

**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>

**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**

New York  
21 January 2021

**Nitin Rakesh  
Chief Executive Officer**