

The year at a glance

Based on Ind AS consolidated financial statements

in ₹ crore, except per equity share data

	2018	2017	Growth (%)
Financial performance			
Revenues	70,522	68,484	3.0
Gross profit	25,392	25,231	0.6
Operating profit	17,148	16,901	1.5
Profit after tax ⁽¹⁾⁽²⁾	16,029	14,353	11.7
Earnings per share (par value of ₹ 5 each): Basic ⁽¹⁾	71.07	62.80	13.2
Diluted	71.00	62.77	13.1
Financial position			
Cash and cash equivalents ⁽⁴⁾	19,818	22,625	(12.4)
Current investments ⁽⁴⁾	6,407	9,970	(35.7)
Assets held for sale ⁽²⁾	2,060	–	–
Net current assets ⁽³⁾	34,176	39,692	(13.9)
Property, plant and equipment (including capital work-in-progress) ⁽²⁾	11,722	11,116	5.5
Goodwill ⁽²⁾	2,211	3,652	(39.5)
Intangible assets ⁽²⁾	247	776	(68.2)
Other non-current assets	15,693	14,106	11.3
Total assets	79,890	83,355	(4.2)
Liabilities directly associated with assets held for sale ⁽²⁾	324	–	–
Non-current liabilities	861	360	139.2
Total equity ⁽⁴⁾	64,924	68,982	(5.9)
Total equity and liabilities⁽⁴⁾	79,890	83,355	(4.2)

⁽¹⁾ During the quarter ended December 31, 2017, on account of the conclusion of an Advance Pricing Agreement (APA) with the US Internal Revenue Service (IRS), the Company has, in accordance with the APA, reversed income tax expense provision of US\$ 225 million (₹ 1,432 crore), which pertains to previous periods that are no longer required. Consequently, profit for the year ended March 31, 2018 has increased, resulting in an increase in basic earnings per equity share by ₹ 5.88 for the year ended March 31, 2018.

⁽²⁾ In the quarter ended March 2018, on conclusion of a strategic review of the portfolio businesses, the Company initiated identification and evaluation of potential buyers for its subsidiaries, Kallidus and Skava (together referred to as 'Skava') and Panaya (collectively referred to as the 'disposal group'). The Company anticipates completion of the sale by March 2019 and accordingly, assets amounting to ₹ 2,060 crore and liabilities amounting to ₹ 324 crore in respect of the disposal group have been reclassified as 'held for sale'. On reclassification, the disposal group has been measured at the lower of carrying amount and fair value less cost to sell and consequently, an impairment loss of ₹ 118 crore in respect of Panaya has been recognized in the consolidated Statement of Profit and Loss for the year ended March 31, 2018. The disposal group does not constitute a separate major component of the Company and therefore, has not been classified as discontinued operations.

On a standalone basis, investments amounting to ₹ 1,525 crore in respect of these subsidiaries have been reclassified under 'held for sale'. On reclassification, these investments have been measured at the lower of carrying amount and fair value less cost to sell and consequently, an impairment loss of ₹ 589 crore in respect of Panaya has been recognized in the standalone Statement of Profit and Loss for the year ended March 31, 2018.

⁽³⁾ Excludes assets held for sale and liabilities directly associated with assets held for sale

⁽⁴⁾ During the year, 11,30,43,478 equity shares were bought back by the Company for a total amount of ₹ 13,000 crore.

The year at a glance

Based on IFRS US\$ consolidated financial statements

in US\$ million, except per equity share data

	2018	2017	Growth (%)
Financial performance			
Revenues	10,939	10,208	7.2
Gross profit	3,938	3,762	4.7
Operating profit	2,659	2,520	5.5
Net profit ⁽¹⁾⁽²⁾	2,486	2,140	16.2
Earnings per share (par value of ₹ 5 (US\$ 0.16) each) : Basic ⁽¹⁾	1.10	0.94	⁽⁵⁾ 17.8
Diluted	1.10	0.94	⁽⁵⁾ 17.8
Financial position			
Cash and cash equivalents ⁽⁴⁾	3,041	3,489	(12.8)
Current investments ⁽⁴⁾	982	1,538	(36.2)
Assets held for sale ⁽²⁾	316	–	–
Net current assets ⁽³⁾	5,243	6,121	(14.3)
Property, plant and equipment ⁽²⁾	1,863	1,807	3.1
Goodwill ⁽²⁾	339	563	(39.8)
Intangible assets ⁽²⁾	38	120	(68.3)
Other non-current assets	2,342	2,082	12.5
Total assets	12,255	12,854	(4.7)
Liabilities directly associated with assets held for sale ⁽²⁾	50	–	–
Non-current liabilities	131	56	133.9
Total equity⁽⁴⁾	9,960	10,637	(6.4)
Total equity and liabilities⁽⁴⁾	12,255	12,854	(4.7)

⁽¹⁾ During the quarter ended December 31, 2017, on account of the conclusion of an APA with the IRS, the Company has, in accordance with the APA, reversed income tax expense provision of US\$ 225 million, which pertains to previous periods that are no longer required. Consequently, profit for the year ended March 31, 2018 has increased, resulting in an increase in basic earnings per equity share by US\$ 0.09 for the year ended March 31, 2018.

⁽²⁾ In the quarter ended March 2018, on conclusion of a strategic review of the portfolio businesses, the Company initiated identification and evaluation of potential buyers for its subsidiaries, Kallidus and Skava (together referred to as 'Skava') and Panaya (collectively referred to as the 'disposal group'). The Company anticipates completion of the sale by March 2019 and accordingly, assets amounting to US\$ 316 million and liabilities amounting to US\$ 50 million in respect of the disposal group have been reclassified under 'held for sale'. On reclassification, the disposal group has been measured at the lower of carrying amount and fair value less cost to sell and consequently, an impairment loss of US\$ 18 million in respect of Panaya has been recognized in the consolidated Statement of Comprehensive Income for the year ended March 31, 2018. The disposal group does not constitute a separate major component of the Company and therefore, has not been classified as discontinued operations.

On a standalone basis, investments amounting to ₹ 1,525 crore in respect of these subsidiaries have been reclassified under 'held for sale'. On reclassification, these investments have been measured at the lower of carrying amount and fair value less cost to sell and consequently, an impairment loss of ₹ 589 crore in respect of Panaya has been recognized in the standalone Statement of Profit and Loss for the year ended March 31, 2018.

⁽³⁾ Excludes assets held for sale and liabilities directly associated with assets held for sale

⁽⁴⁾ During the year, 11,30,43,478 equity shares were bought back by the Company for a total amount of US\$ 2,035 million.

⁽⁵⁾ Computed based on full numbers without rounding off