr	13				12	
20 Cr – 30 Cr	20				22	

# Management Observations



**Arun Jain**

**“ Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited**

*“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**

**“ Venkateswarlu Saranu, Chief Financial Officer, Intellect Design Arena Limited**

*“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. ”*



