



**Audited condensed consolidated interim financial statements as at and
for the quarter and nine months ended 31 December 2025**

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Mphasis Limited
Condensed consolidated interim financial statements

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET	(₹ million)	
	As at 31 December 2025	As at 31 March 2025
ASSETS		
Non-current assets		
Property, plant and equipment	1,989.83	1,771.09
Capital work-in-progress	3.12	1.82
Right-of-use assets	6,553.23	6,444.73
Goodwill	45,226.59	42,907.06
Other intangible assets	8,143.40	6,691.92
Equity accounted investees	324.37	-
Financial assets		
Investments	4,356.92	4,237.77
Trade receivables	4,036.65	3,196.76
Other financial assets	1,679.20	1,752.33
Deferred tax assets (net)	4,212.87	3,246.10
Other tax assets (net)	8,419.37	7,966.91
Other assets	7,765.98	988.60
Total non-current assets	92,711.53	79,205.09
Current assets		
Financial assets		
Investments	12,413.72	17,844.25
Trade receivables	34,983.18	28,407.25
Cash and cash equivalents	12,100.47	9,863.45
Bank balances other than cash and cash equivalents	5,244.88	6,262.35
Loans	160.54	385.56
Other financial assets	3,461.69	1,600.39
Other assets	10,579.36	5,497.95
Total current assets	78,943.84	69,861.20
TOTAL ASSETS	171,655.37	149,066.29
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,905.65	1,900.84
Other equity	99,759.96	94,383.12
Total equity	101,665.61	96,283.96
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Lease liabilities	5,788.39	5,839.58
Other financial liabilities	1,074.03	305.16
Provisions	848.16	527.46
Deferred tax liabilities (net)	1,643.88	1,623.03
Total non-current liabilities	9,354.46	8,295.23
Current liabilities		
Financial liabilities		
Borrowings	16,192.77	11,159.43
Lease liabilities	2,029.47	1,883.22
Trade payables		
- outstanding dues to micro and small enterprises	33.87	35.16
- outstanding dues to creditors other than micro and small enterprises	13,151.78	9,749.51
Other financial liabilities	18,534.30	13,189.28
Other liabilities	3,619.40	2,624.38
Provisions	3,937.83	3,107.87
Current tax liabilities (net)	3,135.88	2,738.25
Total current liabilities	60,635.30	44,487.10
TOTAL EQUITY AND LIABILITIES	171,655.37	149,066.29

The accompanying explanatory notes form an integral part of these condensed consolidated interim financial statements.

As per our report of even date attached.

for **B S R & Co. LLP**

for and on behalf of the Board of Directors

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

Arjun Ramesh

Partner

Membership No. 218495

Bengaluru
22 January 2026

Nitin Rakesh

Chief Executive Officer &
Managing Director

DIN : 00042261
Bengaluru

Aravind Viswanathan

Chief Financial Officer

Bengaluru
22 January 2026

Maureen Anne Erasmus

Director

DIN : 09419036
Bengaluru

Mayank Verma

Senior Vice President & Company
Secretary

Bengaluru
Membership No . A18776

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS				(₹ million)
	Quarter ended 31 December 2025	Quarter ended 31 December 2024	Nine months ended 31 December 2025	Nine months ended 31 December 2024
Income				
Revenue from operations	40,025.79	35,613.38	116,369.79	105,199.46
Other income	623.82	627.51	2,179.73	1,950.46
Total income (I)	40,649.61	36,240.89	118,549.52	107,149.92
Expenses				
Employee benefits expense	22,239.15	19,890.00	66,110.96	60,370.41
Finance costs	411.26	391.76	1,267.20	1,294.34
Depreciation and amortization expense	1,428.52	1,324.21	4,024.77	3,409.91
Other expenses	10,269.82	8,943.41	28,477.54	25,384.84
Total expenses (II)	34,348.75	30,549.38	99,880.47	90,459.50
Profit before share of profit/(loss) of equity accounted investees	6,300.86	5,691.51	18,669.05	16,690.42
Share of profit/ (loss) of equity accounted investees, net of tax (III)	(15.14)	-	(34.80)	-
Profit before exceptional items and tax	6,285.72	5,691.51	18,634.25	16,690.42
Exceptional items (IV)				
Impact of change in labour laws	354.77	-	354.77	-
Profit before tax (V) [I-II-III-IV]	5,930.95	5,691.51	18,279.48	16,690.42
Tax expense				
Current tax	1,626.97	1,458.70	5,267.20	4,397.92
Deferred tax	(117.87)	(45.26)	(517.34)	(263.97)
Total tax expense	1,509.10	1,413.44	4,749.86	4,133.95
Profit for the period (A)	4,421.85	4,278.07	13,529.62	12,556.47
Other comprehensive income ('OCI')				
Items not to be reclassified to profit or loss in subsequent periods				
Re-measurement losses on defined employee benefit plans	(7.95)	(42.33)	(29.92)	(59.83)
Income tax effect on the above	2.00	10.70	7.95	14.54
Items to be reclassified to profit or loss in subsequent periods				
Exchange differences on translation of financial statements of foreign operations	507.36	49.64	2,790.26	578.37
Net change in fair value of derivatives designated as cash flow hedges	(121.57)	(774.77)	(1,409.34)	(886.21)
Income tax effect on fair value of derivatives designated as cash flow hedges	30.59	194.99	354.70	223.04
Net change in fair value of investments in debt instruments carried at fair value through OCI	(2.40)	(2.52)	0.10	10.56
Income tax effect on fair value of investments in debt instruments	0.60	0.32	(0.03)	(2.19)
Total OCI/(losses) for the period, net of tax (B)	408.63	(563.97)	1,713.72	(121.72)
Total comprehensive income for the period (A+B)	4,830.48	3,714.10	15,243.34	12,434.75

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS					(₹ million)
	Quarter ended 31 December 2025	Quarter ended 31 December 2024	Nine months ended 31 December 2025	Nine months ended 31 December 2024	
Profit for the period attributable to:					
Equity owners of the Company	4,421.85	4,278.07	13,529.62	12,556.47	
Non-controlling interests	-	-	-	-	
	4,421.85	4,278.07	13,529.62	12,556.47	
OCI / (losses) for the period attributable to:					
Equity owners of the Company	408.63	(563.97)	1,713.72	(121.72)	
Non-controlling interests	-	-	-	-	
	408.63	(563.97)	1,713.72	(121.72)	
Total comprehensive income for the period attributable to:					
Equity owners of the Company	4,830.48	3,714.10	15,243.34	12,434.75	
Non-controlling interests	-	-	-	-	
	4,830.48	3,714.10	15,243.34	12,434.75	
Earnings per equity share (par value ₹ 10 per share)					
Basic (₹)	23.22	22.58	71.09	66.36	
Diluted (₹)	23.13	22.41	70.80	65.88	
Weighted average number of shares – Basic	190,441,703	189,462,390	190,308,243	189,218,419	
Weighted average number of shares – Diluted	191,187,782	190,869,840	191,105,567	190,592,607	

The accompanying explanatory notes form an integral part of these condensed consolidated interim financial statements.
As per our report of even date attached.

for **B S R & Co. LLP**

for **and on behalf of the Board of Directors**

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

Arjun Ramesh

Partner

Membership No. 218495

Nitin Rakesh

Chief Executive Officer &
Managing Director

DIN : 00042261

Bengaluru

Maureen Anne Erasmus

Director

DIN : 09419036

Bengaluru

Aravind Viswanathan

Chief Financial Officer

Bengaluru

22 January 2026

Mayank Verma

Senior Vice President & Company
Secretary

Bengaluru

Membership No . A18776

Bengaluru

22 January 2026

Mphasis Limited
Condensed consolidated interim financial statements

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

a. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. in million	₹ million
As at 1 April 2025	190.08	1,900.84
Issue of shares	0.48	4.81
As at 31 December 2025	190.56	1,905.65
As at 1 April 2024	189.00	1,890.05
Issue of shares	0.66	6.60
As at 31 December 2024	189.66	1,896.65

b. Other equity (₹ million)

	Attributable to the equity owners of the Company										Total equity attributable to equity shareholders of the Company
	Reserves and surplus							Items of OCI			
	a	b	c	d	e	f	g	h	i	j	
	Securities premium	General reserve	Retained earnings	Capital reserve	Capital redemption reserve	Special Economic Zone re-investment reserve	Share based payments reserve	Cash flow hedging reserve	Investments in debt instruments	Foreign currency translation reserve	
As at 1 April 2025	3,704.03	2,120.13	73,913.30	361.39	251.66	668.83	2,344.76	9.35	0.54	11,009.13	94,383.12
Profit for the period	-	-	13,529.62	-	-	-	-	-	-	-	13,529.62
Other comprehensive income / (losses), net of tax	-	-	(21.97)	-	-	-	-	(1,054.64)	0.07	2,790.26	1,713.72
Total comprehensive income for the period	-	-	13,507.65	-	-	-	-	(1,054.64)	0.07	2,790.26	15,243.34
Transactions with owners of the Company											
Dividends *	-	-	(10,429.75)	-	-	-	-	-	-	-	(10,429.75)
Issue of shares on exercise of stock options	921.36	37.95	-	-	-	-	(783.18)	-	-	-	176.13
Total contributions and distributions	921.36	37.95	(10,429.75)	-	-	-	(783.18)	-	-	-	(10,253.62)
Transferred from Special Economic Zone re-investment reserve	-	-	668.83	-	-	(668.83)	-	-	-	-	-
Share based payments	-	-	-	-	-	-	387.12	-	-	-	387.12
As at 31 December 2025	4,625.39	2,158.08	77,660.03	361.39	251.66	-	1,948.70	(1,045.29)	0.61	13,799.39	99,759.96
As at 1 April 2024	2,432.99	2,067.15	67,097.38	361.39	251.66	936.37	2,532.56	229.59	(3.40)	10,150.26	86,055.95
Profit for the period	-	-	12,556.47	-	-	-	-	-	-	-	12,556.47
Other comprehensive income / (losses), net of tax	-	-	(45.29)	-	-	-	-	(663.17)	8.37	578.37	(121.72)
Total comprehensive income for the period	-	-	12,511.18	-	-	-	-	(663.17)	8.37	578.37	12,434.75
Transactions with owners of the Company											
Dividends	-	-	(10,400.91)	-	-	-	-	-	-	-	(10,400.91)
Issue of shares on exercise of stock options	957.13	29.22	-	-	-	-	(656.21)	-	-	-	330.14
Allotment of bonus shares earlier held in abeyance	-	-	(0.01)	-	-	-	-	-	-	-	(0.01)
Total contributions and distributions	957.13	29.22	(10,400.92)	-	-	-	(656.21)	-	-	-	(10,070.78)
Transferred from Special Economic Zone re-investment reserve	-	-	207.27	-	-	(207.27)	-	-	-	-	-
Share based payments	-	-	-	-	-	-	421.98	-	-	-	421.98
As at 31 December 2024	3,390.12	2,096.37	69,414.91	361.39	251.66	729.10	2,298.33	(433.58)	4.97	10,728.63	88,841.90

Loss of ₹ 21.97 and ₹ 45.29 on re-measurement of defined employee benefit plans (net of tax) is recognised as part of retained earnings for the nine months ended 31 December 2025 and 31 December 2024, respectively.

* Net of refund of Dividend distribution tax of ₹ 415.59 million (31 December 2024 : Nil).

Mphasis Limited
Condensed consolidated interim financial statements

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve:

- a. **Securities premium** - Securities premium reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
- b. **General reserve** - General reserve represents appropriation of profits. This represents a free reserve and is available for dividend distributions. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.
- c. **Retained earnings** - Retained earnings comprises of prior and current year's undistributed earnings after tax.
- d. **Capital reserve** - ₹ 265.16 million represents receipts during the year ended 31 October 2012, upon termination of Mphasis Employee Welfare Trust, in accordance with the Declaration of Trust made for administration of share-based payment plan in relation to erstwhile employees of Mphasis Corporation. The net assets of the Trust were transferred to the Company upon completion of its objectives in accordance with the provisions of the said Declaration of Trust. The same will be utilized for the purposes as permitted by the Companies Act, 2013. ₹ 94.00 million represents Capital reserve created on redemption of redeemable preference share during the year ended 31 March 2007.
- e. **Capital Redemption Reserve ('CRR')** - Capital Redemption Reserve is created to the extent of the nominal value of the share capital extinguished on buyback of Company's own shares in accordance with Section 69 of the Companies Act, 2013. The reserve will be utilized in accordance with the provisions of section 69 of the Companies Act, 2013.
- f. **Special Economic Zone re-investment reserve** - The Special Economic Zone Re-Investment Reserve has been created out of the profits of eligible SEZ units in accordance with the provisions of section 10AA(1)(ii) of Income Tax Act, 1961. The reserve is required to be utilized by the Company for acquiring eligible plant and machinery for the purpose of its business.
- g. **Share based payments reserve** - Share based payments reserve is used to record the fair value of equity-settled share-based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees.
- h. **Cash flow hedging reserve** - Cumulative changes in the fair value of financial instruments designated and effective as a hedge are recognized in this reserve through OCI (net of taxes). Amounts recognized in the hedging reserve are reclassified to the statement of profit and loss when the underlying transaction occurs.
- i. **Investments in debt instruments** - This reserve represents the cumulative gains and losses arising on the revaluation of debt instruments (excluding interest income recognised in the consolidated statement of profit and loss) on the balance sheet date measured at fair value through OCI (net of taxes). The reserves accumulated will be reclassified to profit and loss when such instruments are disposed.
- j. **Foreign currency translation reserve ('FCTR')** - Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their respective functional currencies to the Company's presentation currency are recognized directly in OCI and accumulated in the FCTR. When a foreign operation is disposed off, the relevant amount recognized in FCTR is transferred to the statement of profit or loss as part of the profit or loss on disposal.

The accompanying explanatory notes form an integral part of these condensed consolidated interim financial statements.

As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

for **and on behalf of the Board of Directors**

Arjun Ramesh
Partner
Membership No. 218495

Bengaluru
22 January 2026

Nitin Rakesh
Chief Executive Officer & Managing Director
DIN : 00042261
Bengaluru

Aravind Viswanathan
Chief Financial Officer
Bengaluru
22 January 2026

Maureen Anne Erasmus
Director
DIN : 09419036
Bengaluru

Mayank Verma
Senior Vice President & Company Secretary
Bengaluru
Membership No . A18776

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS	(₹ million)	
	Nine months ended	Nine months ended
	31 December 2025	31 December 2024
Operating activities		
Profit before tax	18,279.48	16,690.42
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortization expense	4,024.77	3,409.91
Profit on sale of property, plant and equipment and intangible assets	(10.85)	(15.50)
Net gain on investments carried at fair value through profit and loss	(732.68)	(1,227.26)
Share based payment expenses	387.12	421.98
Share of loss of equity accounted investees, net of tax	34.80	-
Provision /(reversal) of expected credit loss	(452.85)	573.28
Finance costs	1,267.20	1,294.34
Interest income	(1,309.48)	(612.54)
Gain on lease modifications	(0.18)	(24.95)
Unrealized exchange (gain) / loss, net	(272.95)	(141.17)
Operating profit before changes in operating assets and liabilities	21,214.38	20,368.51
Changes in operating assets and liabilities		
Trade receivables	(5,126.18)	(2,301.41)
Loans	231.03	227.97
Other financial assets	(388.23)	(52.60)
Other assets	(11,178.26)	(193.27)
Trade payables	2,925.01	1,413.57
Other financial liabilities	5,650.09	827.10
Other liabilities	852.96	16.09
Provisions	999.15	(96.18)
Total changes in operating assets and liabilities	(6,034.43)	(158.73)
Income tax paid (net of refunds)	(4,628.62)	(5,374.83)
Net cash flows generated from operating activities (A)	10,551.33	14,834.95
Investing activities		
Purchase of property, plant and equipment and intangible assets	(2,052.80)	(533.12)
Proceeds from sale of property, plant and equipment and intangible assets	17.25	17.24
Purchase of investments	(66,633.93)	(74,362.55)
Sale of investments	72,580.31	81,165.58
Investment in equity accounted investees	(355.17)	-
Interest received	583.49	293.82
Payment of consideration/ deferred consideration for business acquisitions	(3,453.36)	(1,261.20)
Investments in bank deposits	(2,489.23)	(275.81)
Redemption / maturity of bank deposits	2,206.76	12.44
Net cash flows generated from investing activities (B)	403.32	5,056.40
Financing activities		
Proceeds from issue of shares	180.94	336.73
Repayment of borrowings	(3,796.51)	(18,657.84)
Availment of borrowings	8,201.74	12,737.77
Interest paid	(774.16)	(882.72)
Repayment of lease liabilities	(1,535.82)	(1,319.59)
Interest on repayment of lease liabilities	(384.23)	(422.94)
Dividends paid	(10,841.22)	(10,399.76)
Net cash flows used in financing activities (C)	(8,949.26)	(18,608.35)
Net increase in cash and cash equivalents (A+B+C)	2,005.39	1,283.00
Effect of exchange rate changes	231.63	(282.83)
Cash and cash equivalents at the beginning of the period	9,863.45	8,049.14
Cash and cash equivalents at the end of the period	12,100.47	9,049.31
Components of cash and cash equivalents		
In current accounts	11,602.67	7,946.51
Deposits with original maturity of less than 3 months	497.79	1,102.79
Cash on hand	0.01	0.01
Total cash and cash equivalents	12,100.47	9,049.31

Non-cash changes relating to foreign exchange loss pertaining to borrowings: ₹ 673.43 [31 December 2024: ₹ 279.83].

The accompanying explanatory notes form an integral part of these condensed consolidated interim financial statements.

As per our report of even date attached.

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors

Arjun Ramesh

Partner

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Bengaluru

22 January 2026

Mayank Verma

Senior Vice President & Company Secretary

Bengaluru

Membership No . A18776

Bengaluru

22 January 2026

EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The condensed consolidated interim financial statements comprise financial statements of Mphasis Limited ('the Company'), its subsidiaries and Group's interest in equity accounted investees (collectively referred to as 'the Mphasis Group' or 'the Group') as at and for the quarter and nine months ended 31 December 2025. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are listed on two recognised stock exchanges in India. The registered office of the Company is in Bengaluru, India.

Mphasis Group, a global Information Technology (IT) solutions provider specializing in providing cloud and cognitive services, 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 digital experience to clients and their end customers.

The principal activities of the below subsidiaries include providing Information Technology and Information Technology enabled services and sale of products, except for Digital Risk group which renders risk, compliance, and technology related services to customers in the mortgage industry.

The condensed consolidated interim financial statements as at and for the quarter and nine months ended 31 December 2025 have been approved by the Board of Directors on 22 January 2026.

Subsidiaries	Country of incorporation	Parent	% of holding	
			31 December 2025	31 March 2025
Mphasis Corporation	USA	Mphasis Limited	100	100
Mphasis Deutschland GmbH	Germany	Mphasis Limited	91	91
Mphasis Australia Pty Limited	Australia	Mphasis Limited	100	100
Mphasis (Shanghai) Software & Services Company Limited	China	Mphasis Limited	100	100
Mphasis Consulting Limited	United Kingdom	Mphasis Limited	100	100
Mphasis Ireland Limited	Ireland	Mphasis Limited	100	100
Mphasis Belgium BV	Belgium	Mphasis Limited	100	100
Mphasis Poland s.p.z.o.o.	Poland	Mphasis Limited	100	100
Mphasis Europe BV	The Netherlands	Mphasis Corporation	49.08	49.08
		Mphasis Limited	50.92	50.92
Mphasis Pte Limited	Singapore	Mphasis Europe BV	100	100
Mphasis UK Limited	United Kingdom	Mphasis Europe BV	100	100
Mphasis Software and Services (India) Private Limited	India	Mphasis Europe BV	100	100
Msource Mauritius Inc.	Mauritius	Mphasis Europe BV	100	100
Mphasis Wyde Inc.	USA	Mphasis UK Limited	100	100
Mphasis Philippines Inc.	Philippines	Mphasis Pte Limited	100	100
Msource (India) Private Limited	India	Msource Mauritius Inc.	100	100
Wyde Corporation Inc.	USA	Mphasis Wyde Inc.	100	100
Mphasis Wyde SASU	France	Wyde Corporation Inc.	100	100
Wyde Solutions Canada Inc.	Canada	Wyde Corporation Inc.	100	100
Digital Risk, LLC. *	USA	Mphasis Wyde Inc.	100	100
Digital Risk Mortgage Services, LLC. *	USA	Digital Risk, LLC.	100	100
Investor Services, LLC. *	USA	Digital Risk, LLC.	100	100
Digital Risk Services, LLC. * (formerly known as Digital Risk Valuation Services, LLC.)	USA	Digital Risk, LLC.	100	100
Stelligent Systems LLC	USA	Mphasis Corporation	100	100
Datalytx Limited	United Kingdom	Mphasis Consulting Limited	100	100
Datalytx MSS Limited	United Kingdom	Datalytx Limited	100	100
Dynamyx Limited	United Kingdom	Datalytx Limited	100	100
Mphasis Digi Information Technology Services (Shanghai) Limited	China	Mphasis (Shanghai) Software & Services Company Limited	100	100
Blink Interactive, Inc	USA	Mphasis Corporation	100	100
Mrald Limited ****	United Kingdom	Mphasis Consulting Limited	51	51
Mrald Services Limited	United Kingdom	Mrald Limited	100	100
Mphasis Solutions Services Corporation	USA	Mphasis Corporation	100	100
Mrald Services Private Limited	India	Mrald Limited	100	100
eBecs Limited	United Kingdom	Mphasis Consulting Limited	100	100
eBecs Business Solutions (Ireland) Limited	Ireland	eBecs Limited	100	100
Sonnick Partners LLC	USA	Mphasis Corporation	100	100
Shift US Holdings LLC	USA	Sonnick Partners LLC	100	100
Silverline Canada Holdings Inc	Canada	Shift US Holdings LLC	100	100
Sonnick CRM Solutions LLP	India	Sonnick Partners LLC	99	99
		Mphasis Corporation	1	1
Mphasis Arabia Limited	Saudi Arabia	Mphasis Ireland	100	100
Mphasis Lanka (Private) Limited [refer note 1a]	Sri Lanka	Mphasis Limited	100	100
PT. Mphasis Indonesia **	Indonesia	Mphasis Limited	-	-
Mphasis Infrastructure Services Inc. [refer note 1a]	USA	Mphasis Corporation	100	100
Aokah Inc. ***	USA	Mphasis Corporation	26	-
Mphasis Brazil Ltda ****	Brazil	Mphasis Belgium BV	100	-

* Forms part of Digital Risk group.

** Liquidated w.e.f 9 October 2024.

*** Acquired w.e.f. 3 July 2025
 **** Incorporated on 18 December 2025
 ***** Refer note 14: Subsequent events

List of Trusts that are consolidated.

- Mphasis Employees Benefit Trust.
- Mphasis Employees Equity Reward Trust.
- a) The application for winding up of Mphasis Lanka (Private) Limited and Mphasis Infrastructure Services Inc has been made.

Statement of compliance

The condensed consolidated interim financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) 34, Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, (as amended from time to time) presentation requirements of Division II of Schedule III to the Act and other relevant provisions of the Act.

2. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation

The condensed consolidated interim financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for the following assets and liabilities which have been measured at fair value.

- Derivative financial instruments.
- Investments classified as Fair Value Through Profit or Loss (‘FVTPL’) / Fair Value Through Other Comprehensive Income (‘FVTOCI’).
- Fair value of plan assets less present value of defined benefit obligations.
- Contingent consideration pertaining to business combination.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current and non-current as per the Group’s normal operating cycle of 12 months. Current assets do not include assets which are not expected to be realised within 12 months and current liabilities include only items where the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The Group’s condensed consolidated interim financial statements are presented in Indian Rupee (‘₹’). The functional currency of the Company and its Indian subsidiaries is Indian Rupee (‘₹’). The functional currency of foreign subsidiaries and its equity accounted investees is the currency of the primary economic environment in which the entity operates. All the values are rounded off to the nearest million (INR 000,000) except when otherwise indicated.

The statement of cash flows have been prepared under the indirect method.

The Group’s interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence i.e. power to participate in an entity’s financial and operating policy decisions, but it is not control or joint control over these policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss, OCI of equity-accounted investees and dividends received from the investee, until the date on which significant influence ceases. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group’s interest in the investees.

The material accounting policy information adopted by the Group in preparing the condensed consolidated interim financial statements are the same as those followed in the preparation of the annual consolidated financial statements as at and for the year ended 31 March 2025. These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements and the related notes as at and for the year ended 31 March 2025.

3. BUSINESS COMBINATION

a. EDZ

On 10 October 2024, the Company through its wholly owned subsidiary, Mphasis Corporation obtained control over cyber security business of EDZ systems (“EDZ”), focused on servicing a strategic customer of the company. As part of this transaction, certain identified employees /subcontractors of EDZ were taken over and a revenue contract with an identified customer was novated to Mphasis Corporation. The Group will benefit from EDZ’s capabilities in cybersecurity services business. The acquisition was executed for a consideration of ₹ 1,424.56 million (USD 17.00 million) is payable over a period of 16 months. The present value of which amounts to ₹ 1,396.03 million (USD 16.66 million). This is inclusive of a contingent consideration of ₹ 558.05 million (USD 6.66 million), payable subject to achieving certain defined milestones. The identified intangible assets are tax-deductible.

The following table shows the final allocation of purchase price:

Description	Use ful life	Fair value adjustments	Purchase price allocated
Customer relationship	4.25 years	1,228.43	1,228.43
Customer contracts	0.25 years	167.60	167.60
Total		1,396.03	1,396.03
Goodwill			-
Total purchase price			1,396.03

b. tsQs

On 12 February 2025, the Company through its wholly owned subsidiary, Mphasis Corporation obtained control over software testing business of tsQs Inc (“tsQs”) focused on servicing a strategic customer of the Company. As part of this transaction, certain identified employees of tsQs were taken over and a revenue contract with an identified customer was novated to Mphasis Corporation. The acquisition was executed for a consideration of ₹ 2,307.83 million (USD 27.00 million) is payable over a period of 12 months. The present value of which amounts to ₹ 2,266.78 million (USD 26.52 million). This is inclusive of a contingent consideration of ₹ 1,241.08 million (USD 14.52 million), payable subject to achieving certain defined milestones. The identified intangible assets are tax-deductible.

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The following table shows the final allocation of purchase price:

			(₹ million)	
Description	Useful life	Fair value adjustments	Purchase price allocated	
Customer relationship	4 years	1,994.57	1,994.57	
Customer contracts	0.5 years	272.21	272.21	
Total		2,266.78	2,266.78	
Goodwill			-	
Total purchase price			2,266.78	

c. Locate

On 01 September 2025, the Company through its wholly owned subsidiary, Mphasis Corporation obtained control over the digital transformation management business of Locate Software Inc (“Locate”), focused on servicing a strategic customer of the Group. As part of this transaction, certain identified employees /subcontractors of Locate were taken over and a revenue contract with an identified customer was novated to Mphasis Corporation. The Group will benefit from Locate’s capabilities in digital transformation management services business. The acquisition was executed for a consideration of ₹ 754.74 million (USD 8.50 million) which is payable over a period of 15 months. The present value of which amounts to ₹ 736.61 million (USD 8.30 million). This is inclusive of a contingent consideration of ₹ 559.03 million (USD 6.30 million), payable subject to achieving certain defined milestones. The identified intangible assets are tax-deductible.

The following table shows the final allocation of purchase price:

Description	Useful life	Fair value adjustments	Purchase price allocated	
Customer relationship	4.34 years	647.39	647.39	
Customer contracts	0.58 years	89.22	89.22	
Total		736.61	736.61	
Goodwill			-	
Total purchase price			736.61	

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Aokah Inc.

On 03 July 2025, the Company through its wholly owned subsidiary, Mphasis Corporation acquired a 26 % stake (on a fully diluted basis) in Aokah Inc. (‘Aokah’) for a consideration of ₹ 355.17 million (USD 4 million). The Group has determined that it has significant influence over Aokah on account of its ownership and the right to appoint two directors on the Board. Aokah is expected to support the Group in generating customer opportunities with prospective global capability center customers. The Group’s share of loss and other comprehensive income / (loss) from the equity accounted investees for the period from 03 July 2025 to 31 December 2025 is ₹ 34.80 million and nil respectively.

5. FINANCIAL INSTRUMENTS

The carrying value of financial instruments by categories is as follows:

(₹ million)

Particulars (as at 31 December 2025)	FVTPL	FVTOCI	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortized cost	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	12,100.47	12,100.47
Bank balances other than cash and cash equivalents	-	-	-	-	5,244.88	5,244.88
Investments	11,098.01	2,814.00	-	-	2,858.63	16,770.64
Trade receivables	-	-	-	-	39,019.83	39,019.83
Loans	-	-	-	-	160.54	160.54
Derivative assets	-	-	12.49	74.13	-	86.62
Other financial assets	-	-	-	-	5,054.27	5,054.27
Total	11,098.01	2,814.00	12.49	74.13	64,438.62	78,437.25
Financial liabilities						
Borrowings	-	-	-	-	16,192.77	16,192.77
Lease liabilities	-	-	-	-	7,817.86	7,817.86
Trade payables	-	-	-	-	13,185.65	13,185.65
Derivative liabilities	-	-	1,409.35	50.66	-	1,460.01
Other financial liabilities	2,275.68	-	-	-	15,872.64	18,148.32
Total	2,275.68	-	1,409.35	50.66	53,068.92	56,804.61
Particulars (as at 31 March 2025)						
Financial assets						
Cash and cash equivalents	-	-	-	-	9,863.45	9,863.45
Bank balances other than cash and cash equivalents	-	-	-	-	6,262.35	6,262.35
Investments	16,363.96	220.38	-	-	5,497.68	22,082.02
Trade receivables	-	-	-	-	31,604.01	31,604.01
Loans	-	-	-	-	385.56	385.56
Derivative assets	-	-	227.94	26.25	-	254.19
Other financial assets	-	-	-	-	3,098.53	3,098.53
Total	16,363.96	220.38	227.94	26.25	56,711.58	73,550.11
Financial liabilities						
Borrowings	-	-	-	-	11,159.43	11,159.43
Lease liabilities	-	-	-	-	7,722.80	7,722.80
Trade payables	-	-	-	-	9,784.67	9,784.67
Derivative liabilities	-	-	215.46	165.70	-	381.16
Other financial liabilities	1,839.14	-	-	-	11,274.14	13,113.28
Total	1,839.14	-	215.46	165.70	39,941.04	42,161.34

Fair value hierarchy

Particulars	As at 31 December 2025				As at 31 March 2025			
	Fair value measurements at reporting date using				Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Investments	13,912.01	13,912.01	-	-	16,584.34	16,584.34	-	-
Derivative assets	86.62	-	86.62	-	254.19	-	254.19	-
Liabilities								
Derivative liabilities	1,460.01	-	1,460.01	-	381.16	-	381.16	-
Other financial liabilities	2,275.68	-	-	2,275.68	1,839.14	-	-	1,839.14

6. TAXES

a. The Organisation for Economic Co-operation and Development (OECD) has released model rules for global minimum tax ('Pillar Two rules'). Pillar Two rules have been enacted, or substantively enacted, in certain jurisdictions where the Group operates. The Group falls within the scope of the Pillar Two rules and has evaluated the potential exposure to global minimum tax for jurisdictions where these legislations have been enacted. The Group does not anticipate any material financial impact for the current period in these jurisdictions. Additionally, the Group has applied the mandatory deferred tax accounting relief and has not recognized the impact on deferred taxes pursuant to the Pillar Two rules.

7. IMPACT OF CHANGE IN LABOUR LAWS:

On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws (collectively referred to as "the New Labour Codes"). The Ministry of Labour & Employment published draft Central Rules and FAQs to clarify certain aspects and enable assessment of the financial impact due to changes in regulations. Amongst other things, the New Labour Codes prescribes a uniform definition of wages based on which certain employee benefits such as gratuity, leave encashment, contributions to provident fund and statutory bonus are required to be computed. The Group has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and the non-recurring nature of the impact of the New Labour Codes, the Group has presented the one-time impact of the New Labour Codes as an exceptional item in the consolidated financial results for the

quarter and nine months period ended 31 December 2025. The Group continues to monitor the developments pertaining to the New Labour Codes and will evaluate the impact, if any, on the measurement of liabilities pertaining to employee benefits.

8. CONTINGENT LIABILITIES AND COMMITMENTS

a. The Group has disputes with income tax authorities in India and other jurisdictions where they operate. The ongoing disputes pertain to various assessment years from 2002-03 to 2022-23. The matters under dispute pertain to transfer pricing, tax treatment of certain expenses claimed as deductions, or allowances, characterization of fees for services paid and applicability of withholding taxes, disputes relating to presumptive taxation etc. Claims against the Group in relation to direct taxes and transfer pricing matters not acknowledged as debts amount to ₹ 16,613.67 million (31 March 2025: ₹ 25,445.35 million). Claims against the Group in relation to indirect tax matters not acknowledged as debts amount to ₹ 264.52 million (31 March 2025: ₹ 207.13 million).

In relation to other tax demands not included above, the Group has furnished bank guarantees amounting to ₹ 10,677.88 million (31 March 2025: ₹ 9,082.94 million). These demands are being contested by the Group based on management evaluation, advice of tax consultants and legal advice obtained. No provision has been made in the books of accounts. The Group has filed appeals against such orders with the appropriate authorities. The above amounts are quantified based on orders received from statutory authorities.

The Group has received notices and inquiries from tax authorities related to the Group's operations in the jurisdictions it operates in. The Group has evaluated these notices, responded appropriately, and believes there are no financial statement implications as on date.

b. Other outstanding bank guarantees as at 31 December 2025: ₹ 41.29 million (31 March 2025: ₹ 64.28 million) pertains to guarantees issued on behalf of the Group to regulatory authorities.

c. In addition to the above matters, the Group has other claims not acknowledged as debts amounting to ₹ 910.00 million (31 March 2025: ₹ 330.24 million).

d. Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for as at 31 December 2025: ₹ 152.23 million (31 March 2025: ₹ 83.58 million).

9. SEGMENT REPORTING

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 in assessing performance. The Group's Chief Operating Decision Maker ('CODM') is the Chief Executive Officer.

The Group has identified business segments as reportable segments. The business segments identified are Banking and Financial Services, Logistics and transportation, Technology Media and Telecom, Insurance, and Others.

The accounting policies consistently used in the preparation of financial statements are also applied to record revenue and expenditure in individual segments. Revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably or items of income and expenses are non-recurring in nature. The Group, therefore, believes that it is not practical to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as 'unallocated'.

CODM does not review assets and liabilities at reportable segments level, hence segment disclosures relating to total assets and liabilities have not been provided.

Client relationships are driven based on client domicile. The geographical segments include United States of America ('Americas'), India, Europe, Middle East & Africa, ('EMEA') and Rest of the world ('ROW').

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	(₹ million)			
Business segments	Quarter ended 31 December 2025	Quarter ended 31 December 2024	Nine months ended 31 December 2025	Nine months ended 31 December 2024
Segment revenue				
Banking and Financial Services	20,912.49	17,305.61	60,753.19	50,499.06
Logistics and Transportation	2,182.49	4,336.52	6,537.23	13,657.12
Technology Media and Telecom	7,423.01	6,029.56	21,802.67	17,339.37
Insurance	6,039.93	4,153.20	16,652.80	11,989.77
Others	3,817.40	3,739.77	11,287.28	11,573.47
Unallocated - hedge	(349.53)	48.72	(663.38)	140.67
Total segment revenue	40,025.79	35,613.38	116,369.79	105,199.46
Segment result				
Banking and Financial Services	6,453.19	4,693.44	19,038.66	13,460.20
Logistics and Transportation	321.39	1,601.80	331.55	4,603.46
Technology Media and Telecom	1,778.58	1,303.80	4,983.53	4,198.41
Insurance	1,770.14	1,285.17	5,340.54	3,876.90
Others	1,307.77	1,255.64	4,004.96	3,848.13
Unallocated - hedge	(349.53)	48.72	(663.38)	140.67
Total segment result	11,281.54	10,188.57	33,035.86	30,127.77
Finance costs	(411.26)	(391.76)	(1,267.20)	(1,294.34)
Other income	623.82	627.51	2,179.73	1,950.46
Share of profit/ (loss) of equity accounted investees, net of tax	(15.14)	-	(34.80)	-
Other unallocable expenditure	(5,193.24)	(4,732.81)	(15,279.34)	(14,093.47)
Profit before exceptional items and tax	6,285.72	5,691.51	18,634.25	16,690.42
Exceptional items				
Impact of change in labour laws	(354.77)	-	(354.77)	-
Profit before taxation	5,930.95	5,691.51	18,279.48	16,690.42
Income taxes	1,509.10	1,413.44	4,749.86	4,133.95
Profit after taxation	4,421.85	4,278.07	13,529.62	12,556.47
Depreciation and amortization expenses				
Banking and Financial Services	450.96	333.14	1,113.74	988.13
Logistics and Transportation	32.09	64.04	116.17	241.41
Technology Media and Telecom	583.53	507.35	1,711.72	1,023.30
Insurance	68.39	100.46	196.77	240.02
Others	101.93	108.56	312.94	274.88
Unallocated	191.62	210.66	573.43	642.17
Total Depreciation and amortization expenses	1,428.52	1,324.21	4,024.77	3,409.91
Geographic revenues				
Americas	33,630.16	28,986.24	97,666.53	85,142.69
India	2,022.97	2,118.65	5,916.15	5,974.25
EMEA	3,755.56	3,609.44	10,579.27	11,276.24
ROW	966.63	850.33	2,871.22	2,665.61
Unallocated - hedge	(349.53)	48.72	(663.38)	140.67
Total	40,025.79	35,613.38	116,369.79	105,199.46

10. DISAGGREGATION OF REVENUE

	(₹ million)			
	Quarter ended 31 December 2025	Quarter ended 31 December 2024	Nine months ended 31 December 2025	Nine months ended 31 December 2024
Services rendered				
Application Services	30,269.70	25,486.37	86,663.22	75,086.34
Business Process Services	5,981.83	5,843.14	17,381.57	17,174.24
Infrastructure Services	4,123.79	4,235.15	12,988.38	12,798.21
Unallocated - hedge	(349.53)	48.72	(663.38)	140.67
Total	40,025.79	35,613.38	116,369.79	105,199.46
Delivery location				
Onsite	24,129.26	20,968.76	69,001.68	60,727.53
Offshore	16,246.06	14,595.90	48,031.49	44,331.26
Unallocated - hedge	(349.53)	48.72	(663.38)	140.67
Total	40,025.79	35,613.38	116,369.79	105,199.46
Project type				
Time and material	18,892.35	20,498.13	56,353.73	62,048.66
Fixed price	18,070.25	11,307.48	50,919.74	32,065.56
Transaction based	3,412.72	3,759.05	9,759.70	10,944.57
Unallocated - hedge	(349.53)	48.72	(663.38)	140.67
Total	40,025.79	35,613.38	116,369.79	105,199.46
Market				
Direct	39,510.99	34,097.18	114,197.20	100,679.88
DXC	788.89	963.20	2,593.53	2,805.68
Others	75.44	504.28	242.44	1,573.23
Unallocated - hedge	(349.53)	48.72	(663.38)	140.67
Total	40,025.79	35,613.38	116,369.79	105,199.46

11. HEDGING ACTIVITIES AND DERIVATIVES

The Group's revenue is denominated in various foreign currencies. Given the nature of business, a large part of the costs are denominated in INR. This exposes the Group to currency fluctuations. The Group uses foreign exchange forward contracts to manage exposure on some of its transactions. The counterparty, for all derivative financial instruments is a bank.

The Group has taken cash flow hedges on account of highly probable forecast transactions. Designated cash flow hedges are measured at Fair Value Through OCI. Other derivatives which are not designated as hedge are measured at FVTPL.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

The following are outstanding forward contracts which have been designated as cash flow hedges:

Currency	As at 31 December 2025			As at 31 March 2025		
	Number of contracts	Notional amount (million in respective currencies)	Fair value gain / (loss) (₹ million)	Number of contracts	Notional amount (million in respective currencies)	Fair value gain / (loss) (₹ million)
USD	120	616.50	(1,342.34)	184	633.50	(28.65)
GBP	9	6.30	(27.92)	12	10.74	5.18
EUR	9	6.13	(26.60)	12	12.59	35.95
Total			(1,396.86)			12.48

The Group has entered into derivative instruments not in hedging relationship by way of foreign exchange forwards. As at 31 December 2025 and 31 March 2025, the notional amount of outstanding contracts (sell) aggregated to ₹ 38,587.79 million and ₹ 31,723.82 million, respectively and the notional amount of outstanding contracts (buy) aggregated to ₹ 5,958.39 million and ₹ 8,918.21 million, respectively. Fair value of these contracts have a net gain of ₹ 23.47 million and net loss of ₹ 139.45 million as at 31 December 2025 and 31 March 2025 respectively.

The movement in cash flow hedging reserve for derivatives designated as cash flow hedge is as follows:

	Nine months ended 31 December 2025	Nine months ended 31 December 2024
Balance at the beginning of the period	9.35	229.59
Change in fair value of effective portion of cash flow hedges	(2,072.72)	(745.54)
(Gain)/ loss transferred to statement of profit and loss on occurrence of forecasted hedges	663.38	(140.67)
Income tax effect on the above	354.70	223.04
Total	(1,045.29)	(433.58)

Sensitivity analysis

For every 1% appreciation / depreciation of the respective underlying foreign currencies, the Group's OCI will decrease / increase by approximately ₹ 550.82 million (31 March 2025: ₹ 545.19 million).

12. RELATED PARTY TRANSACTIONS

During the previous quarter, the Company paid an amount of ₹ 3,914.17 million (net of withholding taxes amounting to ₹ 434.91 million) to BCP Topco IX Pte. Ltd., towards final dividend for the year ended 31 March 2025 as approved by the shareholders.

During the previous year, the Company paid an amount of ₹ 3,776.83 million (net of withholding taxes amounting to ₹ 419.65 million) to BCP Topco IX Pte. Ltd., towards final dividend for the year ended 31 March 2024 as approved by the shareholders.

13. FINAL DIVIDEND

The Board of Directors at their meeting held on 24 April 2025 had proposed a final dividend of ₹ 57 per equity share for the year ended 31 March 2025 which was approved by the shareholders at the Annual General Meeting held on 24 July 2025 and has been paid during the previous quarter.

14. SUBSEQUENT EVENTS

On 16 January 2026, the Company, through its wholly owned subsidiary, Mphasis Consulting Limited entered into a share purchase agreement with Ardonagh Services Limited (“Ardonagh”), to purchase the remaining 49% voting rights in Mrald Limited for a consideration of GBP 49. Consequent to this agreement and fulfilment of closing conditions, Mrald Limited will be a wholly owned subsidiary of Mphasis Consulting Limited. Previously, although the Group had a 51% voting right, it was entitled to 100% of economic benefits and hence, Mrald Limited was fully consolidated for periods upto 31 December 2025, with no Non-Controlling Interest.

As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

for and on behalf of the **Board of Directors**

Arjun Ramesh
Partner
Membership No. 218495

Nitin Rakesh
*Chief Executive Officer &
Managing Director*
DIN : 00042261
Bengaluru

Maureen Anne Erasmus
Director
DIN : 09419036
Bengaluru

Bengaluru
22 January 2026

Aravind Viswanathan
Chief Financial Officer
Bengaluru
22 January 2026

Mayank Verma
Senior Vice President & Company Secretary
Bengaluru
Membership No . A18776