

**Statement of Standalone Audited Financial Results for the quarter and six months ended 30 September 2019**

Particulars	Audited						
	Quarter ended			Six months ended		Year ended	
	30 September 2019	30 June 2019	30 September 2018	30 September 2019	30 September 2018	31 March 2019	
Revenue from operations	10,487.87	9,602.96	8,524.20	20,090.83	16,769.57	34,340.19	
Other income	195.35	391.80	331.87	587.15	613.65	1,185.86	
<b>Total income (I)</b>	<b>10,683.22</b>	<b>9,994.76</b>	<b>8,856.07</b>	<b>20,677.98</b>	<b>17,383.22</b>	<b>35,526.05</b>	
<b>Expenses</b>							
Employee benefits expense	4,089.20	3,954.03	3,532.73	8,043.23	7,079.11	14,411.37	
Finance costs	165.52	153.20	7.90	318.72	36.12	66.74	
Depreciation and amortization expense	391.80	359.72	93.25	751.52	181.85	383.85	
Other expenses	3,315.69	2,907.90	2,755.25	6,223.59	5,374.71	10,937.09	
<b>Total expenses (II)</b>	<b>7,962.21</b>	<b>7,374.85</b>	<b>6,389.13</b>	<b>15,337.06</b>	<b>12,671.79</b>	<b>25,799.05</b>	
<b>Profit before tax (III) [(I)-(II)]</b>	<b>2,721.01</b>	<b>2,619.91</b>	<b>2,466.94</b>	<b>5,340.92</b>	<b>4,711.43</b>	<b>9,727.00</b>	
<b>Tax expenses</b>							
Current tax	625.27	640.31	630.93	1,265.58	1,081.51	1,994.99	
Deferred tax	(6.85)	(78.48)	(53.38)	(85.33)	33.47	37.68	
<b>Total tax expenses</b>	<b>618.42</b>	<b>561.83</b>	<b>577.55</b>	<b>1,180.25</b>	<b>1,114.98</b>	<b>2,032.67</b>	
<b>Profit after tax (A)</b>	<b>2,102.59</b>	<b>2,058.08</b>	<b>1,889.39</b>	<b>4,160.67</b>	<b>3,596.45</b>	<b>7,694.33</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	(347.32)	260.12	(1,779.33)	(87.20)	(3,459.58)	227.90	
Income tax effect on the above	121.37	(90.90)	621.77	30.47	1,208.92	(79.64)	
<b>Items not to be reclassified to profit or loss in subsequent periods</b>							
Re-measurement gains / (losses) on defined employee benefit plans	(1.26)	46.99	26.22	45.73	45.70	0.49	
Income tax effect on the above	0.44	(16.42)	(9.16)	(15.98)	(15.97)	(0.17)	
<b>Total OCI, net of tax (B)</b>	<b>(226.77)</b>	<b>199.79</b>	<b>(1,140.50)</b>	<b>(26.98)</b>	<b>(2,220.93)</b>	<b>148.58</b>	
<b>Total comprehensive income (A+B)</b>	<b>1,875.82</b>	<b>2,257.87</b>	<b>748.89</b>	<b>4,133.69</b>	<b>1,375.52</b>	<b>7,842.91</b>	
Equity share capital	1,863.64	1,863.20	1,934.24	1,863.64	1,934.24	1,862.26	
Other equity	28,029.87	32,155.80	34,031.74	28,029.87	34,031.74	30,773.97	
<b>Earnings per equity share (par value ₹ 10 per share)</b>							
Basic (₹)	11.28	11.05	9.77	22.33	18.60	40.18	
Diluted (₹)	11.19	10.95	9.66	22.14	18.40	39.78	

**Segment reporting**

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

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

Standalone Balance Sheet	As at 30 September 2019	As at 31 March 2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,096.45	886.05
Capital work-in-progress	62.55	15.77
Right-of-use assets	4,832.88	-
Other intangible assets	76.94	90.35
Intangible assets under development	13.41	13.41
<b>Financial assets</b>		
Investments	14,990.11	14,982.29
Trade receivables	-	10.60
Loans	984.62	702.06
Other financial assets	324.15	612.10
Deferred tax assets (net)	916.18	712.01
Income tax assets (net)	4,679.81	4,402.10
Other assets	763.58	840.87
<b>Total non-current assets</b>	<b>28,740.68</b>	<b>23,267.61</b>
<b>Current assets</b>		
<b>Financial assets</b>		
Investments	3,353.35	5,864.70
Trade receivables	5,480.92	5,017.52
Unbilled receivables	3,270.15	2,818.67
Loans	611.69	1,032.18
Cash and cash equivalents	2,025.08	1,438.31
Bank balances other than cash and cash equivalents	70.00	27.03
Other financial assets	849.00	1,134.84
Other assets	1,923.22	2,176.20
<b>Total current assets</b>	<b>17,583.41</b>	<b>19,509.45</b>
<b>TOTAL ASSETS</b>	<b>46,324.09</b>	<b>42,777.06</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,863.64	1,862.26
Other equity	28,029.87	30,773.97
<b>Total equity</b>	<b>29,893.51</b>	<b>32,636.23</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings and lease liabilities	4,674.86	-
Other financial liabilities	45.01	39.57
Employee benefit obligations	772.82	778.59
Other liabilities	-	91.52
<b>Total non-current liabilities</b>	<b>5,492.69</b>	<b>909.68</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings and lease liabilities	3,273.71	2,383.10
Trade payables		
-total outstanding dues of micro and small enterprises	5.37	4.87
-total outstanding dues of creditors other than micro and small enterprises	3,754.46	3,321.10
Other financial liabilities	1,850.66	1,786.13
Employee benefit obligations	215.99	180.52
Provisions	63.03	83.23
Income tax liabilities (net)	1,348.93	1,101.03
Other liabilities	425.74	371.17
<b>Total current liabilities</b>	<b>10,937.89</b>	<b>9,231.15</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>46,324.09</b>	<b>42,777.06</b>

Standalone statement of cash flows	Six months ended 30 September 2019	Six months ended 30 September 2018
<b>Operating activities</b>		
<b>Profit before tax</b>	<b>5,340.92</b>	<b>4,711.43</b>
<b>Adjustments to reconcile profit before tax to net cash provided by operating activities:</b>		
Depreciation and amortization expense	751.52	181.85
Utilization of the rent equalisation reserve	-	248.36
Profit on sale of property, plant and equipment and intangible assets	(7.81)	(3.78)
Net gain on investments carried at fair value through profit and loss	(215.89)	(408.77)
Imputed interest income on security deposits	20.94	(3.34)
Share based payment expenses	19.14	50.96
Provision for expected credit loss	51.12	-
Finance costs	318.72	36.12
Interest income	(234.10)	(49.53)
Unrealized exchange loss, net	(1.76)	56.59
<b>Operating profit before working capital changes</b>	<b>6,042.80</b>	<b>4,819.89</b>
<b>Working capital changes</b>		
(Increase) / decrease in trade receivables and unbilled receivables	(883.68)	(95.05)
(Increase) / decrease in loans	(32.52)	853.54
(Increase) / decrease in other financial assets	539.10	(364.11)
(Increase) / decrease in other assets	141.95	263.28
Increase / (decrease) in trade payables	433.86	197.65
Increase / (decrease) in other financial liabilities	75.97	818.72
Increase / (decrease) in provisions and employee benefit obligations	55.23	(65.73)
Increase / (decrease) in other liabilities	55.54	(150.46)
<b>Total working capital changes</b>	<b>385.45</b>	<b>1,457.84</b>
Income tax paid (net of refunds)	(1,096.45)	(1,069.64)
<b>Net cash flows generated from operating activities (A)</b>	<b>5,331.80</b>	<b>5,208.09</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(425.76)	(346.21)
Proceeds from sale of property, plant and equipment and intangible assets	8.87	7.45
Purchase of investments	(29,337.77)	(22,859.41)
Sale of investments	32,057.19	23,753.58
Interest received	6.91	49.39
Investments in bank deposits	(69.99)	(160.17)
Redemption / maturity of bank deposits	27.00	136.15
<b>Net cash flows generated from investing activities (B)</b>	<b>2,266.45</b>	<b>580.78</b>
<b>Financing activities</b>		
Proceeds from issue of shares	67.05	52.11
Repayment of borrowings	(3,546.84)	(1,371.13)
Availment of borrowings	3,286.53	-
Interest paid	(78.65)	(21.18)
Repayment of lease liabilities	(674.57)	-
Dividends paid	(6,065.00)	(4,655.83)
<b>Net cash flows used in financing activities (C)</b>	<b>(7,011.48)</b>	<b>(5,996.03)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>586.77</b>	<b>(207.16)</b>
Cash and cash equivalents at the beginning of the period	1,438.31	1,975.87
<b>Cash and cash equivalents at the end of the period</b>	<b>2,025.08</b>	<b>1,768.71</b>
<b>Components of cash and cash equivalents</b>		
In current accounts	1,872.99	1,576.39
Deposits with original maturity of less than 3 months	131.06	172.56
Unclaimed dividend	21.03	19.76
<b>Total cash and cash equivalents</b>	<b>2,025.08</b>	<b>1,768.71</b>

**Notes:**

- The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34, Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14 November 2019. The statutory auditors have expressed an unmodified audit opinion on these results.
- The Company has adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognized on the date of initial application (1 April 2019). Accordingly, the Company has not restated comparative information, instead the cumulative effect of initially applying this standard has been recognized as an adjustment to the retained earnings as on 1 April 2019. The company has adopted Ind AS 116 using the cumulative effect method for transitioning.
- The Board of Directors, in its meeting held on 27 May 2019 had proposed the final dividend of ₹ 27 per share for the year ended 31 March 2019. The dividend proposed by the Board of Directors is approved by the shareholders in the Annual General meeting held on 25 July 2019 and has been paid during the current quarter.

By Order of the Board,  
Mphasis Limited

New York  
14 November 2019

sd/-  
Nitin Rakesh  
Chief Executive Officer