

Statement of Standalone Audited Financial Results for the quarter and year ended 31 March 2020

Particulars	Audited				
	Quarter ended			Year ended	
	31 March 2020 (refer note 5)	31 December 2019	31 March 2019 (refer note 5)	31 March 2020	31 March 2019
Revenue from operations	12,095.25	11,285.31	8,947.67	43,471.39	34,340.19
Other income	2,437.41	208.34	216.38	3,232.90	1,185.86
Total income (I)	14,532.66	11,493.65	9,164.05	46,704.29	35,526.05
Expenses					
Employee benefits expense	4,397.45	4,180.42	3,722.20	16,621.10	14,411.37
Finance costs	166.17	145.54	20.99	630.43	66.74
Depreciation and amortization expense	397.62	383.29	102.80	1,532.43	383.85
Other expenses	4,076.11	3,744.26	2,879.18	14,043.96	10,937.09
Total expenses (II)	9,037.35	8,453.51	6,725.17	32,827.92	25,799.05
Profit before tax (III) [(I)-(II)]	5,495.31	3,040.14	2,438.88	13,876.37	9,727.00
Tax expenses					
Current tax	245.26	519.07	538.92	2,029.91	1,994.99
Deferred tax	44.71	(163.47)	(7.40)	(204.09)	37.68
Total tax expenses	289.97	355.60	531.52	1,825.82	2,032.67
Profit for the period (A)	5,205.34	2,684.54	1,907.36	12,050.55	7,694.33
Other comprehensive income / (losses) ('OCI')					
Items to be reclassified to profit or loss in subsequent periods					
Net change in fair value of derivatives designated as cash flow hedges	(1,700.41)	(90.01)	931.09	(1,877.62)	227.90
Income tax effect on the above	594.19	31.45	(325.36)	656.11	(79.64)
Items not to be reclassified to profit or loss in subsequent periods					
Re-measurement gains / (losses) on defined employee benefit plans	2.21	(5.97)	(27.89)	41.97	0.49
Income tax effect on the above	(0.78)	2.09	9.75	(14.67)	(0.17)
Total OCI for the period, net of tax (B)	(1,104.79)	(62.44)	587.59	(1,194.21)	148.58
Total comprehensive income for the period (A+B)	4,100.55	2,622.10	2,494.95	10,856.34	7,842.91
Equity share capital	1,865.43	1,864.54	1,862.26	1,865.43	1,862.26
Other equity	34,906.59	30,730.23	30,773.97	34,906.59	30,773.97
Earnings per equity share (par value ₹ 10 per share)					
Basic (₹)	27.91	14.40	10.25	64.66	40.18
Diluted (₹)	27.74	14.30	10.15	64.17	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 31 March 2020	As at 31 March 2019
ASSETS		
Non-current assets		
Property, plant and equipment	1,306.95	886.05
Capital work-in-progress	72.67	15.77
Right-of-use assets	4,939.67	-
Other intangible assets	97.27	90.35
Intangible assets under development	-	13.41
Financial assets		
Investments	14,997.93	14,982.29
Trade receivables	-	10.60
Loans	612.74	702.06
Other financial assets	151.78	612.10
Deferred tax assets (net)	1,922.47	712.01
Income tax assets (net)	4,118.10	4,402.10
Other assets	1,238.48	840.87
Total non-current assets	29,458.06	23,267.61
Current assets		
Financial assets		
Investments	3,166.79	5,864.70
Trade receivables	7,684.46	5,017.52
Unbilled receivables	3,596.83	2,818.67
Cash and cash equivalents	7,485.30	1,438.31
Bank balances other than cash and cash equivalents	-	27.03
Loans	1,158.28	1,032.18
Other financial assets	584.67	1,134.84
Other assets	1,989.24	2,176.20
Total current assets	25,665.57	19,509.45
TOTAL ASSETS	55,123.63	42,777.06
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,865.43	1,862.26
Other equity	34,906.59	30,773.97
Total equity	36,772.02	32,636.23
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Lease liabilities	4,853.38	-
Other financial liabilities	627.52	39.57
Employee benefit obligations	687.76	778.59
Other liabilities	-	91.52
Total non-current liabilities	6,168.66	909.68
Current liabilities		
Financial liabilities		
Borrowings	2,345.62	2,383.10
Lease liabilities	951.04	-
Trade payables		
- outstanding dues to micro and small enterprises	5.07	4.87
- outstanding dues to creditors other than micro and small enterprises	5,028.00	3,321.10
Other financial liabilities	2,750.84	1,786.13
Employee benefit obligations	187.06	180.52
Provisions	55.34	83.23
Income tax liabilities (net)	311.59	1,101.03
Other liabilities	548.39	371.17
Total current liabilities	12,182.95	9,231.15
TOTAL EQUITY AND LIABILITIES	55,123.63	42,777.06

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

	Year ended 31 March 2020	Year ended 31 March 2019
Standalone statement of cash flows		
Operating activities		
Profit before tax	13,876.37	9,727.00
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortization expense	1,532.43	383.85
Utilization of the rent equalisation reserve	-	412.43
Profit on sale of property, plant and equipment and intangible assets	(15.46)	(23.17)
Net gain on investments carried at fair value through profit and loss	(380.86)	(706.40)
Share based payment expenses	39.58	79.76
Provision for expected credit loss	89.19	42.67
Provision against investment in subsidiary	-	4.38
Finance costs	630.43	66.74
Interest income	(386.25)	(102.11)
Dividend income	(2,021.82)	(0.04)
Others	(108.05)	(4.27)
Unrealized exchange (gain)/loss, net	(150.62)	87.76
Operating profit before changes in operating assets and liabilities	13,104.94	9,968.60
Changes in operating assets and liabilities		
Trade receivables and unbilled receivables	(3,193.03)	(419.29)
Loans	(168.28)	193.56
Other financial assets	487.33	191.30
Other assets	(400.04)	(139.40)
Trade payables	1,707.10	211.56
Other financial liabilities	380.90	825.01
Provisions and employee benefit obligations	(70.21)	(112.43)
Other liabilities	178.19	(185.74)
Total changes in operating assets and liabilities	(1,078.04)	564.57
Income tax paid (net of refunds)	(2,596.99)	(2,077.27)
Net cash flows generated from operating activities (A)	9,429.91	8,455.90
Investing activities		
Purchase of property, plant and equipment and intangible assets	(913.77)	(702.16)
Proceeds from sale of property, plant and equipment and intangible assets	17.11	28.73
Purchase of investments	(55,705.05)	(50,331.68)
Sale of investments	58,768.18	55,440.85
Interest received	176.34	131.12
Dividends received	2,021.82	0.04
Re-investment of dividend	-	(0.04)
Investments in bank deposits	(70.00)	(187.18)
Redemption / maturity of bank deposits	27.01	163.15
Net cash flows generated from investing activities (B)	4,321.64	4,542.83
Financing activities		
Proceeds from issue of shares	151.40	103.69
Payment towards buy back of shares (including buy-back expenses ₹ 66.44)	-	(9,949.19)
Repayment of borrowings	(5,841.60)	(1,371.13)
Availment of borrowings	5,587.49	2,393.99
Interest paid	(599.07)	(58.83)
Repayment of lease liabilities	(937.53)	-
Dividends paid	(6,065.25)	(4,654.82)
Net cash flows used in financing activities (C)	(7,704.56)	(13,536.29)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	6,046.99	(537.56)
Cash and cash equivalents at the beginning of the year	1,438.31	1,975.87
Cash and cash equivalents at the end of the year	7,485.30	1,438.31

Notes:

- The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) 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 13 May 2020. The statutory auditors have expressed an unmodified audit opinion on these results.
- The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019 using the modified retrospective method with the cumulative effect of initially applying the Standard, recognised 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 recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.
- 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 quarter ended 30 September 2019.
- The Board of Directors in their meeting held on 13 May 2020 have proposed a final dividend of ₹ 35 per equity share for the year ended 31 March 2020 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 ₹ 6,528.75.
- The figures for the current quarter ended 31 March 2020 are the balancing figures between audited figures for full financial year and audited year - to - date figures upto 31 December 2019. The figures for the corresponding previous quarter ended 31 March 2019 are the balancing figures between audited figures for full financial year and the audited year - to - date figures upto 31 December 2018.

 By Order of the Board,
 Mphasis Limited

 New York
 13 May 2020

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 Nitin Rakesh
 Chief Executive Officer