



21 January 2021

The Manager, Listing  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001

The Manager, Listing  
National Stock Exchange of India Ltd  
Exchange Plaza, Plot No. c/1,  
G-Block, Bandra-Kurla Complex,  
MUMBAI – 400 051

Dear Sirs,

**Sub: Outcome of the Board Meeting held today**

We wish to inform you that the Board of Directors of the Company, at its meeting held today at 7:30 PM (IST) which concluded at 9:30 PM (IST) today, have considered and approved the following:

- a. Audited consolidated financial results of Mphasis Group for the quarter and nine months ended 31 December 2020 in the prescribed format;
- b. Audited financial results of Mphasis Limited for the quarter and nine months ended 31 December 2020 in the prescribed format;
- c. Statement of consolidated audited financial results of Mphasis Group for the quarter and nine months ended 31 December 2020, being the extract of the financial results in the prescribed format, as being published in the Newspapers; and
- d. Report of the Auditor's on the consolidated and standalone financial results;

The above together with the related Press Release are enclosed.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid financial results together with the report of the Auditors' and the Press Release are being uploaded on the Stock Exchanges through <https://www.connect2nse.com/LISTING/> and <http://listing.bseindia.com/>. Further, the financial results are also being uploaded on the Company's website: [www.mphasis.com](http://www.mphasis.com).

We request you to kindly take the above on record as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Thanking you,  
For Mphasis Limited

DocuSigned by:

*Subramanian Narayan*

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Subramanian Narayan

Vice President and Company Secretary

Encl: As above

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[www.mphasis.com](http://www.mphasis.com)

**Mphasis Limited**

Registered Office:

Bagmane World Technology Centre,

Marathahalli Outer Ring Road, Doddanakundi Village,

Mahadevapura, Bangalore 560 048, India

CIN: L30007KA1992PLC025294

Mphasis Group						
Registered Office : Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanahundi Village, Mahadevapura, Bengaluru - 560 048. Telephone: 91 80 67501000, Fax: 91 80 6695 9943, Website: www.mphasis.com, E-mail: Investor.relations@mphasis.com						
CIN:L30007KA1992PLC025294						
Amounts in ₹ million except share and per share data, unless otherwise stated						
Statement of Consolidated Audited Financial Results for the quarter and nine months ended 31 December 2020						
Particulars	Audited					
	Quarter ended			Nine months ended		Year ended
	31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
Revenue from operations	24,743.85	24,354.29	22,767.16	71,980.28	64,973.86	88,435.37
Other income	365.64	261.17	361.66	1,003.52	1,253.00	1,778.20
<b>Total income (I)</b>	<b>25,109.49</b>	<b>24,615.46</b>	<b>23,128.82</b>	<b>72,983.80</b>	<b>66,226.86</b>	<b>90,213.57</b>
<b>Expenses</b>						
Employee benefits expense	14,378.52	14,351.30	12,589.39	41,758.23	36,015.39	49,226.41
Finance costs	148.00	147.45	190.10	490.12	605.39	811.93
Depreciation and amortization expense	606.75	599.76	575.70	1,800.98	1,707.61	2,316.31
Other expenses	5,710.26	5,478.76	5,908.58	16,864.65	16,894.66	22,705.12
<b>Total expenses (II)</b>	<b>20,843.53</b>	<b>20,577.27</b>	<b>19,263.77</b>	<b>60,913.98</b>	<b>55,223.05</b>	<b>75,059.77</b>
<b>Profit before tax (III) [(I)-(II)]</b>	<b>4,265.96</b>	<b>4,038.19</b>	<b>3,865.05</b>	<b>12,069.82</b>	<b>11,003.81</b>	<b>15,153.80</b>
<b>Tax expenses</b>						
Current tax	894.93	1,028.12	1,013.26	2,812.41	2,909.14	3,495.35
Deferred tax	115.76	17.79	(84.24)	258.71	(221.40)	(189.92)
<b>Total tax expenses</b>	<b>1,010.69</b>	<b>1,045.91</b>	<b>929.02</b>	<b>3,071.12</b>	<b>2,687.74</b>	<b>3,305.43</b>
<b>Profit for the period (A)</b>	<b>3,255.27</b>	<b>2,992.28</b>	<b>2,936.03</b>	<b>8,998.70</b>	<b>8,316.07</b>	<b>11,848.37</b>
<b>Other comprehensive income / (losses) ('OCI')</b>						
<b>Items to be reclassified to profit or loss in subsequent periods</b>						
Exchange differences on translation of financial statements of foreign operations	(18.50)	(429.99)	366.07	(442.39)	788.78	1,962.75
Net change in fair value of derivatives designated as cash flow hedges	337.55	1,012.95	(114.21)	1,981.56	(219.83)	(1,915.73)
Income tax effect on cash flow hedges	(118.78)	(353.64)	38.49	(694.28)	74.33	667.38
<b>Items not to be reclassified to profit or loss in subsequent periods</b>						
Re-measurement gains / (losses) on defined employee benefit plans	(34.06)	(3.97)	(5.72)	(76.56)	38.55	38.15
Income tax effect on the above	11.96	1.32	2.22	26.75	(13.43)	(13.49)
<b>Total OCI for the period, net of tax (B)</b>	<b>178.17</b>	<b>226.67</b>	<b>286.85</b>	<b>795.08</b>	<b>668.40</b>	<b>739.06</b>
<b>Total comprehensive income for the period (A+B)</b>	<b>3,433.44</b>	<b>3,218.95</b>	<b>3,222.88</b>	<b>9,793.78</b>	<b>8,984.47</b>	<b>12,587.43</b>
<b>Profit for the period attributable to:</b>						
Equity owners of the Company	3,255.27	2,992.28	2,936.03	8,998.70	8,316.07	11,848.37
Non-controlling interests	-	-	-	-	-	-
	<b>3,255.27</b>	<b>2,992.28</b>	<b>2,936.03</b>	<b>8,998.70</b>	<b>8,316.07</b>	<b>11,848.37</b>
<b>Total comprehensive income for the period attributable to:</b>						
Equity owners of the Company	3,433.44	3,218.95	3,222.88	9,793.78	8,984.47	12,587.43
Non-controlling interests	-	-	-	-	-	-
	<b>3,433.44</b>	<b>3,218.95</b>	<b>3,222.88</b>	<b>9,793.78</b>	<b>8,984.47</b>	<b>12,587.43</b>
Equity share capital	1,867.39	1,866.30	1,864.54	1,867.39	1,864.54	1,865.43
Other equity	59,875.88	56,374.29	52,751.79	59,875.88	52,751.79	56,430.56
<b>Earnings per equity share (par value ₹ 10 per share)</b>						
Basic (₹)	17.44	16.04	15.75	48.23	44.63	63.57
Diluted (₹)	17.22	15.87	15.63	47.72	44.27	63.09
<b>Segment reporting</b>	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. Effective 1 April 2020, the Group reorganized its industry verticals. Consequently, the Emerging Industries segment has been split into two segments - Logistics and transportation and Others. Accordingly, the new business segments are: Banking and Capital Market, Logistics and transportation, Information Technology Communication and Entertainment, Insurance, and Others.					
	Effective 1 April 2020, the basis of cost allocation to all segments has been changed by considering certain expenses to be un-allocable expenditure as these are not directly related to the revenue generating activities. Comparative information has been restated to give effect to these changes.					
	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			Nine months ended		Year ended
	31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
<b>Segment revenue</b>						
Banking and Capital Market	13,116.92	12,949.92	10,325.94	37,306.53	29,365.85	40,084.97
Logistics and Transportation	3,109.34	2,979.25	3,158.53	9,322.98	8,695.12	12,131.39
Information Technology, Communication and Entertainment	3,164.97	2,860.32	3,566.72	9,283.21	10,439.04	13,971.23
Insurance	2,386.22	2,307.59	2,552.90	6,987.06	7,372.83	10,051.44
Others	2,824.03	3,140.98	3,089.69	8,976.63	8,889.61	11,999.22
Unallocated - hedge	142.37	116.23	73.38	103.87	211.41	197.12
<b>Total segment revenue</b>	<b>24,743.85</b>	<b>24,354.29</b>	<b>22,767.16</b>	<b>71,980.28</b>	<b>64,973.86</b>	<b>88,435.37</b>
<b>Segment result</b>						
Banking and Capital Market	3,226.82	3,255.54	2,704.30	9,229.56	7,712.72	10,536.82
Logistics and Transportation	1,290.98	1,126.70	1,162.72	3,651.61	3,095.10	4,416.05
Information Technology, Communication and Entertainment	760.56	563.36	818.55	1,928.12	2,293.46	3,033.73
Insurance	819.15	748.48	654.86	2,221.88	2,052.77	2,885.04
Others	961.37	1,100.47	981.33	3,121.74	2,773.19	3,862.31
Unallocated - hedge	142.37	116.23	73.38	103.87	211.41	197.12
<b>Total segment result</b>	<b>7,201.25</b>	<b>6,910.78</b>	<b>6,395.14</b>	<b>20,256.78</b>	<b>18,138.65</b>	<b>24,931.07</b>
Finance costs	(148.00)	(147.45)	(190.10)	(490.12)	(605.39)	(811.93)
Other income	365.64	261.17	361.66	1,003.52	1,253.00	1,778.20
Other unallocable expenditure	(3,152.93)	(2,986.31)	(2,701.65)	(8,700.36)	(7,782.45)	(10,743.54)
<b>Profit before taxation</b>	<b>4,265.96</b>	<b>4,038.19</b>	<b>3,865.05</b>	<b>12,069.82</b>	<b>11,003.81</b>	<b>15,153.80</b>



**Mphasis Group**  
Registered Office : Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560 048.  
Telephone: 91 80 67501000, Fax: 91 80 6695 9943, Website: www.mphasis.com, E-mail: Investor.relations@mphasis.com

CIN:L30007KA1992PLC025294

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") 34, Interim Financial Reporting 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 21 January 2021. The statutory auditors have expressed an unmodified audit opinion on these results.

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

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
Revenue from operations	14,829.52	14,056.35	11,285.31	40,215.95	31,376.14	43,471.39
Profit before tax	3,806.24	3,761.92	3,040.14	10,250.13	8,381.06	13,876.37
Profit after tax	3,163.03	2,785.21	2,684.54	7,949.67	6,845.21	12,050.55

The audited results of Mphasis Limited for the above mentioned periods are available on Company's website, www.mphasis.com and on the Stock Exchange websites, www.nseindia.com and www.bseindia.com. The information above has been extracted from the audited annual / condensed interim standalone financial statements as stated.

3 The Board of Directors in their meeting held on 13 May 2020 had proposed a final dividend of ₹ 35 per equity share for the year ended 31 March 2020. The dividend proposed by the Board of Directors was approved by the shareholders in the Annual General meeting held on 23 July 2020 and has been paid during the quarter ended 30 September 2020.

4 The Code on Social Security 2020 ('Code'), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on 13 November 2020 and has invited suggestions from stake holders. The suggestions received are under consideration by the Ministry. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Company and its Indian subsidiaries will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

5 On 19 November 2020, the Company through its wholly owned subsidiary, Mphasis Consulting Limited, obtained control of Datalytx Limited and its subsidiaries ('Datalytx') by acquiring 100% of its shares in cash. Datalytx is a next-gen data engineering and consultancy company providing next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments. The acquisition seeks to strengthen the Group's next-gen data strategy and build capabilities relevant to the digital priorities of its clients. The acquisition was executed through a share purchase agreement for a consideration of GBP 11.55 million (₹ 1,141.92 million). The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. Net assets acquired include ₹ 151.32 million of cash and cash equivalents and trade and other receivables valued at ₹ 278.59 million. Trade and other receivables are expected to be collected in full. Goodwill of ₹ 583.52 million comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is not tax-deductible and has been allocated to the Datalytx Cash Generating Unit ('CGU'). The fair value of contingent consideration linked to continuing employment is being accounted for as a post combination expense in the statement of profit and loss.

**6 Impact of the Global Pandemic ('Covid-19')**

The Group has taken into account the possible impacts of Covid-19 in preparation of the condensed consolidated interim financial statements / results, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets including goodwill, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Group has considered available sources of information upto the date of approval of the condensed consolidated interim financial statements / results and expects to recover the carrying amount of its assets. The impact of Covid-19 on the condensed consolidated interim financial statements / results may differ from that estimated as at the date of approval of these condensed consolidated interim financial statements / results.

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

NITIN  
RAKESH

Digitally signed  
by NITIN  
RAKESH

Nitin Rakesh  
Chief Executive Officer

New York  
21 January 2021



**Mphasis Limited**  
Registered Office : Bagmane World Technology Center, Marathalli Outer Ring Road, Doddanakhundi Village, Mahadevapura, Bengaluru - 560 048.  
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CIN:L30007KA1992PLC025294

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

## Statement of Standalone Audited Financial Results for the quarter and nine months ended 31 December 2020

Particulars	Audited					
	Quarter ended		Nine months ended		Year ended	
	31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
Revenue from operations	14,829.52	14,056.35	11,285.31	40,215.95	31,376.14	43,471.39
Other income	268.29	159.20	208.34	657.97	795.49	3,232.90
<b>Total income (I)</b>	<b>15,097.81</b>	<b>14,215.55</b>	<b>11,493.65</b>	<b>40,873.92</b>	<b>32,171.63</b>	<b>46,704.29</b>
<b>Expenses</b>						
Employee benefits expense	4,392.16	4,509.95	4,180.42	13,237.49	12,223.65	16,621.10
Finance costs	122.80	121.00	145.54	401.37	464.26	630.43
Depreciation and amortization expense	375.79	378.89	383.29	1,133.43	1,134.81	1,532.43
Other expenses	6,400.82	5,443.79	3,744.26	15,851.50	9,967.85	14,043.96
<b>Total expenses (II)</b>	<b>11,291.57</b>	<b>10,453.63</b>	<b>8,453.51</b>	<b>30,623.79</b>	<b>23,790.57</b>	<b>32,827.92</b>
<b>Profit before tax (III) [(I)-(II)]</b>	<b>3,806.24</b>	<b>3,761.92</b>	<b>3,040.14</b>	<b>10,250.13</b>	<b>8,381.06</b>	<b>13,876.37</b>
<b>Tax expenses</b>						
Current tax	681.06	1,012.42	519.07	2,294.39	1,784.65	2,029.91
Deferred tax	(37.85)	(35.71)	(163.47)	6.07	(248.80)	(204.09)
<b>Total tax expenses</b>	<b>643.21</b>	<b>976.71</b>	<b>355.60</b>	<b>2,300.46</b>	<b>1,535.85</b>	<b>1,825.82</b>
<b>Profit for the period (A)</b>	<b>3,163.03</b>	<b>2,785.21</b>	<b>2,684.54</b>	<b>7,949.67</b>	<b>6,845.21</b>	<b>12,050.55</b>
<b>Other comprehensive income / (losses) ('OCI')</b>						
<b>Items to be reclassified to profit or loss in subsequent periods</b>						
Net change in fair value of derivatives designated as cash flow hedges	346.07	1,009.63	(90.01)	2,000.47	(177.21)	(1,877.62)
Income tax effect on the above	(120.93)	(352.80)	31.45	(699.04)	61.92	656.11
<b>Items not to be reclassified to profit or loss in subsequent periods</b>						
Re-measurement gains / (losses) on defined employee benefit plans	(34.18)	(2.79)	(5.97)	(74.66)	39.76	41.97
Income tax effect on the above	11.95	0.97	2.09	26.09	(13.89)	(14.67)
<b>Total OCI for the period, net of tax (B)</b>	<b>202.91</b>	<b>655.01</b>	<b>(62.44)</b>	<b>1,252.86</b>	<b>(89.42)</b>	<b>(1,194.21)</b>
<b>Total comprehensive income for the period (A+B)</b>	<b>3,365.94</b>	<b>3,440.22</b>	<b>2,622.10</b>	<b>9,202.53</b>	<b>6,755.79</b>	<b>10,856.34</b>
Equity share capital	1,867.39	1,866.30	1,864.54	1,867.39	1,864.54	1,865.43
Other equity	37,760.66	34,326.57	30,730.23	37,760.66	30,730.23	34,906.59
<b>Earnings per equity share (par value ₹ 10 per share)</b>						
Basic (₹)	16.94	14.93	14.40	42.60	36.74	64.66
Diluted (₹)	16.73	14.77	14.30	42.16	36.44	64.17

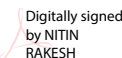
**Segment reporting**

In accordance with Ind AS 108, Operating segments, the Company is exempted from disclosing segment information in standalone financial results. Refer the consolidated financial results for segment information.

**Notes:**

- The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34, Interim Financial Reporting 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 21 January 2021. The statutory auditors have expressed an unmodified audit opinion on these results.
- The Board of Directors in their meeting held on 13 May 2020 had proposed a final dividend of ₹ 35 per equity share for the year ended 31 March 2020. The dividend proposed by the Board of Directors was approved by the shareholders in the Annual General Meeting held on 23 July 2020 and has been paid during the quarter ended 30 September 2020.
- The Code on Social Security 2020 ('Code'), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on 13 November 2020 and has invited suggestions from stake holders. The suggestions received are under consideration by the Ministry. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- Impact of the Global Pandemic ('Covid-19')**  
The Company has taken into account the possible impacts of Covid-19 in preparation of the condensed standalone interim financial statements / results, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. The Company has considered available sources of information upto the date of approval of the condensed standalone interim financial statements / results and expects to recover the carrying amount of its assets. The impact of Covid-19 on the condensed standalone interim financial statements / results may differ from that estimated as at the date of approval of these condensed standalone interim financial statements / results.

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

NITIN  
RAKESH  Digitally signed  
by NITIN  
RAKESH

Nitin Rakesh  
Chief Executive Officer

New York  
21 January 2021

# B S R & Co. LLP

Chartered Accountants

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Pebble Beach, B Block, 3<sup>rd</sup> Floor,  
Off Intermediate Ring Road,  
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## Independent Auditors' Report

### To the Board of Directors of Mphasis Limited

### Report on the audit of the Consolidated Interim Financial Results

#### Opinion

We have audited the accompanying consolidated interim financial results of Mphasis Limited ("Holding Company") and its subsidiaries listed in Annexure I (Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020 ("consolidated interim financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the consolidated interim financial results:

- a. include the interim financial results of the entities listed in Annexure I;
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- c. give a true and fair view, in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated profit and other comprehensive income and other financial information of the Group for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Interim Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the condensed consolidated interim financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated interim financial results.

B S R & Co. LLP

### **Independent Auditors' Report (continued)**

#### **Management's and Board of Directors' Responsibilities for the Consolidated Interim Financial Results**

These consolidated interim financial results have been prepared on the basis of the condensed consolidated interim financial statements.

The Holding Company's management and the Board of Directors are responsible for the preparation and presentation of these consolidated interim financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under section 133 of the Act, other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated interim financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated interim financial results by the management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated interim financial results, the respective management and the Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and Board of Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

#### **Auditor's Responsibilities for the Audit of the Consolidated Interim Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated interim financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated interim financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated interim financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

B S R & Co. LLP

**Independent Auditors' Report (continued)**

**Auditor's Responsibilities for the Audit of the Consolidated Interim Financial Results (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated interim financial results made by management and the Board of Directors of the Holding Company.
- Conclude on the appropriateness of the use of the going concern basis of accounting by management and Board of Directors of the Holding Company and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated interim financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding Company and its subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated interim financial results, including the disclosures, and whether the consolidated interim financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated interim financial results. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated interim financial results. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated interim financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of the consolidated interim financial results.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

*for B S R & Co. LLP*  
*Chartered Accountants*  
Firm's Registration No.: 101248W/W-100022

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**Amit Somani**  
*Partner*

Bengaluru  
21 January 2021

Membership No.: 060154  
UDIN: 21060154AAAAAD9037

B S R & Co. LLP

**Mphasis Limited**

**Annexure I: List of entities consolidated**

1	Mphasis Corporation
2	Mphasis Deutschland GmbH
3	Mphasis Australia Pty Limited
4	Mphasis (Shanghai) Software & Services Company Limited
5	Mphasis Consulting Limited
6	Mphasis Ireland Limited
7	Mphasis Belgium BV (formerly Mphasis Belgium BVBA)
8	Mphasis Lanka (Private) Limited
9	Mphasis Poland s.p.z.o.o.
10	PT. Mphasis Indonesia
11	Mphasis Europe BV
12	Mphasis Infrastructure Services Inc.
13	Mphasis Pte Limited
14	Mphasis UK Limited
15	Mphasis Software and Services (India) Private Limited
16	Msource Mauritius Inc.
17	Mphasis Wyde Inc.
18	Mphasis Philippines Inc.
19	Msource (India) Private Limited
20	Wyde Corporation.
21	Mphasis Wyde SASU
22	Wyde Solutions Canada Inc.
23	Digital Risk, LLC.
24	Digital Risk Mortgage Services, LLC.
25	Investor Services, LLC.
26	Digital Risk Valuation Services, LLC.
27	Digital Risk Europe, OOD.
28	Mphasis Employees Benefit Trust
29	Mphasis Employees Equity Reward Trust
30	Stelligent Systems LLC
31	Datalytx Limited (with effect from 19 November 2020)
32	Datalytx MSS Limited (with effect from 19 November 2020)
33	Dynamyx Limited (with effect from 19 November 2020)



# B S R & Co. LLP

Chartered Accountants

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Bangaluru-560 071 India

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## Independent Auditors' Report

To the Board of Directors of Mphasis Limited

Report on the audit of the Standalone Interim Financial Results

### Opinion

We have audited the accompanying standalone interim financial results of Mphasis Limited ("the Company") for the quarter ended 31 December 2020 and the year to date results for the period from 1 April 2020 to 31 December 2020 ("standalone interim financial results"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the standalone interim financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter ended 31 December 2020 as well as the year to date results for the period from 1 April 2020 to 31 December 2020.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Interim Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the condensed standalone interim financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone interim financial results.

B S R & Co. LLP

## **Independent Auditors' Report (continued)**

### **Management's and Board of Directors' Responsibilities for the Standalone Interim Financial Results**

These standalone interim financial results have been prepared on the basis of the condensed standalone interim financial statements.

The Company's management and the Board of Directors are responsible for the preparation and presentation of these standalone interim financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone interim financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone interim financial results, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and Board of Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Interim Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone interim financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone interim financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone interim financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

B S R & Co. LLP

**Independent Auditors' Report (continued)**

**Auditor's Responsibilities for the Audit of the Standalone Interim Financial Results (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone interim financial results made by management and the Board of Directors.
- Conclude on the appropriateness of the use of the going concern basis of accounting by management and Board of Directors and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone interim financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone interim financial results, including the disclosures, and whether the standalone interim financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of the standalone interim financial results.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

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**Amit Somani**

*Partner*

Membership No.: 060154

UDIN: 21060154AAAAAF9442

Bengaluru  
21 January 2021

Particulars		Quarter ended	Nine months ended	Quarter ended
		31 December 2020	31 December 2020	31 December 2019
1	Revenue from operations	24,743.85	71,980.28	22,767.16
2	Net profit before tax	4,265.96	12,069.82	3,865.05
3	Net profit after tax	3,255.27	8,998.70	2,936.03
4	Total comprehensive income (comprising net profit after tax and other comprehensive income after tax)	3,433.44	9,793.78	3,222.88
5	Equity share capital	1,867.39	1,867.39	1,864.54
6	Other equity	59,875.88	59,875.88	52,751.79
7	<b>Earnings per equity share (par value ₹ 10 per share)</b>			
	Basic (₹)	17.44	48.23	15.75
	Diluted (₹)	17.22	47.72	15.63
<b>Notes:</b>				
1 The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34, Interim Financial Reporting 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 21 January 2021. The statutory auditors have expressed an unmodified audit opinion on these results.				
2 Audited Financial Results of Mphasis Limited (Standalone information).				
Particulars		Quarter ended	Nine months ended	Quarter ended
		31 December 2020	31 December 2020	31 December 2019
Revenue from operations		14,829.52	40,215.95	11,285.31
Profit before tax		3,806.24	10,250.13	3,040.14
Profit after tax		3,163.03	7,949.67	2,684.54
3 The Board of Directors in their meeting held on 13 May 2020 had proposed a final dividend of ₹ 35 per equity share for the year ended 31 March 2020. The dividend proposed by the Board of Directors was approved by the shareholders in the Annual General meeting held on 23 July 2020 and has been paid during the quarter ended 30 September 2020.				
4 On 19 November 2020, the Company through its wholly owned subsidiary, Mphasis Consulting Limited, obtained control of Datalytx Limited and its subsidiaries ('Datalytx') by acquiring 100% of its shares in cash. Datalytx is a next-gen data engineering and consultancy company providing next-gen data Engineering, Data Ops and Master Data Management solutions on Snowflake and Talend environments. The acquisition seeks to strengthen the Group's next-gen data strategy and build capabilities relevant to the digital priorities of its clients. The acquisition was executed through a share purchase agreement for a consideration of GBP 11.55 million (₹ 1,141.92 million). The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. Net assets acquired include ₹ 151.32 million of cash and cash equivalents and trade and other receivables valued at ₹ 278.59 million. Trade and other receivables are expected to be collected in full. Goodwill of ₹ 583.52 million comprises value of acquired workforce and expected synergies arising from the acquisition. The goodwill is not tax-deductible and has been allocated to the Datalytx Cash Generating Unit ('CGU'). The fair value of contingent consideration linked to continuing employment is being accounted for as a post combination expense in the statement of profit and loss.				
5 The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The full format of the Quarterly Financial Results is available on the Stock Exchange websites, www.nseindia.com and www.bseindia.com and on the Company's website www.mphasis.com.				
New York 21 January 2021		<p style="text-align: right;"><b>By Order of the Board, Mphasis Limited</b></p> <p style="text-align: right;">NITIN RAKESH  Digitally signed by NITIN RAKESH</p> <p style="text-align: right;"><b>Nitin Rakesh</b> <b>Chief Executive Officer</b></p>		

~ **Mphasis Net Profit grew 10.9% YoY in Q3 FY21**

**Bengaluru, 21 January 2021:** [Mphasis](#) Limited (BSE - 526299; NSE - MPHASIS), an Information Technology (IT) solutions provider specializing in cloud and cognitive services, today announced its financial results for the quarter ended 31<sup>st</sup> December 2020.

**Quarter ended 31<sup>st</sup> December 2020.**

- Gross Revenue grew 1.5% QoQ and 8.4% YoY on a reported basis. In constant currency, growth was 1.6% QoQ and 4.3% YoY.
- New TCV wins of USD 247 million in Q3 FY21 in Direct; of which 71% in new generation services. FYTD TCV wins of USD 867 million; YoY growth of 64.0%.
- Direct revenue grew 5.1% QoQ and 23.7% YoY on a reported basis. In constant currency, revenue grew 5.3% QoQ and 19.0% YoY.
- DXC revenue declined 17.9% QoQ and 39.2% YoY on a reported basis. In Constant Currency, revenue declined 18.2% QoQ and 42.2% YoY.
- Net profit grew 10.9% YoY to INR 3,255 million; EPS grew 10.7% YoY to INR 17.44.

“We are pleased with the results in a seasonally weak quarter and remain enthusiastic about our pipeline. As a client centric organization, we continue to stay obsessed with each customer's individual agenda. We are focused on staying consistent with our performance while continuing to keep our clients’ transformation needs at the center of our strategy and execution,” said **Nitin Rakesh, Chief Executive Officer and Executive Director, Mphasis.**

**Deal wins:**

- A leading insurer in the EU has partnered with Mphasis in a program that aims to grow the back- office and frontstage operations and leverage technology to transform how it engages with Clients, Colleagues, Carriers & Regulators. It will create a Digital & Data Strategy for the advisory business across the client's multiple brands.
- A leading Insurance & Benefits Management group has engaged with Mphasis for its Health and Voluntary benefits focused on consumer business division. Mphasis will help modernize their complex legacy platform, reduce total cost of ownership and improve overall customer experience.
- A leading logistics client has engaged Mphasis to provide managed maintenance and development services for multiple applications (mix of legacy and modern tech) critical to higher shipment volumes experienced by its LOB in recent months.

**Recognitions and Analyst Positioning:**

- Granted U.S. Patent for its Autocode.AI – Software Code Development Automation Solution
- Awarded AWS Travel & Hospitality Competency Status
- Recognized as a Leader in NelsonHall’s Cloud Infrastructure Brokerage, Orchestration and Management Services Market
- Recognized as a Leader in ISG Amazon Web Services (AWS) Ecosystems 2020
- Recognized as Disruptor in Avasant's Hybrid Enterprise Cloud Services 2020 RadarView
- Positioned as a Challenger in Avasant's Digital CX and CRM Services 2020 RadarView
- Positioned as a Challenger in Avasant's Intelligent Automation Services 2020 RadarView
- Positioned as a Leader in ISG's Next-gen Application Development & Maintenance (ADM) Services 2020

**About Mphasis**

[Mphasis](#) (BSE: 526299; NSE: MPHASIS) applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' [Front2Back™](#) Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive to provide hyper-personalized (C=X2C<sup>2</sup><sub>TM</sub>=1) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization are key to building strong relationships with marquee clients. Click [here](#) to know more.

**Safe Harbor:**

*Certain statements mentioned in this presentation concerning our future growth prospects are forward looking statements (the "Forward Statements") and are based on reasonable expectations of the management, which involves a number of risks, and uncertainties that could cause actual results to differ materially from those in such Forward Statements. The risks and uncertainties relating to these Forward Statements include, but are not limited to, risks and uncertainties regarding fluctuations in our earnings, fluctuations in foreign exchange rates, revenue and profits, our ability to generate and manage growth, intense competition in IT services, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price and fixed-time frame contracts, restrictions on immigration, industry segment concentration, our ability to manage our international operations, our revenues being highly dependent on clients in the United States of America, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of fiscal governmental incentives, political instability, adverse impact of global pandemics (including COVID-19 impact), war, legal restrictions on raising capital or acquiring companies, unauthorized use of our intellectual property(ies) and general economic conditions affecting our businesses and industry. We may, from time to time, make additional written and oral Forward Statements. We do not undertake to update any Forward Statements that may be made from time to time by us or on our behalf, unless required under the law.*

<b>For further information please contact:</b>	
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