

Statement of Consolidated Audited Financial Results for the quarter and year ended 31 March 2019

Particulars	Quarter ended			Year ended	
	31 March 2019 (refer note 8)	31 December 2018	31 March 2018 (refer note 8 and 9)	31 March 2019	31 March 2018 (refer note 9)
	Audited	Audited	Audited	Audited	Audited
Revenue from operations	20,249.59	19,709.57	17,444.88	77,309.80	65,458.36
Other income	332.10	506.34	422.64	1,767.07	1,620.96
Total income (I)	20,581.69	20,215.91	17,867.52	79,076.87	67,079.32
Expenses					
Employee benefits expense	11,123.37	10,885.82	10,122.53	42,986.91	38,179.27
Finance costs	59.17	34.54	43.15	173.69	129.96
Depreciation and amortization expense	199.57	196.15	171.07	758.44	708.21
Other expenses	5,722.78	5,518.13	4,227.65	21,084.57	16,655.36
Total expenses (II)	17,104.89	16,634.64	14,564.40	65,003.61	55,672.80
Profit before exceptional item and tax (III) [(I)-(II)]	3,476.80	3,581.27	3,303.12	14,073.26	11,406.52
Exceptional item (net of tax) (IV)	-	-	130.78	-	130.78
Profit before tax (III)-(IV)	3,476.80	3,581.27	3,172.34	14,073.26	11,275.74
Tax expenses					
Current tax	792.00	770.34	1,002.56	3,191.46	3,159.48
Deferred tax	23.34	31.20	(206.94)	148.26	(258.73)
Total tax expenses	815.34	801.54	795.62	3,339.72	2,900.75
Profit before exceptional item	2,661.46	2,779.73	2,507.50	10,733.54	8,505.77
Profit after exceptional item (A)	2,661.46	2,779.73	2,376.72	10,733.54	8,374.99
Other comprehensive income / (losses) ('OCI')					
Items to be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of financial statements of foreign operations	(126.65)	(1,041.70)	398.22	1,044.63	249.18
Net change in fair value of derivatives designated as cash flow hedges	946.95	2,839.33	(618.56)	272.82	(800.62)
Income tax effect on the above	(328.44)	(992.17)	212.84	(92.87)	275.85
Items not to be reclassified to profit or loss in subsequent periods					
Re-measurement gains / (losses) on defined employee benefit plans	(27.12)	(18.48)	(10.15)	4.40	(33.90)
Income tax effect on the above	9.89	6.32	4.12	(1.24)	12.35
Total OCI, net of tax (B)	474.63	793.30	(13.53)	1,227.74	(297.14)
Total comprehensive income (A+B)	3,136.09	3,573.03	2,363.19	11,961.28	8,077.85
Profit attributable to:					
Equity owners of the Company	2,661.46	2,779.73	2,376.72	10,733.54	8,374.99
Non-controlling interests	-	-	-	-	-
Total comprehensive income attributable to:	2,661.46	2,779.73	2,376.72	10,733.54	8,374.99
Equity owners of the Company	3,136.09	3,573.03	2,363.19	11,961.28	8,077.85
Non-controlling interests	-	-	-	-	-
	3,136.09	3,573.03	2,363.19	11,961.28	8,077.85
Equity share capital	1,862.26	1,861.04	1,932.67	1,862.26	1,932.67
Other equity	50,635.92	47,410.46	52,885.15	50,635.92	52,885.15
Earnings per equity share before exceptional item (par value ₹ 10 per share)					
Basic (₹)	14.30	14.40	12.98	56.05	43.32
Diluted (₹)	14.17	14.26	12.90	55.50	43.26
Earnings per equity share after exceptional item (par value ₹ 10 per share)					
Basic (₹)	14.30	14.40	12.30	56.05	42.66
Diluted (₹)	14.17	14.26	12.22	55.50	42.59
Segment reporting					
Operating segments are defined as components of the Group for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's Chief Operating Decision Maker ('CODM') is the Chief Executive Officer.					
The Group has identified business segments as reportable segments. The business segments identified are: Banking and Capital Market, Insurance, Information Technology, Communication and Entertainment and Emerging Industries.					
CODM does not review assets and liabilities at reportable segments level, hence segment disclosures relating to total assets and liabilities have not been provided.					
	Quarter ended			Year ended	
	31 March 2019 (refer note 8)	31 December 2018	31 March 2018 (refer note 8 and 9)	31 March 2019	31 March 2018 (refer note 9)
Segment revenue					
Banking and Capital Market	9,074.27	8,824.86	8,048.48	35,432.11	30,685.00
Insurance	2,452.37	2,368.86	1,984.04	9,072.44	8,096.16
Information Technology, Communication and Entertainment	3,530.72	3,370.01	2,882.98	13,355.71	9,277.76
Emerging Industries	5,411.27	5,464.25	4,117.03	20,333.41	15,716.42
Unallocated - hedge	(219.04)	(318.41)	412.35	(883.87)	1,683.02
Total segment revenue	20,249.59	19,709.57	17,444.88	77,309.80	65,458.36
Segment result					
Banking and Capital Market	2,229.99	2,270.53	2,032.32	9,339.74	7,306.15
Insurance	703.21	692.51	480.77	2,493.35	1,916.40
Information Technology, Communication and Entertainment	679.56	871.66	640.86	3,160.43	1,859.16
Emerging Industries	1,864.12	1,813.27	1,256.58	6,772.94	4,800.33
Unallocated - hedge	(219.04)	(318.41)	412.35	(883.87)	1,683.02
Total segment result	5,257.84	5,329.56	4,822.88	20,882.59	17,565.06
Interest income	92.64	107.50	81.41	351.09	278.78
Finance costs	(59.17)	(34.54)	(43.15)	(173.69)	(129.96)
Other unallocable expenditure, net of unallocable income	(1,814.51)	(1,821.25)	(1,558.02)	(6,986.73)	(6,307.36)
Exceptional item (net of tax)	-	-	(130.78)	-	(130.78)
Profit before taxation	3,476.80	3,581.27	3,172.34	14,073.26	11,275.74

Amounts in ₹ million except share and per share data, unless otherwise stated

Consolidated Balance Sheet	As at 31 March 2019	As at 31 March 2018 (refer note 9)
ASSETS		
Non-current assets		
Property, plant and equipment	1,201.94	874.66
Capital work-in-progress	15.77	19.15
Goodwill	19,584.55	17,014.72
Other intangible assets	910.84	950.88
Intangible assets under development	13.41	3.40
Financial assets		
Investments	2,591.88	3,169.22
Trade receivables	10.60	10.60
Loans	708.98	1,139.84
Other financial assets	635.08	77.02
Deferred tax assets (net)	813.82	1,056.82
Income tax assets (net)	5,230.88	4,570.34
Other assets	962.35	1,506.51
Total non-current assets	32,680.10	30,393.16
Current assets		
Financial assets		
Investments	10,700.33	14,651.46
Trade receivables	9,553.68	8,116.34
Unbilled receivables (previous year: unbilled revenue)	8,933.43	5,432.82
Loans	1,256.92	824.09
Cash and cash equivalents	3,519.78	4,641.76
Bank balances other than cash and cash equivalents	2,896.31	2,425.47
Other financial assets	659.30	567.85
Other assets	3,510.77	2,800.42
Total current assets	41,030.52	39,460.21
TOTAL ASSETS	73,710.62	69,853.37
EQUITY AND LIABILITIES		
Equity		
Share capital	1,862.26	1,932.67
Other equity	50,635.92	52,885.15
Total equity	52,498.18	54,817.82
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Other financial liabilities	39.91	38.15
Employee benefit obligations	782.22	523.37
Provisions	-	50.00
Deferred tax liabilities (net)	27.96	49.71
Income tax liabilities (net)	298.90	311.00
Other liabilities	126.12	43.62
Total non-current liabilities	1,275.11	1,015.85
Current liabilities		
Financial liabilities		
Borrowings	5,425.92	3,898.80
Trade payables		
- outstanding dues to micro and small enterprises	4.87	5.98
- outstanding dues to creditors other than micro and small enterprises	7,845.56	5,017.94
Other financial liabilities	2,785.42	1,802.87
Employee benefit obligations	642.79	730.63
Provisions	83.23	245.80
Income tax liabilities (net)	1,365.71	871.95
Other liabilities	1,783.83	1,445.73
Total current liabilities	19,937.33	14,019.70
TOTAL EQUITY AND LIABILITIES	73,710.62	69,853.37

Amounts in ₹ million except share and per share data, unless otherwise stated

Notes:
1 The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, (as amended from time to time). These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 27 May 2019. The statutory auditors have expressed an unmodified audit opinion on these results.

2 Audited Financial Results of Mphasis Limited (Standalone information).

Particulars	Quarter ended			Year ended	
	31 March 2019	31 December 2018	31 March 2018	31 March 2019	31 March 2018
	(refer note 8)		(refer note 8 and 9)		(refer note 9)
Revenue from operations	8,947.67	8,622.95	8,553.12	34,340.19	32,748.71
Profit before tax and exceptional item	2,438.88	2,576.69	2,583.06	9,727.00	9,435.52
Profit after tax and exceptional item	1,907.36	2,190.52	2,191.60	7,694.33	7,398.91

The audited results of Mphasis Limited for the above mentioned periods, financials summary, detailed Management Discussion & Analysis, results of operations and financial condition including detailed analysis of revenues, client concentration and human resources are available on our website www.mphasis.com. The information above has been extracted from the audited annual / condensed interim standalone financial statements as stated.

- 3 The Board of Directors, at its meeting held on 10 May 2018 had proposed the final dividend of ₹ 20 per share for the year ended 31 March 2018. The dividend proposed by the Board of Directors has been approved by the shareholders' in the Annual General meeting held on 7 August 2018.
- 4 With effect from 1 April 2018, Mphasis Group ('Group') adopted Ind AS 115 – Revenue from contracts with customers and has transitioned using the cumulative effect method. The standard has been applied retrospectively only to contracts that were ongoing on the date of initial application and the comparative information is not restated in the financial results. The adoption of the standard did not have a material impact on the financial statements of the Group.
- 5 During the current year, the Company has completed the buyback of 7,320,555 fully paid-up equity shares of face value ₹ 10 each ("equity shares"), representing 3.79% of the total paid-up equity share capital of the Company, at a price of ₹ 1,350 per equity share for an aggregate consideration of ₹ 9,882.75. In line with the requirements of the Companies Act, 2013, an amount of ₹ 176.59, ₹ 743.89 and ₹ 8,962.27 has been utilized from securities premium, general reserve and retained earnings respectively. The shares accepted under the buyback have been extinguished on 28 December 2018 and the paid-up equity share capital of the Company has been reduced to that extent. Subsequent to completion of the buyback, the Company has transferred ₹ 73.21 to the Capital Redemption Reserve representing face value of equity shares bought back.
- 6 On 8 November 2018 (acquisition date), the Company through its wholly owned subsidiary, Mphasis Corporation, obtained control of Stelligent Systems LLC (Stelligent), a technology services company that provides DevOps automation on the Amazon Web Services cloud by acquiring 100% of its membership interests. The acquisition seeks to strengthen and expand the Group's cloud service offering to its customers. The acquisition was executed through a membership interest purchase agreement for a cash consideration of USD 24.34 million (₹ 1,698.45). Net assets taken over was ₹ 63.51 and the intangible assets identified as part of purchase price allocation process was ₹ 109.69. The excess of the purchase consideration paid over the fair value of assets acquired amounting to ₹ 1,525.25 has been attributed to goodwill. Net assets acquired include ₹ 2.09 of cash and cash equivalents and trade receivables valued at ₹ 113.87. Trade receivables are expected to be collected in full. Goodwill comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is tax-deductible.
- 7 The Board of Directors in their meeting held on 27 May 2019 have proposed a final dividend of ₹ 27 per equity share for the year ended 31 March 2019 which is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved, would result in a cash outflow of approximately ₹ 5,027.91, inclusive of dividend distribution tax of ₹ 1,033.50.
- 8 The figures for the current quarter ended 31 March 2019 are the balancing figures between audited figures for full financial year and published year - to - date figures upto 31 December 2018. The figures for the corresponding previous quarter ended 31 March 2018 are the balancing figures between audited figures for full financial year and the year - to - date figures upto 31 December 2017.
- 9 The results for the quarter and year ended 31 March 2018 were audited by the previous statutory auditors.

**By Order of the Board,
Mphasis Limited**

Paris
27 May 2019

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Nitin Rakesh
Chief Executive Officer