

Statement of Standalone Audited Financial Results for the quarter and year ended 31 March 2021

| Particulars | Audited | | | | |
|---|------------------|------------------|-------------------|------------------|-------------------|
| | Quarter ended | | | Year ended | |
| | 31 March 2021 | 31 December 2020 | 31 March 2020 | 31 March 2021 | 31 March 2020 |
| | (refer note 6) | | | (refer note 6) | |
| Revenue from operations | 15,396.56 | 14,829.52 | 12,095.25 | 55,612.51 | 43,471.39 |
| Other income | 236.62 | 268.29 | 2,437.41 | 894.59 | 3,232.90 |
| Total income (I) | 15,633.18 | 15,097.81 | 14,532.66 | 56,507.10 | 46,704.29 |
| Expenses | | | | | |
| Employee benefits expense | 4,507.92 | 4,392.16 | 4,397.45 | 17,745.41 | 16,621.10 |
| Finance costs | 119.15 | 122.80 | 166.17 | 520.52 | 630.43 |
| Depreciation and amortization expense | 372.08 | 375.79 | 397.62 | 1,505.51 | 1,532.43 |
| Other expenses | 6,426.52 | 6,400.82 | 4,076.11 | 22,278.02 | 14,043.96 |
| Total expenses (II) | 11,425.67 | 11,291.57 | 9,037.35 | 42,049.46 | 32,827.92 |
| Profit before tax (III) [(I)-(II)] | 4,207.51 | 3,806.24 | 5,495.31 | 14,457.64 | 13,876.37 |
| Tax expense | | | | | |
| Current tax | 1,072.64 | 681.06 | 245.26 | 3,367.03 | 2,029.91 |
| Deferred tax | (19.08) | (37.85) | 44.71 | (13.01) | (204.09) |
| Total tax expense | 1,053.56 | 643.21 | 289.97 | 3,354.02 | 1,825.82 |
| Profit for the period (A) | 3,153.95 | 3,163.03 | 5,205.34 | 11,103.62 | 12,050.55 |
| 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 | 204.74 | 346.07 | (1,700.41) | 2,205.21 | (1,877.62) |
| Income tax effect on the above | (71.55) | (120.93) | 594.19 | (770.59) | 656.11 |
| Items not to be reclassified to profit or loss in subsequent periods | | | | | |
| Re-measurement gains / (losses) on defined employee benefit plans | (2.42) | (34.18) | 2.21 | (77.08) | 41.97 |
| Income tax effect on the above | 0.85 | 11.95 | (0.78) | 26.94 | (14.67) |
| Total OCI for the period, net of tax (B) | 131.62 | 202.91 | (1,104.79) | 1,384.48 | (1,194.21) |
| Total comprehensive income for the period (A+B) | 3,285.57 | 3,365.94 | 4,100.55 | 12,488.10 | 10,856.34 |
| Equity share capital | 1,870.49 | 1,867.39 | 1,865.43 | 1,870.49 | 1,865.43 |
| Other equity | 41,229.97 | 37,760.66 | 34,906.59 | 41,229.97 | 34,906.59 |
| Earnings per equity share (par value ₹ 10 per share) | | | | | |
| Basic (₹) | 16.87 | 16.94 | 27.91 | 59.48 | 64.66 |
| Diluted (₹) | 16.65 | 16.73 | 27.74 | 58.79 | 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.

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

| Standalone Balance Sheet | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 1,583.53 | 1,306.95 |
| Capital work-in-progress | 6.57 | 72.67 |
| Right-of-use assets | 4,298.72 | 4,939.67 |
| Other intangible assets | 75.42 | 97.27 |
| Financial assets | | |
| Investments | 16,061.89 | 14,997.93 |
| Loans | 454.87 | 612.74 |
| Other financial assets | 335.05 | 151.78 |
| Deferred tax assets (net) | 931.26 | 1,922.47 |
| Income tax assets (net) | 4,585.79 | 4,118.10 |
| Other assets | 585.59 | 1,238.48 |
| Total non-current assets | 28,918.69 | 29,458.06 |
| Current assets | | |
| Financial assets | | |
| Investments | 7,739.73 | 3,166.79 |
| Trade receivables | 5,944.53 | 7,684.46 |
| Unbilled receivables | 4,984.52 | 3,596.83 |
| Cash and cash equivalents | 4,891.44 | 7,464.52 |
| Bank balances other than cash and cash equivalents | 1,646.58 | 20.78 |
| Loans | 1,358.68 | 1,158.28 |
| Other financial assets | 1,301.12 | 584.67 |
| Other assets | 2,655.77 | 1,989.24 |
| Total current assets | 30,522.37 | 25,665.57 |
| TOTAL ASSETS | 59,441.06 | 55,123.63 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Share capital | 1,870.49 | 1,865.43 |
| Other equity | 41,229.97 | 34,906.59 |
| Total equity | 43,100.46 | 36,772.02 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Lease liabilities | 4,359.31 | 4,853.38 |
| Other financial liabilities | 35.52 | 627.52 |
| Employee benefit obligations | 703.68 | 687.76 |
| Other liabilities | 4.63 | - |
| Total non-current liabilities | 5,103.14 | 6,168.66 |
| Current liabilities | | |
| Financial liabilities | | |
| Borrowings | 1,881.10 | 2,345.62 |
| Lease liabilities | 786.83 | 951.04 |
| Trade payables | | |
| - outstanding dues to micro and small enterprises | 4.93 | 5.07 |
| - outstanding dues to creditors other than micro and small enterprises | 5,038.44 | 5,028.00 |
| Other financial liabilities | 909.85 | 2,750.84 |
| Other liabilities | 711.94 | 548.39 |
| Employee benefit obligations | 257.76 | 187.06 |
| Provisions | 408.42 | 55.34 |
| Income tax liabilities (net) | 1,238.19 | 311.59 |
| Total current liabilities | 11,237.46 | 12,182.95 |
| TOTAL EQUITY AND LIABILITIES | 59,441.06 | 55,123.63 |

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

| Standalone statement of cash flows | Year ended 31 March 2021 | Year ended 31 March 2020 |
|---|-----------------------------|-----------------------------|
| Operating activities | | |
| Profit before tax | 14,457.64 | 13,876.37 |
| Adjustments to reconcile profit before tax to net cash provided by operating activities: | | |
| Depreciation and amortization expense | 1,505.51 | 1,532.43 |
| Profit on sale of property, plant and equipment and intangible assets | (4.30) | (15.46) |
| Net gain on investments carried at fair value through profit and loss | (369.72) | (380.86) |
| Share based payment expenses | 35.14 | 39.58 |
| Provision for expected credit loss | 107.59 | 89.19 |
| Finance costs | 520.52 | 630.43 |
| Interest income | (106.09) | (386.25) |
| Dividend income | - | (2,021.82) |
| Others | (103.31) | (108.05) |
| Unrealized exchange gain, net | (104.21) | (150.62) |
| Operating profit before changes in operating assets and liabilities | 15,938.77 | 13,104.94 |
| Changes in operating assets and liabilities | | |
| Trade receivables and unbilled receivables | 275.64 | (3,193.03) |
| Loans | 17.19 | (168.28) |
| Other financial assets | 231.11 | 487.33 |
| Other assets | (390.07) | (400.04) |
| Trade payables | 10.30 | 1,707.10 |
| Other financial liabilities | (1,066.80) | 380.90 |
| Other liabilities | 168.18 | 178.19 |
| Provisions and employee benefit obligations | 362.62 | (70.21) |
| Total changes in operating assets and liabilities | (391.83) | (1,078.04) |
| Income tax paid (net of refunds) | (2,647.55) | (2,596.99) |
| Net cash flows generated from operating activities (A) | 12,899.39 | 9,429.91 |
| Investing activities | | |
| Purchase of property, plant and equipment and intangible assets | (710.98) | (913.77) |
| Proceeds from sale of property, plant and equipment and intangible assets | 4.93 | 17.11 |
| Purchase of investments | (50,553.58) | (55,705.05) |
| Sale of investments | 45,286.39 | 58,768.18 |
| Interest received | 77.04 | 176.34 |
| Dividends received | - | 2,021.82 |
| Investments in bank deposits | (1,584.69) | (70.06) |
| Redemption / maturity of bank deposits | 81.09 | 27.01 |
| Net cash flows (used in) / generated from investing activities (B) | (7,399.80) | 4,321.58 |
| Financing activities | | |
| Proceeds from issue of shares | 268.03 | 151.40 |
| Repayment of borrowings | (6,134.29) | (5,841.60) |
| Availment of borrowings | 5,728.91 | 5,587.49 |
| Interest paid | (504.56) | (599.07) |
| Repayment of lease liabilities | (903.98) | (937.53) |
| Dividends paid including DDT amounting to ₹ nil (31 March 2020: ₹ 1,034.18) | (6,526.78) | (6,065.25) |
| Net cash flows used in financing activities (C) | (8,072.67) | (7,704.56) |
| Net (decrease)/ increase in cash and cash equivalents (A+B+C) | (2,573.08) | 6,046.93 |
| Cash and cash equivalents at the beginning of the year | 7,464.52 | 1,417.59 |
| Cash and cash equivalents at the end of the year | 4,891.44 | 7,464.52 |



Notes:

- 1 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 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 13 May 2021. The statutory auditors have expressed an unmodified audit opinion on these results.
- 2 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.
- 3 The Board of Directors in their meeting held on 13 May 2021 have proposed a final dividend of ₹ 65 per equity share for the year ended 31 March 2021 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 ₹ 12,157.73.
- 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 Code will have an impact on the contributions towards gratuity and provident fund made by the Company. 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.
- 5 **Impact of the Global Pandemic ('Covid-19')**
The Company has taken into account the possible impacts of Covid-19 in preparation of the standalone 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, both internal and external, upto the date of approval of the standalone financial statements / results and expects to recover the carrying amount of its assets. The impact of Covid-19 on the standalone financial statements / results may differ from that estimated as at the date of approval of these standalone financial statements / results.
- 6 The figures for the current quarter ended 31 March 2021 are the balancing figures between audited figures for full financial year and audited year - to - date figures upto 31 December 2020. The figures for the corresponding previous quarter ended 31 March 2020 are the balancing figures between audited figures for full financial year and the audited year - to - date figures upto 31 December 2019.

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

New York
13 May 2021

**Nitin Rakesh
Chief Executive Officer**