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TO ALL STOCK EXCHANGES

BSE LIMITED
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
NEW YORK STOCK EXCHANGE

April 18, 2024

Dear Sir/ Madam,

Sub: Outcome of Board meeting

This has reference to our letter dated March 15, 2024, regarding the captioned subject. The Board, at their meeting held on April 17-18, 2024 transacted the following items of business:

Financial Results

1. Approved the audited consolidated financial results of the Company and its subsidiaries as per Indian Accounting Standards ("INDAS") for the quarter and year ended March 31, 2024;

2. Approved the audited standalone financial results of the Company as per INDAS for the quarter and year ended March 31, 2024;

3. Approved the audited financial statements of the Company and its subsidiaries as per INDAS and International Financial Reporting Standard ("IFRS") for the quarter and year ended March 31, 2024;

4. Approved the audited financial statements of the Company and its subsidiaries as per INDAS for the year ended March 31, 2024;

5. Approved the audited financial statements of the Company as per INDAS for the year ended March 31, 2024;

Acquisition

6. Approved acquisition of in-tech Holding GmbH engaged in Engineering R&D services. A press release along with additional information as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations is enclosed.

Dividend

7. Recommended a final dividend of ₹20/- per equity share for the financial year ended March 31, 2024 and additionally a special dividend of ₹8/- per equity share.

Annual General Meeting and Record date

8. The 43rd Annual General Meeting of the Members of the Company will be held on Wednesday, June 26, 2024.

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9. The record date for the purpose of the Annual General Meeting and payment of final dividend and special dividend is May 31, 2024. The dividend will be paid on July 1, 2024.

Capital allocation policy

10. Effective from Financial Year 2025, the Company expects to continue its policy of returning approximately 85% of the Free Cash Flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual Dividend Per Share (excluding special dividend if any).

    Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes.

Other Matters

11. Stock grants

    The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved the following annual grants to Salil Parekh, CEO and MD as per his employment agreement approved by shareholders:

    i) The grant of annual performance-based stock incentives (Annual Performance Equity Grant) in the form of Restricted Stock Units (RSU's) covering Company's equity shares having a market value of ₹34.75 crore as on the date of the grant under the 2015 Stock Incentive Compensation Plan (2015 plan) which shall vest 12 months from the date of grant subject to achievement of performance targets as determined by the Board. `

    ii) The grant of annual performance-based stock incentives (Annual performance equity ESG grant) in the form of RSU's covering Company's equity shares having a market value of ₹2 crore as on the date of the grant under the 2015 Plan, which shall vest 12 months from the date of the grant subject to the Company's achievement of certain environment, social and governance milestones as determined by the Board.

    iii)The grant of annual performance-based stock incentives (Annual performance Equity TSR grant) in the form of RSU's covering Company's equity shares having a market value of ₹5 crore as on the date of the grant under the 2015 Plan, which shall vest after March 31, 2025 subject to the Company's performance on cumulative relative TSR over the years and as determined by the Board.

    iv) The grant of annual performance-based stock incentives (2019 Annual Performance Equity Grant) in the form of Restricted Stock Units (RSU's) covering Company's equity shares having a market value of ₹10 crore as on the date of the grant under the Infosys Expanded Stock Ownership Program-2019 (2019 Plan), which shall vest 12 months from the date of the grant subject to the Company's achievement of certain performance criteria as laid out in the 2019 Plan.

    The above RSUs will be granted w.e.f May 2, 2024 and the number of RSU's will be calculated based on the market price at the close of trading on May 2, 2024.

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Policies and committee charter

12. Considered and approved amendments to the following policies and charters.

    - Corporate Social Responsibility Policy
    - Nomination and Remuneration Policy
    - Enterprise Risk Management Policy
    - Dividend Distribution Policy
    - Document preservation and Archival Policy
    - Policy for Determining Material Subsidiaries
    - Policy for Determining of Materiality for Disclosures
    - Board Diversity Policy
    - Related Party Transactions Policy
    - Compensation Recovery Policy
    - Code of Conduct for Prohibition of Insider Trading
    - Infosys Code on Fair Disclosures and Investor Relations
    - Nomination and Remuneration Committee Charter
    - Risk Management Committee Charter

    Copies of the policies and charters will be made available on the website of the Company under the following link: https://www.infosys.com/investors.html.

Incorporation of subsidiaries

13. Approved incorporation of wholly owned subsidiaries in Thailand, Oman and France. Additional information as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations will be disclosed in due course.

The Board meeting was held on April 17 and 18, 2024. The Board meeting on April 18, 2024 commenced at 2.00 p.m. IST and concluded at 4.25 p.m.

We are hereby enclosing herewith the financial results, press releases and annexures for your information and record. The same will also be made available on the Company's website www.infosys.com.

Update on McCamish Cybersecurity Incident

In continuation to our earlier disclosure dated November 3, 2023, regarding a cybersecurity event at Infosys McCamish Systems ("McCamish"). An update in this regard is enclosed herewith.

This is for your information and records.

Sincerely,
For **Infosys Limited**

SURYANARAYANA ANUR GURUGOPALA RAJU MANIKANTHA
Digitally signed by SURYANARAYANA ANUR GURUGOPALA RAJU MANIKANTHA
Date: 2024.04.18 16:41:45 +05'30'

Manikantha A.G.S.
Company Secretary

Infosys®

PRESS RELEASE

Infosys to Acquire Leading Engineering R&D services provider, in-tech

Acquisition demonstrates Infosys' commitment to the automotive ecosystem and strengthens its footprint across Europe

Bengaluru, India and Munich, Germany – April 18, 2024: Infosys (NSE, BSE, NYSE: INFY) a global leader in next-generation digital services and consulting, today announced a definitive agreement to acquire in-tech, a leading Engineering R&D services provider focused on German automotive industry. This strategic investment further strengthens Infosys' Engineering R&D capabilities and reaffirms its continued commitment to global clients to navigate their digital engineering journey.

Headquartered in Germany, in-tech, is one of the fastest growing Engineering R&D services providers that shapes digitization in the automotive, rail transport and smart industry sectors. in-tech develops solutions in e-mobility, connected and autonomous driving, electric vehicles (EV's), off-road vehicles and railroad. in-tech offerings include system design, methodical consulting, advanced electronics platform development and validation of automotive specific software and hardware systems, infotainment, and experience validation.

in-tech brings to Infosys, marquee German original equipment manufacturers (OEMs) deep client relationships, and an extensive industry expertise with a multidisciplinary team of 2200 people across locations in Germany, Austria, China, UK, and nearshore locations in Czech Republic, Romania, Spain, and India.

Dinesh Rao, EVP & Co-Delivery Head, Infosys, said, "Infosys continues to strengthen its Engineering R&D leadership with decades of experience in digital engineering. Together with in-tech, Infosys Topaz, an AI-first set of services, solutions and platforms,and recently acquired InSemi' semiconductor's expertise, we have successfully created deeper capabilities for the next phase of automotive innovation in the arena of software defined vehicles. We are excited to welcome in-tech and its leadership team into the Infosys family."

Jasmeet Singh, EVP and Global Head of Manufacturing, **Infosys,** said, "The automotive industry today is going through a pivotal change, with connected, autonomous, and electric vehicles, and most importantly software-defined vehicles. Electronics and software will drive value for next generation vehicles. Infosys' leadership with comprehensive offerings serving global auto OEMs, tier-one, and e-mobility start-ups, coupled with in-tech' engineering prowess presents a differentiated value to our clients bringing high quality innovative products to market faster."

Tobias Wagner, in-tech CEO, said, “Over the past 22 years, we have created an impressive company history, characterized by organic growth, strategic acquisitions and high profitability. This strategic partnership with Infosys represents a decisive turning point for us: It opens up unprecedented growth opportunities, and also adds tremendous value to our offering for our clients. Together we now cover the entire end-to-end process, a step that is crucial to fully meet our customers' needs. With access to more talent and expertise, we gain incredible strength and scale in our delivery capability, enabling us to successfully implement even more ambitious projects.”

in-tech Founder and Board Member, Christian Wagner, added, “When choosing Infosys, it was important to us that not only the business goals but also the corporate cultures harmonize. I am thrilled that Infosys and in-tech are not only on the same wavelength in terms of innovation and technology, but that we also share the same values - be it our passion for sustainability or our desire to create a work environment where everyone feels valued. This cultural fit amplifies my belief that we will achieve extraordinary success together.”

The acquisition is expected to close during the first half of fiscal 2025, subject to customary closing conditions and regulatory approvals.

About in-tech
in-tech shapes digitalization in the automotive industry, rail transport and industry. The company develops solutions for the automotive, eMobility, transport systems and smart industry sectors. The developers and engineers at in-tech work, for example, on topics such as autonomous driving, electromobility, digital rail or smart industrial production.
The company was founded in 2002 and has been consistently growing ever since. in-tech currently employs around 2200 people at locations in Germany, Austria, China, the UK, the Czech Republic, Spain, Romania and India. The company shines as an excellent employer with an outstanding corporate culture: the company has already received several awards for its good working atmosphere, internal team spirit and excellent work-life balance. For more information please visit www.in-tech.com

About Infosys
Infosys is a global leader in next-generation digital services and consulting. Over 300,000 of our people work to amplify human potential and create the next opportunity for people, businesses and communities. We enable clients in more than 56 countries to navigate their digital transformation. With over four decades of experience in managing the systems and workings of global enterprises, we expertly steer clients, as they navigate their digital transformation powered by cloud and AI. We enable them with an AI-first core, empower the business with agile digital at scale and drive continuous improvement with always-on learning through the transfer of digital skills, expertise, and ideas from our innovation ecosystem. We are deeply committed to being a well-governed, environmentally sustainable organization where diverse talent thrives in an inclusive workplace.

Visit www.infosys.com to see how Infosys (NSE, BSE, NYSE: INFY) can help your enterprise navigate your next.

Safe Harbor

Certain statements in this release concerning our future growth prospects, or our future financial or operating performance, are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, our ability to attract and retain personnel, our transition to hybrid work model, economic uncertainties, technological innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, and cybersecurity matters. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2023. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

For more information, please contact**: PR_Global@infosys.com**

Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: -

Name of the target entity	in-tech Holding GmbH (“in-tech”) **Acquirer:** Infosys Germany GmbH, a step-down subsidiary of Infosys Limited
Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired?	No.
Industry to which the entity being acquired belongs	Automotive, Rail transport and Smart industry sectors.
Objects and effects of acquisition	Infosys continues to strengthen its Engineering R&D leadership with decades of experience in digital engineering. Together with in-tech, Infosys Topaz, an AI-first set of services, solutions, and platforms, and recently acquired semiconductor company InSemi, we have successfully created deeper capabilities. The automotive industry today is going through a pivotal change, with connected, autonomous, and electric vehicles, and most importantly software-defined vehicles. Electronics and software will drive value for next generation vehicles. Infosys’ leadership with comprehensive offerings serving global auto original equipment manufacturers (OEMs), tier-one, and e-mobility start-ups, coupled with in-tech’ engineering prowess presents a differentiated value to our clients bringing high quality innovative products to market faster. in-tech brings to Infosys, marquee German OEMs deep client relationships, and an extensive industry expertise.
Any governmental or regulatory approvals required for the acquisition	Approvals from regulatory authorities in Germany, Romania, Austria, India and such other regulatory approvals as may be required.
Indicative time period for completion of the acquisition	The acquisition of in-tech is expected to close during first half of fiscal year 2025, subject to customary closing conditions.
Nature of consideration	Cash.

Cost of acquisition or the price at which the shares are acquired;	EUR 450 million, includes upfront and earnouts, excluding management incentives, and retention bonus.
Percentage of holding	100% of the equity share capital in in-tech Holding GmbH
Brief Background	Founded in 2002, in-tech, is one of the fastest growing Engineering R&D services providers that shapes digitization in the automotive, rail transport and smart industry sectors. in-tech develops solutions in e-mobility, connected and autonomous driving, electric vehicles (EV's), off-road vehicles and railroad. (https://www.in-tech.com) in-tech, headquartered in Germany, has been consistently growing ever since. in-tech currently employs around 2200 people at locations in Germany, Austria, China, the UK, the Czech Republic, Spain, Romania and India. in-tech is owned by Investors and Founders. Last 3 years' Revenues (Fiscal year ending December 31st): FY23: EUR 169.8 million (unaudited), FY22: EUR 140.5 million, FY21: EUR 115.2 million.

TO ALL STOCK EXCHANGES

BSE LIMITED
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
NEW YORK STOCK EXCHANGE

April 18, 2024,

Dear Sir, Madam,

Update on McCamish Cybersecurity Incident

Infosys McCamish Systems ("McCamish") engaged cybersecurity and other specialists to assist in its investigation of and response to its November 2023 cybersecurity incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems. Actions taken by McCamish also included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which data was subject to unauthorized access or exfiltration and engaging a third-party eDiscovery vendor in assessing the extent and nature of such data.

McCamish in coordination with its third-party eDiscovery vendor has identified up to approximately 6.5 million individuals whose information was subject to unauthorized access and exfiltration in the November 2023 cybersecurity incident. The information associated with each individual varies, but the data as a whole includes information such as email and mailing addresses, phone numbers, birth dates, social security numbers and other identification numbers, usernames, passwords, financial and customer account numbers, policy numbers, salaries and personal medical information. However, not all of these individuals had all of this information accessed and exfiltrated. McCamish also identified corporate customers whose business data was subject to unauthorized access and exfiltration. McCamish will be notifying its impacted customers and intends to work with these customers to support their respective reporting obligations, as appropriate. McCamish's review process is ongoing.

This is for your information and records.

This will also be hosted on the Company's website, at www.infosys.com

Yours sincerely,
For **Infosys Limited**

SURYANARAYANA ANUR GURUGOPALA RAJU MANIKANTHA
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A.G.S. Manikantha
Company Secretary

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Fact Sheet

Consolidated Financial Data - Fourth Quarter, Fiscal 2024

1.4% FY Flat Q4 YoY CC Growth	20.7% FY 20.1% Q4 Operating Margin	10.0% FY 30.2% Q4 YoY EPS Increase (₹ terms)	$17.7 Bn FY $4.5 Bn Q4 Large Deal TCV	$2.9 Bn FY $848 Mn Q4 Free Cash Flow

Revenue Growth- Q4 24

	Reported	CC
QoQ growth (%)	-2.1%	-2.2%
YoY growth (%)	0.2%	0.0%

Revenues by Business Segments

(in %)

	Quarter ended			YoY Growth	
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023	Reported	CC
Financial services	26.4	27.8	28.9	(8.4)	(8.5)
Retail	14.3	14.6	14.8	(3.0)	(3.7)
Communication	12.3	11.4	11.8	4.7	4.5
Energy, Utilities, Resources & Services	13.4	13.2	12.9	3.9	3.3
Manufacturing	14.7	14.9	13.5	9.0	8.7
Hi-Tech	8.7	7.7	8.0	9.8	9.7
Life Sciences	7.3	7.6	7.2	1.9	1.0
Others	2.9	2.9	2.9	(2.7)	0.5
Total	**100.0**	**100.0**	**100.0**	**0.2**	**0.0**

Revenues by Client Geography

(in %)

	Quarter ended			YoY Growth	
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023	Reported	CC
North America	59.6	59.0	61.0	(2.1)	(2.2)
Europe	28.6	28.2	27.0	6.5	4.9
Rest of the world	9.6	10.4	9.4	1.6	4.5
India	2.2	2.4	2.6	(16.1)	(15.4)
Total	**100.0**	**100.0**	**100.0**	**0.2**	**0.0**

Client Data

	Quarter ended		
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
Number of Clients			
Active	1,882	1,872	1,872
Added during the period (gross)	98	88	115
Number of Million dollar clients*			
1 Million dollar +	959	944	922
10 Million dollar +	315	308	298
50 Million dollar +	83	82	75
100 Million dollar +	40	40	40
Client contribution to revenues			
Top 5 clients	13.6%	13.4%	13.0%
Top 10 clients	20.4%	20.0%	20.1%
Top 25 clients	34.3%	33.7%	34.7%
Days Sales Outstanding*	71	72	62

**LTM (Last twelve months) Revenues*

Effort & Utilization – Consolidated IT Services

(in %)

	Quarter ended		
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
Effort			
Onsite	24.2	24.4	24.6
Offshore	75.8	75.6	75.4
Utilization			
Including trainees	82.0	81.7	76.9
Excluding trainees	83.5	82.7	80.0

Employee Metrics

(Nos.)

	Quarter ended		
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
Total employees	317,240	322,663	343,234
S/W professionals	299,814	304,590	324,816
Sales & Support	17,426	18,073	18,418
Voluntary Attrition % (LTM - IT Services)	12.6%	12.9%	20.9%
% of Women Employees	39.3%	39.3%	39.4%

Cash Flow

In US $ million

	Quarter ended		
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
Free cash flow (1)	848	665	713
Consolidated cash and investments (2)	4,676	3,903	3,807

In ₹ crore

	Quarter ended		
	Mar 31, 2024	Dec 31, 2023	Mar 31, 2023
Free cash flow (1)	7,032	5,548	5,844
Consolidated cash and investments (2)	39,005	32,476	31,286

(1) Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS (Non-IFRS measure)
(2) Consolidated cash and investments comprise of cash and cash equivalents, current and non-current investments excluding investments in equity and preference shares, unquoted compulsorily convertible debentures and others (Non-IFRS measure)

Consolidated statement of Comprehensive Income for three months ended, (Extracted from IFRS Financial Statement)

In US $ million, except per equity share data

Particulars	Mar 31, 2024	Mar 31, 2023	Growth % YoY	Dec 31, 2023	Growth % QoQ
Revenues	**4,564**	**4,554**	**0.2%**	**4,663**	**-2.1%**
Cost of sales	3,219	3,164	1.7%	3,274	-1.7%
Gross Profit	**1,345**	**1,390**	**-3.2%**	**1,389**	**-3.2%**
Operating Expenses:					
Selling and marketing expenses	209	202	3.5%	204	2.5%
Administrative expenses	219	231	-5.2%	229	-4.4%
Total Operating Expenses	**428**	**433**	**-1.2%**	**433**	**-1.2%**
Operating Profit	**917**	**957**	**-4.2%**	**956**	**-4.1%**
Operating Margin %	**20.1**	**21.0**	**-0.9%**	**20.5**	**-0.4%**
Other Income, net[(1)(2)]	315	72	337.5%	79	298.7%
Profit before income taxes	**1,232**	**1,029**	**19.7%**	**1,035**	**19.0%**
Income tax expense[(2)]	273	284	-3.9%	301	-9.3%
Net Profit (before minority interest)	**959**	**745**	**28.7%**	**734**	**30.6%**
Net Profit (after minority interest)	**958**	**744**	**28.7%**	**733**	**30.7%**
Basic EPS ($)[(2)]	**0.23**	**0.18**	**28.8%**	**0.18**	**30.6%**
Diluted EPS ($)[(2)]	**0.23**	**0.18**	**28.8%**	**0.18**	**30.5%**
Dividend Per Share ($)[(3)(4)]	**0.24**	**0.21**	**14.3%**	**-**	**-**

Consolidated statement of Comprehensive Income for year ended, (Extracted from IFRS Financial Statement)

In US $ million, except per equity share data

Particulars	Mar 31, 2024	Mar 31, 2023	Growth %
Revenues	**18,562**	**18,212**	**1.9%**
Cost of sales	12,975	12,709	2.1%
Gross Profit	**5,587**	**5,503**	**1.5%**
Operating Expenses:			
Selling and marketing expenses	842	776	8.5%
Administrative expenses	911	902	1.0%
Total Operating Expenses	**1,753**	**1,678**	**4.5%**
Operating Profit	**3,834**	**3,825**	**0.2%**
Operating Margin %	**20.7**	**21.0**	**-0.3%**
Other Income, net[(1)(2)]	512	300	70.7%
Profit before income taxes	**4,346**	**4,125**	**5.4%**
Income tax expense[(2)]	1,177	1,142	3.1%
Net Profit (before minority interest)	**3,169**	**2,983**	**6.2%**
Net Profit (after minority interest)	**3,167**	**2,981**	**6.2%**
Basic EPS ($)[(2)]	**0.77**	**0.71**	**7.3%**
Diluted EPS ($)[(2)]	**0.76**	**0.71**	**7.3%**
Dividend Per Share ($)[(3)(4)]	**0.46**	**0.41**	**12.2%**

(1) Other income is net of Finance Cost
(2) Includes interest income (pre-tax) of $232Mn and reversal of net tax provisions amounting to $5Mn on account of orders received under sections 250 & 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for certain assessment years. This has resulted in a positive impact on the consolidated Basic and Diluted EPS by approximately $0.06 for the quarter and year ended March 31, 2024
(3) USD/INR exchange rate of 83.41 considered for Q4'24
(4) Dividend excludes special Dividend of $0.10 per share

Consolidated statement of Comprehensive Income for three months ended, (Extracted from IFRS Financial Statement)

In ₹ crore, except per equity share data

Particulars	Mar 31, 2024	Mar 31, 2023	Growth % YoY	Dec 31, 2023	Growth % QoQ
Revenues	**37,923**	**37,441**	**1.3%**	**38,821**	**-2.3%**
Cost of sales	26,748	26,011	2.8%	27,253	-1.9%
Gross Profit	**11,175**	**11,430**	**-2.2%**	**11,568**	**-3.4%**
Operating Expenses:					
Selling and marketing expenses	1,735	1,659	4.6%	1,700	2.1%
Administrative expenses	1,819	1,894	-4.0%	1,907	-4.6%
Total Operating Expenses	**3,554**	**3,553**	**0.0%**	**3,607**	**-1.5%**
Operating Profit	**7,621**	**7,877**	**-3.2%**	**7,961**	**-4.3%**
Operating Margin %	**20.1**	**21.0**	**-0.9%**	**20.5**	**-0.4%**
Other Income, net(1)(2)	2,619	589	344.7%	658	298.0%
Profit before income taxes	**10,240**	**8,466**	**21.0%**	**8,619**	**18.8%**
Income tax expense(2)	2,265	2,332	-2.9%	2,506	-9.6%
Net Profit (before minority interest)	**7,975**	**6,134**	**30.0%**	**6,113**	**30.4%**
Net Profit (after minority interest)	**7,969**	**6,128**	**30.0%**	**6,106**	**30.5%**
Basic EPS (₹)(2)	**19.25**	**14.79**	**30.2%**	**14.76**	**30.5%**
Diluted EPS (₹)(2)	**19.22**	**14.77**	**30.2%**	**14.74**	**30.5%**
Dividend Per Share (₹)(3)	**20.00**	**17.50**	**14.3%**	**-**	**-**

Consolidated statement of Comprehensive Income for year ended, (Extracted from IFRS Financial Statement)

In ₹ crore, except per equity share data

Particulars	Mar 31, 2024	Mar 31, 2023	Growth %
Revenues	**153,670**	**146,767**	**4.7%**
Cost of sales	107,413	102,353	4.9%
Gross Profit	**46,257**	**44,414**	**4.1%**
Operating Expenses:			
Selling and marketing expenses	6,973	6,249	11.6%
Administrative expenses	7,537	7,260	3.8%
Total Operating Expenses	**14,510**	**13,509**	**7.4%**
Operating Profit	**31,747**	**30,905**	**2.7%**
Operating Margin %	**20.7**	**21.1**	**-0.4%**
Other Income, net(1)(2)	4,241	2,417	75.5%
Profit before income taxes	**35,988**	**33,322**	**8.0%**
Income tax expense(2)	9,740	9,214	5.7%
Net Profit (before minority interest)	**26,248**	**24,108**	**8.9%**
Net Profit (after minority interest)	**26,233**	**24,095**	**8.9%**
Basic EPS (₹)(2)	**63.39**	**57.63**	**10.0%**
Diluted EPS (₹)(2)	**63.29**	**57.54**	**10.0%**
Dividend Per Share (₹)(3)	**38.00**	**34.00**	**11.8%**

(1) Other income is net of Finance Cost
(2) Includes interest income (pre-tax) of ₹1,933 crores and reversal of net tax provisions amounting to ₹38 crores on account of orders received under sections 250 & 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for certain assessment years. This has resulted in a positive impact on the consolidated Basic and Diluted EPS by approximately ₹4.76 for the quarter and year ended March 31, 2024
(3) Dividend excludes special Dividend of ₹8.00 per share

As the quarter and year ended figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarter might not always add up to the year ended figures reported in this statement.

Infosys
Navigate your next

BSE LIMITED
NATIONAL STOCK EXCHANGE OF INDIA LIMITED

April 18, 2024

Dear Sirs/Madam,

Sub: Declaration pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

DECLARATION

I, Jayesh Sanghrajka, Chief Financial Officer of Infosys Limited (CIN: L85110KA1981PLC013115) having its Registered office at Electronics City, Hosur Road, Bengaluru- 560100, India, hereby declare that, the Statutory Auditors of the Company, Deloitte Haskins & Sells LLP (FRN: 117366W/ W-100018) have issued an Audit Report with unmodified opinion on the annual Audited Financial Results of the Company (Standalone & Consolidated) for year ended on March 31, 2024.

This Declaration is given in compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Request you to kindly take this declaration on your records.

Yours sincerely,

For Infosys Limited

Jayesh Sanghrajka
Chief Financial Officer

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Deloitte
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INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **INFOSYS LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") for the quarter and year ended March 31, 2024, (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

i. includes the results of the subsidiaries as given in the Annexure to this report;

ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and

iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in note 1.b) to the statement, certain costs relating to possible damages or claims relating to a cybersecurity incident in a subsidiary are indeterminable as at the date of this report because of reasons stated in the note. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

The Statement which includes Consolidated Financial Results is the responsibility of the Company's Board of Directors and has been approved by it for the issuance. The Statement has been compiled from the related audited Interim Condensed Consolidated Financial Statements as at and for the quarter and year ended March 31, 2024. This responsibility includes the preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Boards of Directors/Trustees of entities included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Boards of Directors/Trustees of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors/Trustees either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors/Trustees of entities included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of those Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Financial Information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

Annexure to Auditor's Report

List of Entities:

1. Infosys Technologies (China) Co. Limited
2. Infosys Technologies S. de R. L. de C. V.
3. Infosys Technologies (Sweden) AB
4. Infosys Technologies (Shanghai) Company Limited
5. Infosys Nova Holdings LLC.
6. EdgeVerve Systems Limited
7. Infosys Austria GmbH
8. Skava Systems Private Limited (under liquidation)
9. Infosys Chile SpA
10. Infosys Arabia Limited (under liquidation)
11. Infosys Consulting Ltda.
12. Infosys Luxembourg S.a.r.l
13. Infosys Americas Inc. (liquidated effective July 14, 2023)
14. Infosys Public Services, Inc. USA
15. Infosys BPM Limited
16. Infosys (Czech Republic) Limited s.r.o.
17. Infosys Poland Sp z.o.o
18. Infosys McCamish Systems LLC
19. Portland Group Pty Ltd
20. Infosys BPO Americas LLC.
21. Infosys Consulting Holding AG
22. Infosys Management Consulting Pty Limited
23. Infosys Consulting AG
24. Infosys Consulting GmbH
25. Infosys Consulting S.R.L (Romania)
26. Infosys Consulting SAS
27. Infy Consulting Company Ltd.
28. Infy Consulting B.V.

29. Infosys Consulting S.R.L (Argentina) (formerly a wholly-owned subsidiary of Infosys Consulting Holding AG) became the majority owned and controlled subsidiary of Infosys Limited with effect from April 1, 2022
30. Infosys Consulting (Belgium) NV
31. Panaya Inc.
32. Infosys Financial Services GmbH (formerly known as Panaya GmbH) became a wholly owned subsidiary of Infosys Singapore Pte. Ltd with effect from February 23, 2023
33. Panaya Ltd.
34. Brilliant Basics Holdings Limited (under liquidation)
35. Brilliant Basics Limited (under liquidation)
36. Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.)
37. Infosys Middle East FZ LLC
38. Fluido Oy
39. Fluido Sweden AB
40. Fluido Norway A/S
41. Fluido Denmark A/S
42. Fluido Slovakia s.r.o
43. Infosys Compaz Pte. Ltd.
44. Infosys South Africa (Pty) Ltd
45. WongDoody, Inc
46. HIPUS Co., Ltd.
47. Stater N.V.
48. Stater Nederland B.V.
49. Stater XXL B.V.
50. HypoCasso B.V.
51. Stater Participations B.V. (wholly owned subsidiary of Stater N.V. merged with Stater N.V. with effect from November 24, 2023)
52. Stater Belgium N.V./S.A. (formerly a wholly owned subsidiary of Stater Participations B.V., became the wholly owned subsidiary of Stater N.V. with effect from November 24, 2023)
53. Outbox systems Inc. dba Simplus (US)
54. Simplus ANZ Pty Ltd.
55. Simplus Australia Pty Ltd
56. Simplus Philippines, Inc.
57. Infosys Fluido UK, Ltd. (formerly Simplus U.K, Ltd)

58. Infosys Fluido Ireland, Ltd. (formerly Simplus Ireland, Ltd)
59. Infosys Limited Bulgaria EOOD
60. Infosys BPM UK Limited
61. Blue Acorn iCi Inc. (formerly known as Beringer Commerce Inc)
62. Kaleidoscope Animations, Inc.
63. Kaleidoscope Prototyping LLC (liquidated effective November 1, 2023)
64. GuideVision s.r.o
65. GuideVision Deutschland GmbH
66. GuideVision Suomi Oy
67. GuideVision Magyarorszag Kft
68. GuideVision Polska Sp. z.o.o
69. Infosys Business Solutions LLC
70. Infosys Germany GmbH (formerly known as Kristall 247. GmbH)
71. GuideVision UK Ltd (under liquidation)
72. Infosys Turkey Bilgi Teknolojileri Limited Sirketi
73. Infosys Germany Holding Gmbh
74. Infosys Automotive and Mobility GmbH & Co. KG
75. Stater GmbH
76. Infosys Green Forum
77. Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.
78. oddity space GmbH (acquired by Infosys Germany GmbH on April 20, 2022, merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023)
79. oddity jungle GmbH (acquired by Infosys Germany GmbH on April 20, 2022, merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023)
80. oddity waves GmbH (acquired by Infosys Germany GmbH on April 20, 2022, merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023)
81. oddity group Services GmbH (acquired by Infosys Germany GmbH on April 20, 2022, merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023)
82. oddity code GmbH (acquired by Infosys Germany GmbH on April 20, 2022, merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023)

83. oddity code d.o.o. (renamed as WongDoody d.o.o) which was formerly a subsidiary of oddity Code GmbH acquired by Infosys Germany GmbH on April 20, 2022 has become a subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH) with effect from September 29, 2023
84. oddity GmbH renamed as WongDoody GmbH (acquired by Infosys Germany GmbH on April 20, 2022)
85. oddity (Shanghai) Co. Ltd. (subsidiary of oddity GmbH) renamed as WongDoody (Shanghai) Co. Limited acquired by Infosys Germany GmbH on April 20, 2022
86. oddity Limited (Taipei) (subsidiary of oddity GmbH) renamed as WongDoody Limited (Taipei) acquired by Infosys Germany GmbH on April 20, 2022
87. Infosys Public Services Canada Inc. (a wholly owned subsidiary of Infosys Public Services Inc.) incorporated on July 8, 2022
88. BASE life science A/S acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
89. BASE life science AG (a wholly owned subsidiary of BASE life science A/S) acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
90. BASE life science GmbH (a wholly owned subsidiary of BASE life science A/S) acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
91. BASE life science Ltd. (a wholly owned subsidiary of BASE life science A/S) acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
92. BASE life science S.A.S. (a wholly owned subsidiary of BASE life science A/S) acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
93. BASE life science S.r.l. (a wholly owned subsidiary of BASE life science A/S) acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
94. Innovisor Inc. (a wholly owned subsidiary of BASE life science A/S) acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
95. BASE life science Inc. (a wholly owned subsidiary of BASE life science A/S) acquired by Infosys Singapore Pte. Ltd. (formerly known as Infosys Consulting Pte. Ltd.) on September 1, 2022
96. BASE life science SL. (a wholly owned subsidiary of BASE life science A/S) incorporated on September 6, 2022
97. Panaya Germany GmbH, a wholly owned subsidiary of Panaya Inc. was incorporated on December 15, 2022
98. Infosys Norway, a wholly owned subsidiary of Infosys Singapore Pte. Ltd. was incorporated on September 22, 2022.

99. Infosys BPM Canada Inc. (Wholly-owned subsidiary of Infosys BPM Limited) which was incorporated on August 11, 2023 has been dissolved on March 15, 2024
100. Danske IT and Support Services India Private Limited acquired by Infosys Limited on September 1, 2023 (Renamed as Idunn Information Technology Private Limited with effect from April 1, 2024)
101. Infosys Employees Welfare Trust
102. Infosys Employee Benefits Trust
103. Infosys Science Foundation
104. Infosys Expanded Stock Ownership Trust

Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

Opinion

We have audited the accompanying Statement of Standalone Financial Results of **INFOSYS LIMITED** (the "Company"), for the quarter and year ended March 31, 2024, (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and

b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") prescribed and other accounting principles generally accepted in India of the net profit and total comprehensive income, and other financial information of the Company for the quarter and year ended March 31, 2024.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the quarter and year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement, which includes the Standalone financial results is the responsibility of the Company's Board of Directors, and has been approved by it for the issuance. The Statement has been compiled from the related audited Interim Condensed Standalone Financial Statements as at and for the quarter and year ended March 31, 2024. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

Infosys
Navigate your next

Q4 FY 24 Financial Results

Infosys Limited
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Statement of Consolidated Audited Results of Infosys Limited and its subsidiaries for the quarter and year ended March 31, 2024 prepared in compliance with the Indian Accounting Standards (Ind-AS)

(in ₹ crore, except per equity share data)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2024	2023	2023	2024	2023
	Audited	Audited	Audited	Audited	Audited
Revenue from operations	37,923	38,821	37,441	153,670	146,767
Other income, net (refer note 1(f))	2,729	789	671	4,711	2,701
Total Income	**40,652**	**39,610**	**38,112**	**158,381**	**149,468**
Expenses					
Employee benefit expenses	20,393	20,651	20,311	82,620	78,359
Cost of technical sub-contractors	2,967	3,066	3,116	12,232	14,062
Travel expenses	471	387	426	1,759	1,525
Cost of software packages and others	3,687	3,722	2,886	13,515	10,902
Communication expenses	147	169	171	677	713
Consultancy and professional charges	489	504	387	1,726	1,684
Depreciation and amortization expenses	1,163	1,176	1,121	4,678	4,225
Finance cost	110	131	82	470	284
Other expenses	985	1,185	1,146	4,716	4,392
Total expenses	**30,412**	**30,991**	**29,646**	**122,393**	**116,146**
Profit before tax	**10,240**	**8,619**	**8,466**	**35,988**	**33,322**
Tax expense: (refer note 1(e))					
Current tax	1,173	2,419	2,260	8,390	9,287
Deferred tax	1,092	87	72	1,350	(73)
Profit for the period	**7,975**	**6,113**	**6,134**	**26,248**	**24,108**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net	26	71	25	120	8
Equity instruments through other comprehensive income, net	(12)	(9)	(15)	19	(7)
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedges, net	28	(46)	36	11	(7)
Exchange differences on translation of foreign operations	(231)	436	61	226	776
Fair value changes on investments, net	37	52	42	144	(256)
Total other comprehensive income/(loss), net of tax	**(152)**	**504**	**149**	**520**	**514**
Total comprehensive income for the period	**7,823**	**6,617**	**6,283**	**26,768**	**24,622**
Profit attributable to:					
Owners of the company	7,969	6,106	6,128	26,233	24,095
Non-controlling interests	6	7	6	15	13
	7,975	**6,113**	**6,134**	**26,248**	**24,108**
Total comprehensive income attributable to:					
Owners of the company	7,821	6,605	6,276	26,754	24,598
Non-controlling interests	2	12	7	14	24
	7,823	**6,617**	**6,283**	**26,768**	**24,622**
Paid up share capital (par value ₹5/- each, fully paid)	2,071	2,070	2,069	2,071	2,069
Other equity *#	86,045	73,338	73,338	86,045	73,338
Earnings per equity share (par value ₹5/- each)**					
Basic (in ₹ per share)	19.25	14.76	14.79	63.39	57.63
Diluted (in ₹ per share)	19.22	14.74	14.77	63.29	57.54

** Balances for the quarter ended December 31, 2023 represent balances as per the audited Balance Sheet as at March 31, 2023 as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015*

*** EPS is not annualized for the quarter ended March 31, 2024, quarter ended December 31, 2023 and quarter ended March 31, 2023.*

 # Excludes non-controlling interest

1. Notes

a) The audited interim consolidated financial statements for the quarter and year ended March 31, 2024 have been taken on record by the Board of Directors at its meeting held on April 18, 2024. **The statutory auditors, Deloitte Haskins & Sells LLP have expressed an unmodified audit opinion.** The information presented above is extracted from the audited interim condensed consolidated financial statements. These interim condensed consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

b) Update on McCamish Cybersecurity incident

In November 2023, Infosys McCamish Systems (McCamish), a step-down subsidiary of Infosys Limited, experienced a cybersecurity incident resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems.

Loss of contracted revenues and costs incurred with respect to remediations, restoration, communication efforts, investigative processes and analysis, legal services and others amounted to $38 million (approximately ₹316 crore) for the year ended March 31, 2024.

Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party vendor for eDiscovery in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish's review process is ongoing. McCamish may incur additional costs including indemnities or damages/claims, which are indeterminable at this time.

c) Proposed acquisition

On April 18, 2024, Infosys Germany GmBH a wholly owned step down subsidiary of Infosys Limited, entered into a definitive agreement to acquire 100% of the equity share capital of in-tech Holding GmbH, a leading provider of Engineering R&D services headquartered in Germany, for a consideration including earn-outs amounting up to EUR 450 million (approximately ₹4,045 crore) excluding management incentives, and retention bonus subject to customary closing adjustments.

d) Update on Capital allocation policy

Effective from Financial Year 2025, the Company expects to continue its policy of returning approximately 85% of the Free Cash Flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual Dividend Per Share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS.
Dividend and buyback include applicable taxes.

e) Update on orders received from the Indian Income tax department

During the quarter ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of ₹1,933 crore (included in other income as mentioned in point (f) below) was recognised and provision for income tax aggregating ₹525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹1,628 crore has been reduced from contingent liabilities.

f) Other income includes interest on income tax refund of ₹1,916 crore and ₹2 crore for the quarter ended March 31, 2024 and March 31, 2023 respectively, ₹1,965 crore and ₹3 crore for the year ended March 31, 2024 and March 31, 2023 respectively, and ₹42 crore for the quarter ended December 31, 2023.

g) Update on employee stock grants

The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved the following annual grants to Salil Parekh, CEO and MD as per his employment agreement approved by shareholders:

i) The grant of annual performance-based stock incentives (Annual Performance Equity Grant) in the form of Restricted Stock Units (RSU's) covering Company's equity shares having a market value of ₹34.75 crore as on the date of the grant under the 2015 Stock Incentive Compensation Plan (2015 plan) which shall vest 12 months from the date of grant subject to achievement of performance targets as determined by the Board. `

ii) The grant of annual performance-based stock incentives (Annual performance equity ESG grant) in the form of RSU's covering Company's equity shares having a market value of ₹2 crore as on the date of the grant under the 2015 Plan, which shall vest 12 months from the date of the grant subject to the Company's achievement of certain environment, social and governance milestones as determined by the Board.

iii)The grant of annual performance-based stock incentives (Annual performance Equity TSR grant) in the form of RSU's covering Company's equity shares having a market value of ₹5 crore as on the date of the grant under the 2015 Plan, which shall vest after March 31, 2025 subject to the Company's performance on cumulative relative TSR over the years and as determined by the Board.

iv) The grant of annual performance-based stock incentives (2019 Annual Performance Equity Grant) in the form of Restricted Stock Units (RSU's) covering Company's equity shares having a market value of ₹10 crore as on the date of the grant under the Infosys Expanded Stock Ownership Program-2019 (2019 Plan), which shall vest 12 months from the date of the grant subject to the Company's achievement of certain performance criteria as laid out in the 2019 Plan.

The above RSUs will be granted w.e.f May 2, 2024 and the number of RSU's will be calculated based on the market price at the close of trading on May 2, 2024.

2. Information on dividends for the quarter and year ended March 31, 2024

For financial year 2024, the Board recommended a final dividend of ₹20/- (par value of ₹5/- each) per equity share and additionally a special dividend of ₹8/- (par value of ₹5/- each) per equity share. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company to be held on June 26, 2024. The record date for the purpose of the payment of final and special dividend is May 31, 2024. The dividend will be paid on July 1, 2024. For the financial year ended 2023, the Company declared a final dividend of ₹17.50/- per equity share.

The Board of Directors (in the meeting held on October 12, 2023) declared an interim dividend of ₹18/- (par value ₹5/- each) per equity share. The record date for the payment was October 25, 2023 and the same was paid on November 6, 2023. The interim dividend declared in the previous year was ₹16.50/- per equity share

(in ₹)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2024	2023	2023	2024	2023
Dividend per share (par value ₹5/- each)					
Interim dividend	-	-	-	18.00	16.50
Final dividend	20.00	-	17.50	20.00	17.50
Special dividend	8.00	-	-	8.00	-

3. Audited Consolidated Balance Sheet

(in ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	12,370	13,346
Right of use assets	6,552	6,882
Capital work-in-progress	293	288
Goodwill	7,303	7,248
Other Intangible assets	1,397	1,749
Financial assets		
Investments	11,708	12,569
Loans	34	39
Other financial assets	3,105	2,798
Deferred tax assets (net)	454	1,245
Income tax assets (net)	3,045	6,453
Other non-current assets	2,121	2,318
Total non-current assets	**48,382**	**54,935**
Current assets		
Financial assets		
Investments	12,915	6,909
Trade receivables	30,193	25,424
Cash and cash equivalents	14,786	12,173
Loans	248	289
Other financial assets	12,085	11,604
Income tax assets (net)	6,397	6
Other current assets	12,808	14,476
Total current assets	**89,432**	**70,881**
Total Assets	**137,814**	**125,816**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,071	2,069
Other equity	86,045	73,338
Total equity attributable to equity holders of the Company	**88,116**	**75,407**
Non-controlling interests	345	388
Total equity	**88,461**	**75,795**
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	6,400	7,057
Other financial liabilities	2,130	2,058
Deferred tax liabilities (net)	1,794	1,220
Other non-current liabilities	235	500
Total non-current liabilities	**10,559**	**10,835**
Current liabilities		
Financial liabilities		
Lease liabilities	1,959	1,242
Trade payables	3,956	3,865
Other financial liabilities	16,959	18,558
Other Current Liabilities	10,539	10,830
Provisions	1,796	1,307
Income tax liabilities (net)	3,585	3,384
Total current liabilities	**38,794**	**39,186**
Total equity and liabilities	**137,814**	**125,816**

The disclosure is an extract of the audited Consolidated Balance Sheet as at March 31, 2024 and March 31, 2023 prepared in compliance with the Indian Accounting Standards (Ind-AS).

(in ₹ crore)

4. Audited Consolidated Statement of Cash Flows

Particulars	Year ended March 31, 2024	2023
Cash flow from operating activities		
Profit for the year	26,248	24,108
Adjustments to reconcile net profit to net cash provided by operating activities:		
Income tax expense	9,740	9,214
Depreciation and amortization	4,678	4,225
Interest and dividend income	(2,067)	(1,817)
Finance cost	470	284
Impairment loss recognized / (reversed) under expected credit loss model	121	283
Exchange differences on translation of assets and liabilities, net	76	161
Stock compensation expense	652	519
Provision for post sale client support	75	120
Interest receivable on income tax refund	(1,934)	-
Other adjustments	1,464	508
Changes in assets and liabilities		
Trade receivables and unbilled revenue	(2,667)	(7,076)
Loans, other financial assets and other assets	(1,172)	(3,108)
Trade payables	91	(279)
Other financial liabilities, other liabilities and provisions	(1,334)	4,119
Cash generated from operations	**34,441**	**31,261**
Income taxes paid	(9,231)	(8,794)
Net cash generated by operating activities	**25,210**	**22,467**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(2,201)	(2,579)
Deposits placed with corporation	(847)	(996)
Redemption of deposits placed with Corporation	710	762
Interest and dividend received	1,768	1,525
Payment towards acquisition of business, net of cash acquired	-	(910)
Payment of contingent consideration pertaining to acquisition of business	(101)	(60)
Escrow and other deposits pertaining to Buyback	-	(483)
Redemption of escrow and other deposits pertaining to Buyback	-	483
Other receipts	128	71
Payments to acquire Investments		
Tax free bonds and government bonds	-	(27)
Liquid mutual fund units	(66,191)	(70,631)
Target maturity fund	-	(400)
Certificates of deposit	(8,509)	(10,348)
Commercial Paper	(10,387)	(3,003)
Non convertible debentures	(1,526)	(249)
Government securities	-	(1,569)
Other investments	(14)	(20)
Proceeds on sale of Investments		
Tax free bonds and government bonds	150	221
Liquid mutual fund units	64,767	71,851
Certificates of deposit	9,205	10,404
Commercial Paper	6,479	2,298
Non-convertible debentures	1,230	470
Government securities	304	1,882
Other investments	26	99
Net cash used in investing activities	**(5,009)**	**(1,209)**
Cash flows from financing activities:		
Payment of lease liabilities	(2,024)	(1,231)
Payment of dividends	(14,692)	(13,631)
Payment of dividend to non-controlling interest of subsidiary	(39)	(22)
Shares issued on exercise of employee stock options	5	35
Payment towards purchase of non-controlling interest	(18)	-
Other receipts	-	132
Other payments	(736)	(479)
Buyback of equity shares including transaction cost and tax on buyback	-	(11,499)
Net cash used in financing activities	**(17,504)**	**(26,695)**
Net increase / (decrease) in cash and cash equivalents	2,697	(5,437)
Effect of exchange rate changes on cash and cash equivalents	(84)	138
Cash and cash equivalents at the beginning of the period	12,173	17,472
Cash and cash equivalents at the end of the period	**14,786**	**12,173**
Supplementary information:		
Restricted cash balance	348	362

The disclosure is an extract of the audited Consolidated Statement of Cash flows for the year ended March 31, 2024 and March 31, 2023 prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting.

5. Segment reporting (Consolidated - Audited)

(in ₹ crore)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2024	2023	2023	2024	2023
Revenue by business segment					
Financial Services (1)#	10,010	10,783	10,818	42,158	43,763
Retail (2)	5,429	5,649	5,537	22,504	21,204
Communication (3)	4,666	4,421	4,411	17,991	18,086
Energy, Utilities, Resources and Services	5,068	5,121	4,825	20,035	18,539
Manufacturing	5,589	5,786	5,078	22,298	19,035
Hi-Tech	3,316	2,985	2,989	12,411	11,867
Life Sciences (4)	2,762	2,954	2,681	11,515	10,085
All other segments (5)	1,083	1,122	1,102	4,758	4,188
Total	**37,923**	**38,821**	**37,441**	**153,670**	**146,767**
Less: Inter-segment revenue	-	-	-	-	-
Net revenue from operations	**37,923**	**38,821**	**37,441**	**153,670**	**146,767**
Segment profit before tax, depreciation and non-controlling interests:					
Financial Services (1)#	1,941	2,260	2,600	9,324	10,843
Retail (2)	1,864	1,715	1,634	6,882	6,396
Communication (3)	810	860	958	3,688	3,759
Energy, Utilities , Resources and Services	1,431	1,450	1,302	5,523	5,155
Manufacturing	1,081	1,110	902	4,197	3,113
Hi-Tech	803	758	750	3,153	2,959
Life Sciences (4)	632	766	705	2,898	2,566
All other segments (5)	222	218	147	760	339
Total	**8,784**	**9,137**	**8,998**	**36,425**	**35,130**
Less: Other Unallocable expenditure	1,163	1,176	1,121	4,678	4,225
Add: Unallocable other income	2,729	789	671	4,711	2,701
Less: Finance cost	110	131	82	470	284
Profit before tax and non-controlling interests	**10,240**	**8,619**	**8,466**	**35,988**	**33,322**

(1) *Financial Services include enterprises in Financial Services and Insurance*

(2) *Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics*

(3) *Communication includes enterprises in Communication, Telecom OEM and Media*

(4) *Life Sciences includes enterprises in Life sciences and Health care*

(5) *All other segments include operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services*

\# *Includes impact on account of McCamish cybersecurity incident. Refer note 1.b) above.*

Notes on segment information

Business segments

Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Segmental capital employed

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. The Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

6. Audited financial results of Infosys Limited (Standalone Information)

(in ₹ crore)

Particulars	Quarter ended March 31,	Quarter ended December 31,	Quarter ended March 31,	Year ended March 31,	
	2024	2023	2023	2024	2023
Revenue from operations	32,001	32,491	30,531	128,933	124,014
Profit before tax	10,414	8,876	7,957	35,953	31,643
Profit for the period	8,480	6,552	5,904	27,234	23,268

The audited results of Infosys Limited for the above mentioned periods are available on our website, www.infosys.com and on the Stock Exchange website www.nseindia.com and www.bseindia.com. The information above has been extracted from the audited interim standalone financial statements as stated.

By order of the Board
for Infosys Limited

Salil Parekh
Chief Executive Officer and Managing Director

Bengaluru, India
April 18, 2024

The Board has also taken on record the consolidated results of Infosys Limited and its subsidiaries for the quarter and year ended March 31, 2024, prepared as per International Financial Reporting Standards (IFRS) and reported in US dollars. A summary of the financial statements is as follows:

(in US$ million, except per equity share data)

Particulars	Quarter ended March 31, 2024 Audited	Quarter ended December 31, 2023 Audited	Quarter ended March 31, 2023 Audited	Year ended March 31, 2024 Audited	Year ended March 31, 2023 Audited
Revenues	4,564	4,663	4,554	18,562	18,212
Cost of sales	3,219	3,274	3,164	12,975	12,709
Gross profit	**1,345**	**1,389**	**1,390**	**5,587**	**5,503**
Operating expenses	428	433	433	1,753	1,678
Operating profit	**917**	**956**	**957**	**3,834**	**3,825**
Other income, net	328	95	82	568	335
Finance cost	13	16	10	56	35
Profit before income taxes	**1,232**	**1,035**	**1,029**	**4,346**	**4,125**
Income tax expense	273	301	284	1,177	1,142
Net profit	**959**	**734**	**745**	**3,169**	**2,983**
Earnings per equity share *					
Basic	0.23	0.18	0.18	0.77	0.71
Diluted	0.23	0.18	0.18	0.76	0.71
Total assets	16,523	15,606	15,312	16,523	15,312
Cash and cash equivalents and current investments	3,321	2,598	2,322	3,321	2,322

** EPS is not annualized for the quarter ended March 31, 2024, quarter ended December 31, 2023 and quarter ended March 31, 2023.*

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, and the McCamish cybersecurity incident review and notification process are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, our ability to attract and retain personnel, our ability to effectively implement a hybrid working model, macro-economic and geo-political situations, technological innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, onerous terms and conditions in customer contracts, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the findings of the ongoing review of the extent and nature of accessed or exfiltrated data in relation to the McCamish cybersecurity incident and reaction to such findings, the timing of the review and notification process, and the amount of any additional costs, including indemnities or damages / claims, resulting from the incident. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2023. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

Infosys Limited

CIN: L85110KA1981PLC013115

Regd. Office: Electronics City, Hosur Road, Bengaluru – 560 100, India.

Website: www.infosys.com; Email: investors@infosys.com; Telephone: 91 80 2852 0261; Fax: 91 80 2852 0362

Statement of Audited results of Infosys Limited for the quarter and year ended March 31, 2024
prepared in compliance with the Indian Accounting Standards (Ind-AS)

(in ₹ crore, except per equity share data)

Particulars	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
	Audited	Audited	Audited	Audited	Audited
Revenue from operations	32,001	32,491	30,531	128,933	124,014
Other income, net (refer note 1(d))	3,483	1,582	766	7,417	3,859
Total income	**35,484**	**34,073**	**31,297**	**136,350**	**127,873**
Expenses					
Employee benefit expenses	16,047	16,304	15,581	65,139	62,764
Cost of technical sub-contractors	4,648	4,670	4,551	18,638	19,096
Travel expenses	371	296	335	1,372	1,227
Cost of software packages and others	2,098	1,811	875	6,891	5,214
Communication expenses	109	119	117	489	502
Consultancy and professional charges	287	282	261	1,059	1,236
Depreciation and amortization expense	722	738	714	2,944	2,753
Finance cost	62	82	43	277	157
Other expenses	726	895	863	3,588	3,281
Total expenses	**25,070**	**25,197**	**23,340**	**100,397**	**96,230**
Profit before tax	**10,414**	**8,876**	**7,957**	**35,953**	**31,643**
Tax expense: (refer note 1(c))					
Current tax	830	2,231	1,906	7,306	8,167
Deferred tax	1,104	93	147	1,413	208
Profit for the period	**8,480**	**6,552**	**5,904**	**27,234**	**23,268**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability / asset, net	36	73	10	128	(19)
Equity instruments through other comprehensive income, net	(12)	(9)	(14)	19	(6)
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedges, net	28	(46)	36	11	(7)
Fair value changes on investments, net	34	49	38	129	(236)
Total other comprehensive income/ (loss), net of tax	**86**	**67**	**70**	**287**	**(268)**
Total comprehensive income for the period	**8,566**	**6,619**	**5,974**	**27,521**	**23,000**
Paid-up share capital (par value ₹5/- each fully paid)	2,075	2,075	2,074	2,075	2,074
Other Equity*	79,101	65,671	65,671	79,101	65,671
Earnings per equity share (par value ₹5 /- each)**					
Basic (in ₹ per share)	20.43	15.79	14.20	65.62	55.48
Diluted (in ₹ per share)	20.41	15.78	14.19	65.56	55.42

** Balances for the quarter ended December 31, 2023 represent balances as per the audited Balance Sheet as at March 31, 2023 as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015*

*** EPS is not annualized for the quarter ended March 31, 2024, quarter ended December 31, 2023 and quarter ended March 31, 2023.*

1. Notes

a) The audited interim condensed standalone financial statements for the quarter and year ended March 31, 2024 have been taken on record by the Board of Directors at its meeting held on April 18, 2024 **The statutory auditors, Deloitte Haskins & Sells LLP have expressed an unmodified audit opinion.** The information presented above is extracted from the audited interim condensed standalone financial statements. These interim condensed standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

b) Update on Capital allocation policy

Effective from Financial Year 2025, the Company expects to continue its policy of returning approximately 85% of the Free Cash Flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual Dividend Per Share (excluding special dividend if any).

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Dividend and buyback include applicable taxes.

c) Update on orders received from the Indian Income tax department

During the quarter ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of ₹1,933 crore (included in other income as mentioned in point (d) below) was recognised and provision for income tax aggregating ₹525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹1,628 crore has been reduced from contingent liabilities.

d) Other income includes interest on income tax refund of ₹1,934 crore and Nil for the quarter ended March 31, 2024 and March 31, 2023 respectively, ₹1,936 crore and Nil for the year ended March 31, 2024 and March 31, 2023 respectively, and ₹1 crore for the quarter ended December 31, 2023.

e) Update on employee stock grants

The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved the following annual grants to Salil Parekh, CEO and MD as per his employment agreement approved by shareholders:

i) The grant of annual performance-based stock incentives (Annual Performance Equity Grant) in the form of Restricted Stock Units (RSU's) covering Company's equity shares having a market value of ₹34.75 crore as on the date of the grant under the 2015 Stock Incentive Compensation Plan (2015 plan) which shall vest 12 months from the date of grant subject to achievement of performance targets as determined by the Board. `

ii) The grant of annual performance-based stock incentives (Annual performance equity ESG grant) in the form of RSU's covering Company's equity shares having a market value of ₹2 crore as on the date of the grant under the 2015 Plan, which shall vest 12 months from the date of the grant subject to the Company's achievement of certain environment, social and governance milestones as determined by the Board.

iii)The grant of annual performance-based stock incentives (Annual performance Equity TSR grant) in the form of RSU's covering Company's equity shares having a market value of ₹5 crore as on the date of the grant under the 2015 Plan, which shall vest after March 31, 2025 subject to the Company's performance on cumulative relative TSR over the years and as determined by the Board.

iv) The grant of annual performance-based stock incentives (2019 Annual Performance Equity Grant) in the form of Restricted Stock Units (RSU's) covering Company's equity shares having a market value of ₹10 crore as on the date of the grant under the Infosys Expanded Stock Ownership Program-2019 (2019 Plan), which shall vest 12 months from the date of the grant subject to the Company's achievement of certain performance criteria as laid out in the 2019 Plan.

The above RSUs will be granted w.e.f May 2, 2024 and the number of RSU's will be calculated based on the market price at the close of trading on May 2, 2024.

2. Information on dividends for the quarter and year ended March 31, 2024

For financial year 2024, the Board recommended a final dividend of ₹20/- (par value of ₹5/- each) per equity share and additionally a special dividend of ₹8/- (par value of ₹5/- each) per equity share. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company to be held on June 26, 2024. The record date for the purpose of the payment of final and special dividend is May 31, 2024. The dividend will be paid on July 1, 2024. For the financial year ended 2023, the Company declared a final dividend of ₹17.50/- per equity share.

The Board of Directors (in the meeting held on October 12, 2023) declared an interim dividend of ₹18/- (par value ₹5/- each) per equity share. The record date for the payment was October 25, 2023 and the same was paid on November 6, 2023. The interim dividend declared in the previous year was ₹16.50/- per equity share

(in ₹)

Particulars	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Dividend per share (par value ₹5/- each)					
Interim dividend	-	-	-	18.00	16.50
Final dividend	20.00	-	17.50	20.00	17.50
Special dividend	8.00	-	-	8.00	-

3. Audited Standalone Balance Sheet

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	10,813	11,656
Right of use assets	3,303	3,561
Capital work-in-progress	277	275
Goodwill	211	211
Other Intangible assets	-	3
Financial assets		
Investments	23,352	23,686
Loans	34	39
Other financial assets	1,756	1,341
Deferred tax assets (net)	-	779
Income tax assets (net)	2,583	5,916
Other non-current assets	1,669	1,788
Total non-current assets	**43,998**	**49,255**
Current assets		
Financial assets		
Investments	11,307	4,476
Trade receivables	25,152	20,773
Cash and cash equivalents	8,191	6,534
Loans	208	291
Other financial assets	10,129	9,088
Income tax assets (net)	6,329	-
Other current assets	9,636	10,920
Total current assets	**70,952**	**52,082**
Total assets	**114,950**	**101,337**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,075	2,074
Other equity	79,101	65,671
Total equity	**81,176**	**67,745**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Lease liabilities	3,088	3,553
Other financial liabilities	1,941	1,317
Deferred tax liabilities (net)	1,509	866
Other non-current liabilities	150	414
Total non - current liabilities	**6,688**	**6,150**
Current liabilities		
Financial liabilities		
Lease liabilities	678	713
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	92	97
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,401	2,329
Other financial liabilities	11,808	12,697
Other current liabilities	7,681	7,609
Provisions	1,464	1,163
Income tax liabilities (net)	2,962	2,834
Total current liabilities	**27,086**	**27,442**
Total equity and liabilities	**114,950**	**101,337**

The disclosure is an extract of the audited Balance Sheet as at March 31, 2024 and March 31, 2023 prepared in compliance with the Indian Accounting Standards (Ind-AS).

4. Audited Standalone Statement of Cash flows

(In ₹ crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities:		
Profit for the period	27,234	23,268
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortization	2,944	2,753
Income tax expense	8,719	8,375
Impairment loss recognized / (reversed) under expected credit loss model	130	183
Finance cost	277	157
Interest and dividend income	(4,670)	(3,028)
Stock compensation expense	575	460
Provision for post sale client support	77	121
Exchange differences on translation of assets and liabilities, net	63	(116)
Interest receivable on income tax refund	(1,934)	-
Other adjustments	235	34
Changes in assets and liabilities		
Trade receivables and unbilled revenue	(2,933)	(5,065)
Loans, other financial assets and other assets	(1,645)	(2,171)
Trade payables	67	(243)
Other financial liabilities, other liabilities and provisions	(117)	2,248
Cash generated from operations	**29,022**	**26,976**
Income taxes paid	(8,235)	(7,807)
Net cash generated by operating activities	**20,787**	**19,169**
Cash flow from investing activities:		
Expenditure on property, plant and equipment	(1,832)	(2,130)
Deposits placed with corporation	(688)	(634)
Redemption of deposits placed with corporation	522	482
Interest and dividend received	1,441	1,299
Dividend received from subsidiary	2,976	1,463
Loan given to subsidiaries	-	(427)
Loan repaid by subsidiaries	4	393
Investment in subsidiaries	(63)	(1,530)
Receipt / (payment) towards business transfer for entities under common control	35	19
Receipt / (payment) from entities under liquidation	80	-
Escrow and other deposits pertaining to Buyback	-	(483)
Redemption of Escrow and other deposits pertaining to Buyback	-	483
Other receipts	123	61
Payments to acquire investments		
Liquid mutual fund units	(57,606)	(62,952)
Target maturity fund units	-	(400)
Tax free bonds and Government bonds	-	(14)
Commercial Papers	(9,405)	(2,485)
Certificates of deposit	(7,011)	(8,909)
Government Securities	-	(1,370)
Non-convertible debentures	(1,526)	-
Other investments	(2)	(4)
Proceeds on sale of investments		
Tax free bonds and Government bonds	150	213
Liquid mutual fund units	56,124	64,168
Non-convertible debentures	955	395
Certificates of deposit	6,962	9,454
Commercial Papers	5,475	2,098
Government Securities	5	1,532
Other investments	20	99
Net cash (used in) / from investing activities	**(3,261)**	**821**
Cash flow from financing activities:		
Buyback of equity shares including transaction cost and tax on Buyback	-	(11,499)
Payment of lease liabilities	(850)	(694)
Shares issued on exercise of employee stock options	1	30
Other receipts	-	44
Other payments	(243)	(64)
Payment of dividends	(14,733)	(13,674)
Net cash used in financing activities	**(15,825)**	**(25,857)**
Net increase / (decrease) in cash and cash equivalents	1,701	(5,867)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(44)	131
Cash and cash equivalents at the beginning of the period	6,534	12,270
Cash and cash equivalents at the end of the period	**8,191**	**6,534**
Supplementary information:		
Restricted cash balance	44	46

The disclosure is an extract of the audited Statement of Cash flows for the year ended March 31, 2024 and March 31, 2023 prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting.

5. Segment Reporting

The Company publishes standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the audited interim consolidated financial statements. Accordingly, the segment information is given in the audited consolidated financial results of Infosys Limited and its subsidiaries for the quarter and year ended March 31,2024.

By order of the Board
for Infosys Limited

Bengaluru, India
April 18, 2024

Salil Parekh
Chief Executive Officer and Managing Director

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, and the McCamish cybersecurity incident review and notification process are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, our ability to attract and retain personnel, our ability to effectively implement a hybrid working model, macro-economic and geo-political situations, technological innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, onerous terms and conditions in customer contracts, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the findings of the ongoing review of the extent and nature of accessed or exfiltrated data in relation to the McCamish cybersecurity incident and reaction to such findings, the timing of the review and notification process, and the amount of any additional costs, including indemnities or damages / claims, resulting from the incident. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2023. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

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Press Release

Strong large deal TCV of $4.5 billion in Q4 and record $17.7 billion in FY24 create robust foundation for growth

FY25 guidance - revenue growth of 1%-3% and operating margin of 20%-22%

Bengaluru, India – April 18, 2024: Infosys (NSE, BSE, NYSE: INFY), a global leader in next-generation digital services and consulting, delivered $18.6 billion in FY24 revenues with a growth of 1.4% in constant currency and operating margin of 20.7%. Free Cash Flow was strong at $2,882 million, an increase of 13.7% over FY 23. Large deal TCV for FY24 was highest ever at $17.7 billion, with 52% being net new.

Q4 revenues were at $4,564 million, flat year on year and decrease of 2.2% sequentially in constant currency. Large deal TCV for the quarter was $4.5 billion, with 44% being net new. Operating margin for the quarter was 20.1%, a sequential decrease of 40 bps. Free Cash Flow was robust at $848 million.

"We delivered the highest ever large deal value in the financial year 2024. This reflects the strong trust clients have in us. Our capabilities in Generative AI continue to expand. We are working on client programs, leveraging large language models with impact across software engineering, process optimization, and customer support, said **Salil Parekh, CEO and MD**. "I would like to thank our 317,000 employees across the world that are working to create value for our clients." he added.

1.4% FY Flat Q4 YoY CC Growth	20.7% FY 20.1% Q4 Operating Margin	10.0% FY 30.2% Q4 YoY EPS Increase (₹ terms)	$17.7 Bn FY $4.5 Bn Q4 Large Deal TCV	$2.9 Bn FY $848 Mn Q4 Free Cash Flow

Guidance for FY25:

- Revenue growth of 1%-3% in constant currency
- Operating margin of 20%-22%

1. Key highlights:

For the quarter ended March 31, 2024

- Revenues in CC terms remained flat YoY and declined by 2.2% QoQ
- Reported revenues at ₹37,923 crore, growth of 1.3% YoY
- Operating margin at 20.1%, decline of 0.9% YoY and 0.4% QoQ
- Basic EPS at ₹19.25, increase of 30.2% YoY
- FCF at ₹7,032 crore, growth of 20.3% YoY; FCF conversion at 88.2% of net profit

For year ended March 31, 2024

- Revenues in CC terms grew by 1.4% YoY
- Reported revenues at ₹153,670 crore, growth of 4.7% YoY
- Operating margin at 20.7%, decline of 0.4% YoY
- Basic EPS at ₹63.39, increase of 10.0% YoY
- FCF at ₹23,865 crore, growth of 16.7% YoY; FCF conversion at 90.9% of net profit

"Free cash flow of $848 million in Q4 was highest in the last 11 quarters driven by our relentless focus to improve working capital cycle. Consistent with the objective of giving high and predictable returns to shareholders, the Board has approved the capital allocation policy under which the company expects to return 85% over the next 5 years and progressively increase annual Dividend Per Share", **said Jayesh Sanghrajka, CFO**. "Operating margin expansion in the medium-term and improving cash generation continue to remain our priorities underpinned by early success in Project Maximus", he added.

2. Capital Allocation

- For the Financial Year 2024, the Board recommended a final dividend of `20 per share and additionally a special dividend of `8 per share. With this, the total payout over FY20 – FY 24 will be 85% of Free Cash Flow, in line with our capital allocation policy announced earlier.

- The Board in its meeting held on April 18, 2024 has reviewed and approved the capital allocation policy for the next 5 years from FY25 – FY29 after taking into consideration the strategic and operational cash requirements as below.

  "Effective from financial year 2025, the Company expects to continue its policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any."

  Under this policy, the Company expects to progressively increase its annual Dividend Per Share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes.

3. Update on India Income Tax Orders

During the quarter ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result, interest income (pre-tax) of ₹1,933 crore was recognized and provision for income tax aggregating ₹525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹1,628 crore has been reduced from contingent liabilities.

4. Update on Financial Services Client

During Q4, we had rescoping and renegotiation of one of the large contracts in the financial services segment leading to a one-time impact of approximately 100bps in Q4. Nearly 85% of the scope of the contract continues as-is.

5. Client wins & testimonials

- Infosys announced a strategic collaboration with Musgrave to help automate their IT operations by leveraging its industry leading AI and Cloud offerings, Infosys Topaz and Infosys Cobalt. **Stephen Mckenna, Chief Technology Officer, Musgrave**, said, "I am delighted by our recently announced collaboration with Infosys, which will enable us to leverage Infosys' expertise and resources to deliver innovative solutions to all our customers and retail partners. Musgrave has always been committed to providing our customers with the best possible service, and this collaboration is a testament to that commitment. We are confident that this collaboration will result in new and exciting products and services that will benefit all our customers."
- Infosys collaborated with PROG Holdings, Inc. to bring AI-powered experiences to their customers and intelligent automation to their operations, as an integral part of PROG Holdings' ongoing cloud and AI-focused technology modernization and innovation efforts. **Steve Michaels, President and CEO of PROG Holdings**, said, "We look forward to working with Infosys to develop and enhance key systems that positively impact the speed to market, agility, and scalability of key PROG Holdings technologies and platforms. We expect our collaboration with Infosys will reduce friction for both our customers and retail partners, further solidifying PROG Holdings' position atop the virtual lease-to-own industry we helped create twenty-five years ago."
- Infosys collaborated with Pacific International Lines (PIL) to accelerate their digital transformation initiative by helping revamp PIL's existing customer portal and deploying a scalable and modern technology platform, aimed at creating a positive impact for PIL's key stakeholders across the shipping and logistics ecosystem. **Lionel Patrice Chatelet, Chief Commercial Officer, Pacific International Lines (PIL)**, said, "We are looking for a partner who can not only bring technology but also play an advisory role in the journey of transformation. Infosys brings together a strong combination of right capabilities as well as highly collaborative ways of working. We are delighted to collaborate with Infosys."
- Resolution Life Australasia collaborated with Infosys to virtualize its mainframe systems by enabling a seamless migration to the cloud, enhancing the overall customer experience. **Peter Histon, CIO of Resolution Life Australasia**, said, "Infosys brought a number of proprietary accelerators to the table as part of the virtualization which helped us to deliver the solution rapidly. But beyond that, Infosys brought in a number of different people capabilities. We took a progressive approach around migration of the underlying applications. There were two very big releases. Infosys worked with us every step of the way."
- zooplus and Infosys have entered into a strategic eight- year collaboration to set up an AI-led product and technology hub in Hyderabad, India. **Markus Hermanutz, Chief Information Officer, zooplus SE**, said, "We are excited to have selected Infosys to set up a new AI-led hub through which we will drive our business growth ambition. With Infosys Topaz, we will achieve productivity and efficiency at scale, and attract the right talent for upcoming transformations across our e-commerce value chain."
- Infosys is expanding its successful collaboration with Hasbro, building on their initial achievements in the SAP S4 implementation. Together, they are advancing their relationship and strategy globally through a multi-year strategic engagement. Leveraging Infosys's expertise in AI and a proven experience led cognitive approach, Infosys is poised to support Hasbro's global business. This collaboration aims to drive operational excellence, foster innovation, and deliver superior experiences at scale for both customers and employees

worldwide. **Steve Zoltick, CIO & Head, Global Business Enablement, Hasbro**, said, “Infosys is bringing the right talent to our collaboration allowing us to enhance our capabilities and achieve our Global Business Enablement goals”.

- Infosys Finacle successfully implemented the Finacle Digital Lending Solution Suite in a Software-as-a-Service (SaaS) mode for Regional Investment Corporation (RIC) which included the adoption of the Finacle Online Banking and Finacle Alerts Solution. **Chris Rawlins, Executive Director Transformation, Regional Investment Corporation (RIC)**, said, “At RIC, our mission is to nurture the growth of the Australian farm businesses through affordable loans, while also ensuring their resilience and profitability. With the Infosys Finacle Lending solution, we have a proven technology platform to support the evolving demands of our business and customers, with the agility to roll out new products and regulations as mandated by the Federal Government. The nine-month implementation by the Infosys Finacle team was delivered on schedule and we are impressed by the team’s commitment to facilitate RIC in achieving a smooth transition without any disruptions to our customers."
- Infosys and Handlesblatt Media Group announced a strategic collaboration to support the Handelsblatt Research Institute (HRI) in making complex reports on global economic and financial topics more accessible and easily consumable for the public, by leveraging Infosys Topaz, an AI-first set of services, solutions and platforms using generative AI technologies. **Dr. Jan Kleibrink, Managing Director, Handelsblatt Research Institute**, said, "We are excited to collaborate with Infosys to offer cutting-edge, AI-enabled trend reports. One of the core tasks of the Handelsblatt Research Institute is to present complex economic relationships and the results of scientific analysis to a broad readership. We achieve this with texts of the highest journalistic quality and visual storytelling based on high-quality infographics. With Infosys as our AI and digital innovation partner, we now move to the next level of digital storytelling that is powered by AI.”

6. Recognitions & Awards

AI and Cloud Services

- Awarded ISO 42001:2023 certification for implementing an Artificial Intelligence Management System framework
- Positioned as a leader in IDC MarketScape Worldwide Higher Education Cloud Professional Services Vendor Assessment
- Positioned as a leader in HFS Horizons: Assuring the Generative Enterprise™, 2024
- Rated as a leader in ISG’s Multi Public Cloud Services Provider Lens™ study
- Rated as a leader in ISG’s Intelligent Automation - Solutions and Services Provider Lens™ study in US and Europe

Key Digital Services

- Rated as a leader in The Forrester Wave™: Application Modernization And Migration Services, Q1 2024
- Positioned as a leader in the Unified Communication & Collaboration (UCC) Specialist Services PEAK Matrix® Assessment 2024 by Everest and ranked #1 in the UCC rating by Everest
- Rated as a leader in Pega Services PEAK Matrix® Assessment 2024 by Everest

- Positioned as a leader in Application Transformation Services PEAK Matrix® Assessment 2024 – North America by Everest
- Positioned as a leader in Application Transformation Services PEAK Matrix® Assessment 2024 – Europe by Everest
- Positioned as a leader in Software Product Engineering Services PEAK Matrix® Assessment 2024 by Everest
- Rated as a leader in Talent Readiness for Next-generation IT Services PEAK Matrix® Assessment 2023 by Everest
- Positioned as a leader in IDC MarketScape: Worldwide Blockchain Services 2024 Vendor Assessment
- Rated as a leader in Cyber Resiliency NEAT 2024 by NelsonHall
- Rated as a leader in Salesforce Services 2024 NEAT 2024 by NelsonHall
- Rated as a leader in ShortList 2024: Custom Software Development Services by Constellation Research
- Rated as a leader in ShortList 2024: Innovation Services and Engineering by Constellation Research
- Rated as leader in ShortList 2024: Learning Marketplaces by Constellation Research
- Rated as leader in ShortList 2024: Microsoft End-to-End Service Providers by Constellation Research
- Rated as leader in ShortList 2024: QA Tools for NextGen Apps by Constellation Research
- Recognized as a leader in Avasant's Retail Digital Services 2024 Radarview™
- Recognized as a leader in Avasant's SAP S/4HANA Services 2023–2024 Radarview
- Rated as a leader in ISG's Environmental, Social and Governance Services (ESG) Provider Lens™ study in US, Europe and Global

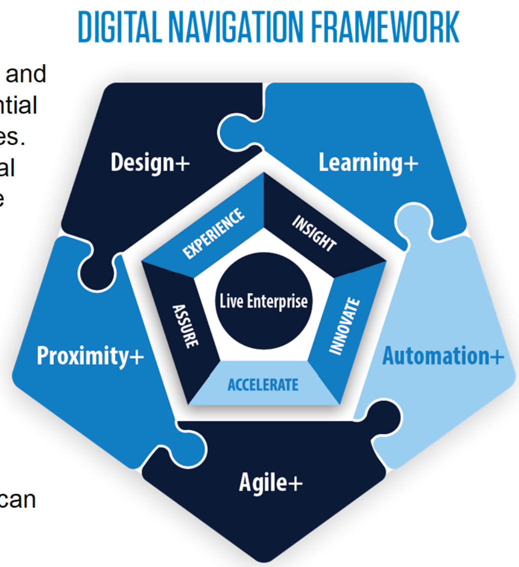
Industry & Solutions

- Positioned as a leader in Retail IT Services PEAK Matrix® Assessment 2024 by Everest
- Positioned as a leader in HFS Horizons: Manufacturing Intelligent Operations Services, 2024
- Positioned as a leader in HFS Horizons: The Best Service Providers for Asset and Wealth Management
- Rated as a leader in ESG Services in Banking 2024 by NelsonHall
- Rated as a leader in Innovation Radar – Salesforce Related Services in Europe: The Communications & Media View by PAC, The Manufacturing View by PAC, The Energy & Utilities View by PAC, and The Financial Services View by PAC
- Infosys Finacle along with its customers, won multiple industry awards at the Retail Banker International Asia Trailblazer Awards 2024. These include Infosys Finacle Mobile Teller awarded for Most Innovative Branch Offering; Infosys Finacle and HDFC awarded for

Excellence in Mass Affluent Banking; Infosys Finacle and South Indian Bank awarded for Best CSR Initiative – Environmental Impact; Infosys Finacle and Suryoday Bank awarded for Best Core Banking System Initiative

- Infosys BPM and T-Mobile won the SSON North America Impact Award 2024, in the Creative Talent Management category
- Infosys BPM recognized at the ISG Digital Case Study Research and Awards 2023 with 3 STANDOUT winners: Banking and Financial Services (India), Communications (Asia Pacific), Retail (UK, Ireland, Scandinavia)
- Infosys BPM won the Best Workplace Diversity Award, at HR Tech Summit & Awards 2024

About Infosys



Infosys is a global leader in next-generation digital services and consulting. Over 300,000 of our people work to amplify human potential and create the next opportunity for people, businesses and communities. We enable clients in more than 56 countries to navigate their digital transformation. With over four decades of experience in managing the systems and workings of global enterprises, we expertly steer clients, as they navigate their digital transformation powered by the cloud. We enable them with an AI-powered core, empower the business with agile digital at scale and drive continuous improvement with always-on learning through the transfer of digital skills, expertise, and ideas from our innovation ecosystem. We are deeply committed to being a well-governed, environmentally sustainable organization where diverse talent thrives in an inclusive workplace.

Visit www.infosys.com to see how Infosys (NSE, BSE, NYSE: INFY) can help your enterprise navigate your next.

Safe Harbor

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, and the McCamish cybersecurity incident review and notification process are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, our ability to attract and retain personnel, our ability to effectively implement a hybrid working model, macro-economic and geo-political situations, technological innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, onerous terms and conditions in customer contracts, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the findings of the ongoing review of the extent and nature of accessed or exfiltrated data in relation to the McCamish cybersecurity incident and reaction to such findings, the timing of the review and notification process, and the amount of any additional costs, including indemnities or damages / claims, resulting from the incident. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2023. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

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Infosys Limited and subsidiaries

Extracted from the Condensed Consolidated Balance Sheet under IFRS as at: *(in ₹ crore)*

	March 31, 2024	March 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	14,786	12,173
Current investments	12,915	6,909
Trade receivables	30,193	25,424
Unbilled revenue	12,768	15,289
Other Current assets	18,770	11,086
Total current assets	**89,432**	**70,881**
Non-current assets		
Property, plant and equipment and Right-of-use assets	19,370	20,675
Goodwill and other Intangible assets	8,700	8,997
Non-current investments	11,708	12,569
Unbilled revenue	1,780	1,449
Other non-current assets	6,824	11,245
Total non-current assets	**48,382**	**54,935**
Total assets	**137,814**	**125,816**
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables	3,956	3,865
Unearned revenue	7,341	7,163
Employee benefit obligations	2,622	2,399
Other current liabilities and provisions	24,875	25,759
Total current liabilities	**38,794**	**39,186**
Non-current liabilities		
Lease liabilities	6,400	7,057
Other non-current liabilities	4,159	3,778
Total non-current liabilities	**10,559**	**10,835**
Total liabilities	**49,353**	**50,021**
Total equity attributable to equity holders of the company	**88,116**	**75,407**
Non-controlling interests	345	388
Total equity	**88,461**	**75,795**
Total liabilities and equity	**137,814**	**125,816**

Extracted from the Condensed Consolidated statement of Comprehensive Income under IFRS for:

(in ₹ crore except per equity share data)

	3 months ended March 31, 2024	3 months ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Revenues	**37,923**	**37,441**	**153,670**	**146,767**
Cost of sales	26,748	26,011	107,413	102,353
Gross profit	**11,175**	**11,430**	**46,257**	**44,414**
Operating expenses:				
Selling and marketing expenses	1,735	1,659	6,973	6,249
Administrative expenses	1,819	1,894	7,537	7,260
Total operating expenses	3,554	3,553	14,510	13,509
Operating profit	**7,621**	**7,877**	**31,747**	**30,905**
Other income, net [3]	2,619	589	4,241	2,417
Profit before income taxes	**10,240**	**8,466**	**35,988**	**33,322**
Income tax expense	2,265	2,332	9,740	9,214
Net profit (before minority interest)	**7,975**	**6,134**	**26,248**	**24,108**
Net profit (after minority interest)	7,969	6,128	26,233	24,095
Basic EPS (`) [4]	19.25	14.79	63.39	57.63
Diluted EPS (`) [4]	19.22	14.77	63.29	57.54

NOTES:

1. *The above information is extracted from the audited condensed consolidated Balance sheet and Statement of Comprehensive Income for the quarter and year ended March 31, 2024, which have been taken on record at the Board meeting held on April 18, 2024.*

2. *A Fact Sheet providing the operating metrics of the Company can be downloaded from www.infosys.com.*

3. *Other income is net of Finance Cost.*

4. *Includes interest income (pre-tax) of ₹1,933 crores and reversal of net tax provisions amounting to ₹38 crores on account of orders received under sections 250 & 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for certain assessment years. This has resulted in a positive impact on the consolidated Basic and Diluted EPS by approximately ₹4.76 for the quarter and year ended March 31, 2024.*

5. *As the quarter and year ended figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the year ended figures reported in this statement.*

Infosys® Navigate your next

IFRS – USD

Press Release

Strong large deal TCV of $4.5 billion in Q4 and record $17.7 billion in FY24 create robust foundation for growth

FY25 guidance - revenue growth of 1%-3% and operating margin of 20%-22%

Bengaluru, India – April 18, 2024: Infosys (NSE, BSE, NYSE: INFY), a global leader in next-generation digital services and consulting, delivered $18.6 billion in FY24 revenues with a growth of 1.4% in constant currency and operating margin of 20.7%. Free Cash Flow was strong at $2,882 million, an increase of 13.7% over FY 23. Large deal TCV for FY24 was highest ever at $17.7 billion, with 52% being net new.

Q4 revenues were at $4,564 million, flat year on year and decrease of 2.2% sequentially in constant currency. Large deal TCV for the quarter was $4.5 billion, with 44% being net new. Operating margin for the quarter was 20.1%, a sequential decrease of 40 bps. Free Cash Flow was robust at $848 million.

"We delivered the highest ever large deal value in the financial year 2024. This reflects the strong trust clients have in us. Our capabilities in Generative AI continue to expand. We are working on client programs leveraging large language models with impact across software engineering, process optimization, and customer support, said **Salil Parekh, CEO and MD**. "I would like to thank our 317,000 employees across the world that are working to create value for our clients." he added.

1.4% FY **Flat Q4** YoY CC Growth	**20.7% FY** **20.1% Q4** Operating Margin	**10.0% FY** **30.2% Q4** YoY EPS Increase (₹ terms)	**$17.7 Bn FY** **$4.5 Bn Q4** Large Deal TCV	**$2.9 Bn FY** **$848 Mn Q4** Free Cash Flow

Guidance for FY25:

- Revenue growth of 1%-3% in constant currency
- Operating margin of 20%-22%

1. Key highlights:

For the quarter ended March 31, 2024

- Revenues in CC terms remained flat YoY and declined by 2.2% QoQ
- Reported revenues at $4,564 million, growth of 0.2% YoY
- Operating margin at 20.1%, decline of 0.9% YoY and 0.4% QoQ
- Basic EPS at $0.23, increase of 28.9% YoY
- FCF at $848 million, growth of 18.9% YoY; FCF conversion at 88.4% of net profit

For year ended March 31, 2024

- Revenues in CC terms grew by 1.4% YoY
- Reported revenues at $18,562 million, growth of 1.9% YoY
- Operating margin at 20.7%, decline of 0.3% YoY
- Basic EPS at $0.77, increase of 7.3% YoY
- FCF at $2,882 million, growth of 13.7% YoY; FCF conversion at 91.0% of net profit

"Free cash flow of $848 million in Q4 was highest in the last 11 quarters driven by our relentless focus to improve working capital cycle. Consistent with the objective of giving high and predictable returns to shareholders, the Board has approved the capital allocation policy under which the company expects to return 85% over the next 5 years and progressively increase annual Dividend Per Share", **said Jayesh Sanghrajka, CFO**. "Operating margin expansion in the medium-term and improving cash generation continue to remain our priorities underpinned by early success in Project Maximus", he added.

2. Capital Allocation

- For the Financial Year 2024, the Board recommended a final dividend of ₹20 per share (0.24 per ADS) and additionally a special dividend of ₹8 per share (0.10 per ADS*). With this, the total payout over FY20 – FY 24 will be 85% of Free Cash Flow, in line with our capital allocation policy announced earlier.

- The Board in its meeting held on April 18, 2024 has reviewed and approved the capital allocation policy for the next 5 years from FY25 – FY29 after taking into consideration the strategic and operational cash requirements as below.

  "Effective from financial year 2025, the Company expects to continue its policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any."

  Under this policy, the Company expects to progressively increase its annual Dividend Per Share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes.

**USD/INR rate of ₹83.41*

3. Update on India Income Tax Orders

During the quarter ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result, interest income (pre-tax) of $232 million was recognized and provision for income tax aggregating $63 million was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to $196 million has been reduced from contingent liabilities.

4. Update on Financial Services Client

During Q4, we had rescoping and renegotiation of one of the large contracts in the financial services segment leading to a one-time impact of approximately 100bps in Q4. Nearly 85% of the scope of the contract continues as-is.

5. Client wins & testimonials

- Infosys announced a strategic collaboration with Musgrave to help automate their IT operations by leveraging its industry leading AI and Cloud offerings, Infosys Topaz and Infosys Cobalt. **Stephen Mckenna, Chief Technology Officer, Musgrave**, said, "I am delighted by our recently announced collaboration with Infosys, which will enable us to leverage Infosys' expertise and resources to deliver innovative solutions to all our customers and retail partners. Musgrave has always been committed to providing our customers with the best possible service, and this collaboration is a testament to that commitment. We are confident that this collaboration will result in new and exciting products and services that will benefit all our customers."
- Infosys collaborated with PROG Holdings, Inc. to bring AI-powered experiences to their customers and intelligent automation to their operations, as an integral part of PROG Holdings' ongoing cloud and AI-focused technology modernization and innovation efforts. **Steve Michaels, President and CEO of PROG Holdings**, said, "We look forward to working with Infosys to develop and enhance key systems that positively impact the speed to market, agility, and scalability of key PROG Holdings technologies and platforms. We expect our collaboration with Infosys will reduce friction for both our customers and retail partners, further solidifying PROG Holdings' position atop the virtual lease-to-own industry we helped create twenty-five years ago."
- Infosys collaborated with Pacific International Lines (PIL) to accelerate their digital transformation initiative by helping revamp PIL's existing customer portal and deploying a scalable and modern technology platform, aimed at creating a positive impact for PIL's key stakeholders across the shipping and logistics ecosystem. **Lionel Patrice Chatelet, Chief Commercial Officer, Pacific International Lines (PIL)**, said, "We are looking for a partner who can not only bring technology but also play an advisory role in the journey of transformation. Infosys brings together a strong combination of right capabilities as well as highly collaborative ways of working. We are delighted to collaborate with Infosys."
- Resolution Life Australasia collaborated with Infosys to virtualize its mainframe systems by enabling a seamless migration to the cloud, enhancing the overall customer experience. **Peter Histon, CIO of Resolution Life Australasia**, said, "Infosys brought a number of proprietary accelerators to the table as part of the virtualization which helped us to deliver the solution rapidly. But beyond that, Infosys brought in a number of different people capabilities. We took a progressive approach around migration of the underlying applications. There were two very big releases. Infosys worked with us every step of the way."
- zooplus and Infosys have entered into a strategic eight- year collaboration to set up an AI-led product and technology hub in Hyderabad, India. **Markus Hermanutz, Chief Information Officer, zooplus SE**, said, "We are excited to have selected Infosys to set up a new AI-led hub through which we will drive our business growth ambition. With Infosys Topaz, we will achieve productivity and efficiency at scale, and attract the right talent for upcoming transformations across our e-commerce value chain."
- Infosys is expanding its successful collaboration with Hasbro, building on their initial achievements in the SAP S4 implementation. Together, they are advancing their relationship and strategy globally through a multi-year strategic engagement. Leveraging Infosys's expertise in AI and a proven experience led cognitive approach, Infosys is poised to support Hasbro's global business. This collaboration aims to drive operational excellence, foster innovation, and deliver superior experiences at scale for both customers and employees

worldwide. **Steve Zoltick, CIO & Head, Global Business Enablement, Hasbro**, said, “Infosys is bringing the right talent to our collaboration allowing us to enhance our capabilities and achieve our Global Business Enablement goals”.

- Infosys Finacle successfully implemented the Finacle Digital Lending Solution Suite in a Software-as-a-Service (SaaS) mode for Regional Investment Corporation (RIC) which included the adoption of the Finacle Online Banking and Finacle Alerts Solution. **Chris Rawlins, Executive Director Transformation, Regional Investment Corporation (RIC)**, said, “At RIC, our mission is to nurture the growth of the Australian farm businesses through affordable loans, while also ensuring their resilience and profitability. With the Infosys Finacle Lending solution, we have a proven technology platform to support the evolving demands of our business and customers, with the agility to roll out new products and regulations as mandated by the Federal Government. The nine-month implementation by the Infosys Finacle team was delivered on schedule and we are impressed by the team’s commitment to facilitate RIC in achieving a smooth transition without any disruptions to our customers."
- Infosys and Handlesblatt Media Group announced a strategic collaboration to support the Handelsblatt Research Institute (HRI) in making complex reports on global economic and financial topics more accessible and easily consumable for the public, by leveraging Infosys Topaz, an AI-first set of services, solutions and platforms using generative AI technologies. **Dr. Jan Kleibrink, Managing Director, Handelsblatt Research Institute**, said, "We are excited to collaborate with Infosys to offer cutting-edge, AI-enabled trend reports. One of the core tasks of the Handelsblatt Research Institute is to present complex economic relationships and the results of scientific analysis to a broad readership. We achieve this with texts of the highest journalistic quality and visual storytelling based on high-quality infographics. With Infosys as our AI and digital innovation partner, we now move to the next level of digital storytelling that is powered by AI.”

6. Recognitions & Awards

AI and Cloud Services

- Awarded ISO 42001:2023 certification for implementing an Artificial Intelligence Management System framework
- Positioned as a leader in IDC MarketScape Worldwide Higher Education Cloud Professional Services Vendor Assessment
- Positioned as a leader in HFS Horizons: Assuring the Generative Enterprise™, 2024
- Rated as a leader in ISG’s Multi Public Cloud Services Provider Lens™ study
- Rated as a leader in ISG’s Intelligent Automation - Solutions and Services Provider Lens™ study in US and Europe

Key Digital Services

- Rated as a leader in The Forrester Wave™: Application Modernization And Migration Services, Q1 2024
- Positioned as a leader in the Unified Communication & Collaboration (UCC) Specialist Services PEAK Matrix® Assessment 2024 by Everest and ranked #1 in the UCC rating by Everest
- Rated as a leader in Pega Services PEAK Matrix® Assessment 2024 by Everest

- Positioned as a leader in Application Transformation Services PEAK Matrix® Assessment 2024 – North America by Everest
- Positioned as a leader in Application Transformation Services PEAK Matrix® Assessment 2024 – Europe by Everest
- Positioned as a leader in Software Product Engineering Services PEAK Matrix® Assessment 2024 by Everest
- Rated as a leader in Talent Readiness for Next-generation IT Services PEAK Matrix® Assessment 2023 by Everest
- Positioned as a leader in IDC MarketScape: Worldwide Blockchain Services 2024 Vendor Assessment
- Rated as a leader in Cyber Resiliency NEAT 2024 by NelsonHall
- Rated as a leader in Salesforce Services 2024 NEAT 2024 by NelsonHall
- Rated as a leader in ShortList 2024: Custom Software Development Services by Constellation Research
- Rated as a leader in ShortList 2024: Innovation Services and Engineering by Constellation Research
- Rated as leader in ShortList 2024: Learning Marketplaces by Constellation Research
- Rated as leader in ShortList 2024: Microsoft End-to-End Service Providers by Constellation Research
- Rated as leader in ShortList 2024: QA Tools for NextGen Apps by Constellation Research
- Recognized as a leader in Avasant's Retail Digital Services 2024 Radarview™
- Recognized as a leader in Avasant's SAP S/4HANA Services 2023–2024 Radarview
- Rated as a leader in ISG's Environmental, Social and Governance Services (ESG) Provider Lens™ study in US, Europe and Global

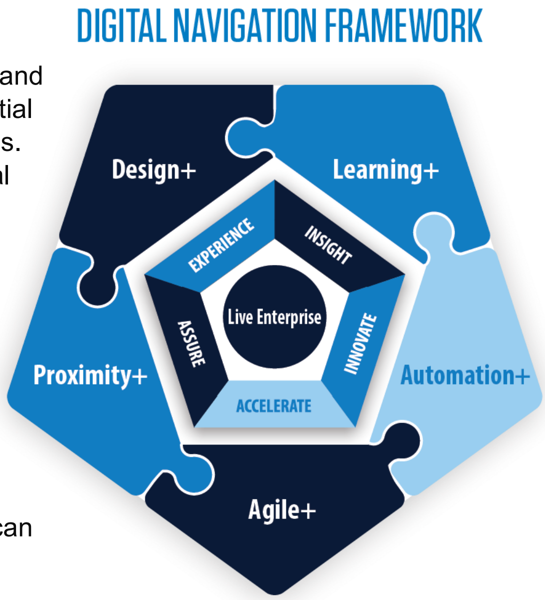
Industry & Solutions

- Positioned as a leader in Retail IT Services PEAK Matrix® Assessment 2024 by Everest
- Positioned as a leader in HFS Horizons: Manufacturing Intelligent Operations Services, 2024
- Positioned as a leader in HFS Horizons: The Best Service Providers for Asset and Wealth Management
- Rated as a leader in ESG Services in Banking 2024 by NelsonHall
- Rated as a leader in Innovation Radar – Salesforce Related Services in Europe: The Communications & Media View by PAC, The Manufacturing View by PAC, The Energy & Utilities View by PAC, and The Financial Services View by PAC
- Infosys Finacle along with its customers, won multiple industry awards at the Retail Banker International Asia Trailblazer Awards 2024. These include Infosys Finacle Mobile Teller awarded for Most Innovative Branch Offering; Infosys Finacle and HDFC awarded for

Excellence in Mass Affluent Banking; Infosys Finacle and South Indian Bank awarded for Best CSR Initiative – Environmental Impact; Infosys Finacle and Suryoday Bank awarded for Best Core Banking System Initiative

- Infosys BPM and T-Mobile won the SSON North America Impact Award 2024, in the Creative Talent Management category
- Infosys BPM recognized at the ISG Digital Case Study Research and Awards 2023 with 3 STANDOUT winners: Banking and Financial Services (India), Communications (Asia Pacific), Retail (UK, Ireland, Scandinavia)
- Infosys BPM won the Best Workplace Diversity Award, at HR Tech Summit & Awards 2024

About Infosys



Infosys is a global leader in next-generation digital services and consulting. Over 300,000 of our people work to amplify human potential and create the next opportunity for people, businesses and communities. We enable clients in more than 56 countries to navigate their digital transformation. With over four decades of experience in managing the systems and workings of global enterprises, we expertly steer clients, as they navigate their digital transformation powered by the cloud. We enable them with an AI-powered core, empower the business with agile digital at scale and drive continuous improvement with always-on learning through the transfer of digital skills, expertise, and ideas from our innovation ecosystem. We are deeply committed to being a well-governed, environmentally sustainable organization where diverse talent thrives in an inclusive workplace.

Visit www.infosys.com to see how Infosys (NSE, BSE, NYSE: INFY) can help your enterprise navigate your next.

Safe Harbor

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, and the McCamish cybersecurity incident review and notification process are forward-looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, our ability to attract and retain personnel, our ability to effectively implement a hybrid working model, macro-economic and geo-political situations, technological innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, onerous terms and conditions in customer contracts, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the findings of the ongoing review of the extent and nature of accessed or exfiltrated data in relation to the McCamish cybersecurity incident and reaction to such findings, the timing of the review and notification process, and the amount of any additional costs, including indemnities or damages / claims, resulting from the incident. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2023. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

Contact

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Infosys Limited and subsidiaries
Extracted from the Condensed Consolidated Balance Sheet under IFRS as at: *(Dollars in millions)*

	March 31, 2024	March 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	1,773	1,481
Current investments	1,548	841
Trade receivables	3,620	3,094
Unbilled revenue	1,531	1,861
Other Current assets	2,250	1,349
Total current assets	**10,722**	**8,626**
Non-current assets		
Property, plant and equipment and Right-of-use assets	2,323	2,516
Goodwill and other Intangible assets	1,042	1,095
Non-current investments	1,404	1,530
Unbilled revenue	213	176
Other non-current assets	819	1,369
Total non-current assets	**5,801**	**6,686**
Total assets	**16,523**	**15,312**
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables	474	470
Unearned revenue	880	872
Employee benefit obligations	314	292
Other current liabilities and provisions	2,983	3,135
Total current liabilities	**4,651**	**4,769**
Non-current liabilities		
Lease liabilities	767	859
Other non-current liabilities	500	460
Total non-current liabilities	**1,267**	**1,319**
Total liabilities	**5,918**	**6,088**
Total equity attributable to equity holders of the company	**10,559**	**9,172**
Non-controlling interests	46	52
Total equity	**10,605**	**9,224**
Total liabilities and equity	**16,523**	**15,312**

Extracted from the Condensed Consolidated statement of Comprehensive Income under IFRS for:

(Dollars in millions except per equity share data)

	3 months ended March 31, 2024	3 months ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Revenues	**4,564**	**4,554**	**18,562**	**18,212**
Cost of sales	3,219	3,164	12,975	12,709
Gross profit	**1,345**	**1,390**	**5,587**	**5,503**
Operating expenses:				
Selling and marketing expenses	209	202	842	776
Administrative expenses	219	231	911	902
Total operating expenses	428	433	1,753	1,678
Operating profit	**917**	**957**	**3,834**	**3,825**
Other income, net (3)	315	72	512	300
Profit before income taxes	**1,232**	**1,029**	**4,346**	**4,125**
Income tax expense	273	284	1,177	1,142
Net profit (before minority interest)	**959**	**745**	**3,169**	**2,983**
Net profit (after minority interest)	958	744	3,167	2,981
Basic EPS ($) (4)	0.23	0.18	0.77	0.71
Diluted EPS ($) (4)	0.23	0.18	0.76	0.71

NOTES:

1. *The above information is extracted from the audited condensed consolidated Balance sheet and Statement of Comprehensive Income for the quarter and year ended March 31, 2024, which have been taken on record at the Board meeting held on April 18, 2024.*

2. *A Fact Sheet providing the operating metrics of the Company can be downloaded from www.infosys.com.*

3. *Other income is net of Finance Cost.*

4. *Includes interest income (pre-tax) of $232Mn and reversal of net tax provisions amounting to $5Mn on account of orders received under sections 250 & 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for certain assessment years. This has resulted in a positive impact on the consolidated Basic and Diluted EPS by approximately $0.06 for the quarter and year ended March 31, 2024.*

5. *As the quarter and year ended figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the year ended figures reported in this statement.*

Deloitte
Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

Report on the Audit of the Interim Condensed Consolidated Financial Statements

Opinion

We have audited the accompanying interim condensed consolidated financial statements of **INFOSYS LIMITED** (the "Company"), and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the Condensed Consolidated Balance Sheet as at March 31, 2024, the Condensed Consolidated Statement of Comprehensive Income for the three months and year ended on that date, the Condensed Consolidated Statement of Changes in Equity and the Condensed Consolidated Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Interim Condensed Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Interim Condensed Consolidated Financial Statements give a true and fair view in conformity with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), of the consolidated state of affairs of the Group as at March 31, 2024, its consolidated profit and its consolidated total comprehensive income for the three months and year ended on that date, its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Interim Condensed Consolidated Financial Statements in accordance with the Standards on Auditing ("SA"s) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Interim Condensed Consolidated Financial Statements.

Emphasis of Matter

As described in note 2.6.2 to the Interim Condensed Consolidated Financial Statements, certain costs relating to possible damages or claims relating to a cybersecurity incident in a subsidiary are indeterminable as at the date of this report because of reasons stated in the note. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Interim Condensed Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with IAS 34 as issued by the IASB. The respective Boards of Directors/Trustees of the entities included in the Group are responsible for maintenance of the adequate accounting records for safeguarding assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Interim Condensed Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Interim Condensed Consolidated Financial Statements, the respective Boards of Directors/Trustees of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors/Trustees of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Interim Condensed Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Interim Condensed Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Interim Condensed Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Interim Condensed Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Interim Condensed Consolidated Financial Statements, including the disclosures, and whether the Interim Condensed Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Interim Condensed Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Interim Condensed Consolidated Financial Statements of which we are independent auditors.

Materiality is the magnitude of misstatements in the Interim Condensed Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Condensed Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Interim Condensed Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Interim Condensed Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Financial Statements under International Financial Reporting Standards (IFRS) in US Dollars for the three months and year ended March 31, 2024

Index **Page No.**

Infosys Limited and subsidiaries

(Dollars in millions except equity share data)

Condensed Consolidated Balance Sheet as at	Note	March 31, 2024	March 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	2.1	1,773	1,481
Current investments	2.2	1,548	841
Trade receivables		3,620	3,094
Unbilled revenue	2.17	1,531	1,861
Prepayments and other current assets	2.4	1,473	1,336
Income tax assets	2.12	767	1
Derivative financial instruments	2.3	10	12
Total current assets		**10,722**	**8,626**
Non-current assets			
Property, plant and equipment	2.7	1,537	1,679
Right-of-use assets	2.8	786	837
Goodwill	2.9	875	882
Intangible assets		167	213
Non-current investments	2.2	1,404	1,530
Unbilled revenue	2.17	213	176
Deferred income tax assets	2.12	55	152
Income tax assets	2.12	365	785
Other non-current assets	2.4	399	432
Total Non-current assets		**5,801**	**6,686**
Total assets		**16,523**	**15,312**
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		474	470
Lease liabilities	2.8	235	151
Derivative financial instruments	2.3	4	10
Current income tax liabilities	2.12	430	412
Unearned revenue		880	872
Employee benefit obligations		314	292
Provisions	2.6	215	159
Other current liabilities	2.5	2,099	2,403
Total current liabilities		**4,651**	**4,769**
Non-current liabilities			
Lease liabilities	2.8	767	859
Deferred income tax liabilities	2.12	216	149
Employee benefit obligations		11	10
Other non-current liabilities	2.5	273	301
Total Non-current liabilities		**1,267**	**1,319**
Total liabilities		**5,918**	**6,088**
Equity			
Share capital - ₹5 ($0.16) par value 4,800,000,000 (4,800,000,000) equity shares authorized, issued and outstanding 4,139,950,635 (4,136,387,925) equity shares fully paid up, net of 10,916,829 (12,172,119) treasury shares as at March 31, 2024 (March 31, 2023)	2.18	325	325
Share premium		425	366
Retained earnings		12,557	11,401
Cash flow hedge reserves		1	-
Other reserves		1,623	1,370
Capital redemption reserve		24	24
Other components of equity		(4,396)	(4,314)
Total equity attributable to equity holders of the Company		**10,559**	**9,172**
Non-controlling interests		46	52
Total equity		**10,605**	**9,224**
Total liabilities and equity		**16,523**	**15,312**

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Infosys Limited and subsidiaries

(Dollars in millions except equity share and per equity share data)

Condensed Consolidated Statement of Comprehensive Income for the	Note	Three months ended		Year ended	
		March 31, 2024	**March 31, 2023**	**March 31, 2024**	**March 31, 2023**
Revenues	2.16	**4,564**	**4,554**	**18,562**	**18,212**
Cost of sales	2.19	3,219	3,164	12,975	12,709
Gross profit		**1,345**	**1,390**	**5,587**	**5,503**
Operating expenses:					
Selling and marketing expenses	2.19	209	202	842	776
Administrative expenses	2.19	219	231	911	902
Total operating expenses		**428**	**433**	**1,753**	**1,678**
Operating profit		**917**	**957**	**3,834**	**3,825**
Other income, net	2.19	328	82	568	335
Finance cost		13	10	56	35
Profit before income taxes		**1,232**	**1,029**	**4,346**	**4,125**
Income tax expense	2.12	273	284	1,177	1,142
Net profit		**959**	**745**	**3,169**	**2,983**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		4	4	15	4
Equity instruments through other comprehensive income, net		(2)	(1)	2	(3)
		2	3	17	1
Items that will be reclassified subsequently to profit or loss					
Fair value changes on investments, net		4	4	17	(30)
Fair value changes on derivatives designated as cash flow hedge, net		3	4	1	(1)
Exchange differences on translation of foreign operations		(54)	74	(117)	(697)
		(47)	82	(99)	(728)
Total other comprehensive income/(loss), net of tax		**(45)**	**85**	**(82)**	**(727)**
Total comprehensive income		**914**	**830**	**3,087**	**2,256**
Profit attributable to:					
Owners of the Company		958	744	3,167	2,981
Non-controlling interests		1	1	2	2
		959	**745**	**3,169**	**2,983**
Total comprehensive income attributable to:					
Owners of the Company		914	829	3,086	2,254
Non-controlling interests		-	1	1	2
		914	**830**	**3,087**	**2,256**
Earnings per equity share					
Basic ($)		0.23	0.18	0.77	0.71
Diluted ($)		0.23	0.18	0.76	0.71
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.13	4,139,432,133	4,144,013,195	4,138,568,090	4,180,897,857
Diluted (in shares)	2.13	4,145,052,370	4,149,555,426	4,144,680,425	4,187,731,070

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

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Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Infosys Limited and subsidiaries

Condensed Consolidated Statement of Changes in Equity *(Dollars in millions except equity share data)*

	Number of Shares[(1)]	Share capital	Share premium	Retained earnings	Other reserves[(2)]	Capital redemption reserve	Cash flow hedge reserve	Other components of equity	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2022	**4,193,012,929**	**328**	**337**	**11,672**	**1,170**	**21**	**1**	**(3,588)**	**9,941**	**53**	**9,994**
Impact on adoption of amendment to IAS 37[##]	-	-	-	(2)	-	-	-	-	(2)	-	**(2)**
	4,193,012,929	**328**	**337**	**11,670**	**1,170**	**21**	**1**	**(3,588)**	**9,939**	**53**	**9,992**
Changes in equity for the year ended March 31, 2023											
Net profit	-	-	-	2,981	-	-	-	-	2,981	2	2,983
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	4	4	-	4
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	(1)	-	(1)	-	(1)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(697)	(697)	-	(697)
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	(3)	(3)	-	(3)
Fair value changes on investments, net*	-	-	-	-	-	-	-	(30)	(30)	-	(30)
Total comprehensive income for the period	-	-	-	**2,981**	-	-	**(1)**	**(726)**	**2,254**	**2**	**2,256**
Shares issued on exercise of employee stock options (Refer to note 2.11)	3,801,344	-	4	-	-	-	-	-	4	-	4
Buyback of equity shares (Refer to note 2.18)**	(60,426,348)	(3)	(41)	(1,350)	-	-	-	-	(1,394)	-	(1,394)
Transaction cost relating to buyback*	-	-	(3)	-	-	-	-	-	(3)	-	(3)
Amount transferred to capital redemption reserve upon buyback	-	-	-	(3)	-	3	-	-	-	-	-
Employee stock compensation expense (Refer to note 2.11)	-	-	63	-	-	-	-	-	63	-	63
Income tax benefit arising on exercise of stock options	-	-	6	-	-	-	-	-	6	-	6
Transferred to other reserves	-	-	-	(380)	380	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	180	(180)	-	-	-	-	-	-
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(3)	(3)
Dividends[#]	-	-	-	(1,697)	-	-	-	-	(1,697)	-	(1,697)
Balance as at March 31, 2023	**4,136,387,925**	**325**	**366**	**11,401**	**1,370**	**24**	**-**	**(4,314)**	**9,172**	**52**	**9,224**

Infosys Limited and subsidiaries

Condensed Consolidated Statement of Changes in Equity *(Dollars in millions except equity share data)*

	Number of Shares(1)	Share capital	Share premium	Retained earnings	Other reserves(2)	Capital redemption reserve	Cash flow hedge reserve	Other components of equity	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2023	**4,136,387,925**	**325**	**366**	**11,401**	**1,370**	**24**	**-**	**(4,314)**	**9,172**	**52**	**9,224**
Changes in equity for the year ended March 31, 2024											
Net profit	-	-	-	3,167	-	-	-	-	3,167	2	3,169
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	15	15	-	15
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	2	2	-	2
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	1	-	1	-	1
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(116)	(116)	(1)	(117)
Fair value changes on investments, net*	-	-	-	-	-	-		17	17	-	17
Total comprehensive income for the period	**-**	**-**	**-**	**3,167**	**-**	**-**	**1**	**(82)**	**3,086**	**1**	**3,087**
Shares issued on exercise of employee stock options (Refer to note 2.11)	3,562,710	-	1	-	-	-	-	-	1	-	1
Transferred on account of options not exercised	-	-	(19)	19	-	-	-	-	-	-	-
Employee stock compensation expense (Refer to note 2.11)	-	-	77	-	-	-			77	-	77
Transferred to other reserves	-	-	-	(357)	357	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	104	(104)	-	-	-	-	-	-
Buyback of shares pertaining to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(2)	(2)
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(5)	(5)
Dividends#	-	-	-	(1,777)	-	-	-	-	(1,777)	-	(1,777)
Balance as at March 31, 2024	**4,139,950,635**	**325**	**425**	**12,557**	**1,623**	**24**	**1**	**(4,396)**	**10,559**	**46**	**10,605**

** net of tax*

*** Including tax on buyback of $264 million for the year ended March 31, 2023.*

 # net of treasury shares

Impact on account of adoption of amendment to IAS 37 Provisions, Contingent Liabilities and Contingents Assets

(1) excludes treasury shares of 10,916,829 as at March 31, 2024, 12,172,119 as at April 1, 2023 and 13,725,712 as at April 1, 2022, held by consolidated trust.

(2) Represents the Special Economic Zone Re-investment reserve created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act,1961. The reserve should be utilized by the Group for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA(2) of the Income Tax Act, 1961.

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

As per our report of even date attached
for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

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Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Infosys Limited and subsidiaries

Condensed Consolidated Statement of Cash Flows

Accounting Policy

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(Dollars in millions)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Operating activities:			
Net Profit		3,169	2,983
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation and amortization		565	524
Interest and dividend income		(138)	(139)
Finance cost		56	35
Income tax expense	2.12	1,177	1,142
Exchange differences on translation of assets and liabilities, net		11	21
Impairment loss recognized/(reversed) under expected credit loss model		15	35
Stock compensation expense		79	64
Provision for post sale client support		9	15
Interest receivable on income tax refund		(234)	-
Other adjustments		176	65
Changes in working capital			
Trade receivables and unbilled revenue		(322)	(875)
Prepayments and other assets		(151)	(404)
Trade payables		11	(35)
Unearned revenue		21	103
Other liabilities and provisions		(182)	407
Cash generated from operations		**4,262**	**3,941**
Income taxes paid		(1,114)	(1,088)
Net cash generated by operating activities		**3,148**	**2,853**
Investing activities:			
Expenditure on property, plant and equipment and intangibles		(266)	(319)
Deposits placed with Corporation		(102)	(123)
Redemption of deposits placed with Corporation		86	94
Interest and dividend received		110	120
Payment for acquisition of business, net of cash acquired	2.10	-	(113)
Payment of contingent consideration pertaining to acquisition of business		(12)	(8)
Escrow and other deposits pertaining to Buyback		-	(59)
Redemption of escrow and other deposits pertaining to Buyback		-	59
Payments to acquire Investments			
Liquid mutual funds units		(7,990)	(8,739)
Target maturity fund units		-	(49)
Certificates of deposit		(1,027)	(1,280)
Quoted debt securities		(184)	(228)
Commercial paper		(1,254)	(371)
Other investments		(2)	(2)
Proceeds on sale of investments			
Quoted debt securities		203	318
Certificates of deposit		1,111	1,287
Commercial paper		782	284
Liquid mutual funds units		7,818	8,890
Other investments		3	-
Other receipts		16	21
Net cash used in investing activities		**(708)**	**(218)**
Financing activities:			
Payment of lease liabilities		(245)	(151)
Payment of dividends		(1,777)	(1,697)
Payment of dividends to non-controlling interests of subsidiary		(5)	(3)
Payment towards purchase of non-controlling interest		(2)	-
Shares issued on exercise of employee stock options		1	4
Other payments		(88)	(59)
Other receipts		-	16
Buyback of equity shares including transaction costs and tax on buyback		-	(1,398)
Net cash used in financing activities		**(2,116)**	**(3,288)**
Net increase/(decrease) in cash and cash equivalents		324	(653)
Effect of exchange rate changes on cash and cash equivalents		(32)	(171)
Cash and cash equivalents at the beginning of the period	2.1	1,481	2,305
Cash and cash equivalents at the end of the period	2.1	**1,773**	**1,481**
Supplementary information:			
Restricted cash balance	2.1	42	44

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP
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Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Overview and Notes to the Interim Condensed Consolidated Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

Infosys together with its subsidiaries and controlled trusts is herein after referred to as the "Group".

The company is a public limited company incorporated and domiciled in India and has its registered office at Electronics city, Hosur Road, Bengaluru 560100, Karnataka, India. The company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited. The company's American Depositary Shares (ADS) representing equity shares are listed on the New York Stock Exchange (NYSE).

The Group's interim condensed consolidated financial statements are approved for issue by the company's Board of Directors on April 18, 2024.

1.2 Basis of preparation of financial statements

The interim condensed consolidated financial statements have been prepared in compliance with IAS 34, Interim Financial Reporting as issued by International Accounting Standards Board, under the historical cost convention on the accrual basis except for certain financial instruments which have been measured at fair values. Accordingly, these interim condensed consolidated financial statements do not include all the information required for a complete set of financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the company's Annual Report on Form 20-F for the year ended March 31, 2023. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The material accounting policy information used in preparation of the audited condensed consolidated interim financial statements have been discussed in the respective notes.

As the quarter and year to date figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the year to date figures reported in this statement.

1.3 Basis of consolidation

Infosys consolidates entities which it owns or controls. The interim condensed consolidated financial statements comprise the financial statements of the company, its controlled trusts and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

1.4 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the interim condensed consolidated financial statements.

1.5 Critical accounting estimates and judgments

a. Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Fixed price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Group uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

b. Income taxes

The Group's two major tax jurisdictions are India and the United States, though the company also files tax returns in other overseas jurisdictions.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, Management believes that the group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced (Refer to note 2.12)

c. Business combinations and intangible assets

Business combinations are accounted for using IFRS 3 (Revised), Business Combinations. IFRS 3 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by Management. (Refer to note 2.10 and 2.9.2)

d. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology (Refer to note 2.7)

e. Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than it's carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins (Refer to note 2.9.1)

1.6 Recent accounting pronouncements

New and revised IFRS Standards in issue but not yet effective:

Amendments to IFRS 16 Leases	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments	Disclosure regarding supplier finance arrangements
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability
IFRS 18 Presentation and Disclosures in Financial Statements	Presentation and Disclosures in Financial Statements

Amendments to IFRS 16

On September 22, 2022, International Accounting Standards Board (IASB) has issued amendments to IFRS 16 Leases, which added requirements explaining the subsequent measurement for a sale and leaseback transaction. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

The effective date for the adoption of this amendment is annual reporting periods beginning on or after January 1, 2024, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Amendments to IAS 7 and IFRS 7

On May 25, 2023 IASB has issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosure which requires entities to disclose information that enables users of financial statement to assess how supplier finance arrangements affect its liabilities and cash flows and to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2024, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Amendments to IAS 21

On August 15, 2023, IASB has issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, Lack of Exchangeability that will require companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. These amendments specify when a currency is exchangeable into another currency and when it is not and specify how an entity determines the exchange rate to apply when a currency is not exchangeable.

The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2025, although early adoption is permitted. The Group is in the process of evaluating the impact of the amendment.

IFRS 18 – Presentation and Disclosures in Financial Statements

On April 9, 2024, IASB has issued IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 Presentation of Financial Statements from its effective date. IFRS 18 introduces new requirements for information presented in the primary financial statements and disclosed in the notes. The new requirements are focused on the statement of profit or loss. IFRS 18 introduces three categories for income and expenses, that is, operating, investing and financing to improve the structure of the income statement. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, although early adoption is permitted. The Group is yet to evaluate the impact of the amendment.

2. Notes to the Interim Condensed Consolidated Financial Statements

2.1 Cash and cash equivalents

Cash and cash equivalents consist of the following:

(Dollars in millions)

Particulars	As at	
	March 31, 2024	March 31, 2023
Cash and bank deposits	1,773	1,220
Deposits with financial institutions	-	261
Total Cash and cash equivalents	**1,773**	**1,481**

Cash and cash equivalents as at March 31, 2024 and March 31, 2023 include restricted cash and bank balances of $42 million and $44 million, respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the company.

The deposits maintained by the Group with banks and financial institutions comprise of time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

2.2 Investments

The carrying value of the investments are as follows:

(Dollars in millions)

Particulars	As at	
	March 31, 2024	March 31, 2023
(i) Current Investments		
Amortized Cost		
Quoted debt securities	-	18
Fair Value through profit or loss		
Liquid mutual fund units	313	119
Fair Value through other comprehensive income		
Quoted Debt Securities	291	179
Certificates of deposits	365	435
Commercial Paper	579	90
Total current investments	**1,548**	**841**
(ii) Non-current Investments		
Amortized Cost		
Quoted debt securities	211	215
Fair Value through other comprehensive income		
Quoted debt securities	1,093	1,221
Quoted equity securities	14	-
Unquoted equity and preference securities	11	24
Fair Value through profit or loss		
Target maturity fund units	51	49
Others[(1)]	24	21
Total Non-current investments	**1,404**	**1,530**
Total investments	**2,952**	**2,371**
Investments carried at amortized cost	211	233
Investments carried at fair value through other comprehensive income	2,353	1,949
Investments carried at fair value through profit or loss	388	189

[(1)] *Uncalled capital commitments outstanding as on March 31, 2024 and March 31, 2023 was $ 9 million and $11 million, respectively.*

Refer to note 2.3 for accounting policies on financial instruments.

Method of fair valuation: *(Dollars in millions)*

Class of investment	Method	Fair value	
		March 31, 2024	March 31, 2023
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	313	119
Target maturity fund units - carried at fair value through profit or loss	Quoted price	51	49
Quoted debt securities- carried at amortized cost	Quoted price and market observable inputs	236	261
Quoted debt securities- carried at fair value through other comprehensive income	Quoted price and market observable inputs	1,384	1,400
Commercial Paper - carried at fair value through other comprehensive income	Market observable inputs	579	90
Certificates of Deposit - carried at fair value through other comprehensive income	Market observable inputs	365	435
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	11	24
Quoted equity securities - carried at fair value through other comprehensive income	Quoted price	14	-
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	24	21
Total		**2,977**	**2,399**

Note: Certain quoted investments are classified as Level 2 in the absence of active market for such investments.

2.3 Financial instruments

Accounting Policy

2.3.1 Initial recognition

The group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.3.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration and financial liability under option arrangements recognized in a business combination which is subsequently measured at fair value through profit or loss.

b. Derivative financial instruments

The group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for such contracts is generally a bank.

(i) Financial assets or financial liabilities, carried at fair value through profit or loss

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under IFRS 9, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per IFRS 9, is categorized as a financial asset or financial liability carried at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of comprehensive income when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

(ii) Cash flow hedge

The group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transaction.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the statement of comprehensive income. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the statement of comprehensive income upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the interim condensed consolidated statement of comprehensive income.

2.3.3 Derecognition of financial instruments

The group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IFRS 9. A financial liability (or a part of a financial liability) is derecognized from the group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.3.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, option pricing model, market multiples, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to table ‘Financial instruments by category’ below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.3.5 Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in interim condensed consolidated statement of comprehensive income.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2024 were as follows:

(Dollars in millions)

Particulars	Amortized cost	Financial assets / liabilities at fair value through profit or loss		Financial assets / liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.1)	1,773	-	-	-	-	1,773	1,773
Investments (Refer to note 2.2)							
Liquid mutual fund units	-	-	313	-	-	313	313
Target maturity fund units	-	-	51	-	-	51	51
Quoted debt securities	211	-	-	-	1,384	1,595	1,620 [(1)]
Certificates of deposit	-	-	-	-	365	365	365
Commercial Papers	-	-	-	-	579	579	579
Quoted equity securities	-	-	-	14	-	14	14
Unquoted equity and preference securities	-	-	-	11	-	11	11
Unquoted investment others	-	-	24	-	-	24	24
Trade receivables	3,620	-	-	-	-	3,620	3,620
Unbilled revenues (Refer to note 2.17)[(3)]	1,151	-	-	-	-	1,151	1,151
Prepayments and other assets (Refer to note 2.4)	694	-	-	-	-	694	684 [(2)]
Derivative financial instruments	-	-	7	-	3	10	10
Total	**7,449**	**-**	**395**	**25**	**2,331**	**10,200**	**10,215**
Liabilities:							
Trade payables	474	-	-	-	-	474	474
Lease liabilities (Refer to note 2.8)	1,002	-	-	-	-	1,002	1,002
Derivative financial instruments	-	-	4	-	-	4	4
Financial liability under option arrangements (Refer to note 2.5)	-	-	72	-	-	72	72
Other liabilities including contingent consideration (Refer to note 2.5)	1,887	-	-	-	-	1,887	1,887
Total	**3,363**	**-**	**76**	**-**	**-**	**3,439**	**3,439**

[(1)] On account of fair value changes including interest accrued

[(2)] Excludes interest accrued on quoted debt securities carried at amortized cost of $10 million

[(3)] Excludes unbilled revenue for contracts where the right to consideration is dependent on completion of contractual milestones

The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

(Dollars in millions)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.1)	1,481	-	-	-	-	1,481	1,481
Investments (Refer to note 2.2)							
Liquid mutual fund units	-	-	119	-	-	119	119
Target maturity fund units	-	-	49	-	-	49	49
Quoted debt securities	233	-	-	-	1,400	1,633	1,661 [(1)]
Certificates of deposit	-	-	-	-	435	435	435
Commercial Papers	-	-	-	-	90	90	90
Unquoted equity and preference securities	-	-	-	24	-	24	24
Unquoted investments others	-	-	21	-	-	21	21
Trade receivables	3,094	-	-	-	-	3,094	3,094
Unbilled revenues(Refer to note 2.17)[(3)]	1,157	-	-	-	-	1,157	1,157
Prepayments and other assets (Refer to note 2.4)	624	-	-	-	-	624	614 [(2)]
Derivative financial instruments	-	-	8	-	4	12	12
Total	**6,589**	**-**	**197**	**24**	**1,929**	**8,739**	**8,757**
Liabilities:							
Trade payables	470	-	-	-	-	470	470
Lease liabilities (Refer to note 2.8)	1,010	-	-	-	-	1,010	1,010
Derivative financial instruments	-	-	8	-	2	10	10
Financial liability under option arrangements (Refer to note 2.5)	-	-	73	-	-	73	73
Other liabilities including contingent consideration (Refer to note 2.5)	2,112	-	12	-	-	2,124	2,124
Total	**3,592**	**-**	**93**	**-**	**2**	**3,687**	**3,687**

[(1)] On account of fair value changes including interest accrued

[(2)] Excludes interest accrued on quoted debt securities carried at amortized cost of $10 million

[(3)] Excludes unbilled revenue for contracts where the right to consideration is dependent on completion of contractual milestones

For trade receivables and trade payables and other assets and payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2024 is as follows:

(Dollars in millions)

Particulars	As at March 31, 2024	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments (Refer to note 2.2)				
Investments in liquid mutual fund units	313	313	-	-
Investments in target maturity fund units	51	51	-	-
Investments in quoted debt securities	1,620	1,580	40	-
Investments in certificates of deposit	365	-	365	-
Investments in commercial paper	579	-	579	-
Investments in unquoted equity and preference securities	11	-	-	11
Investments in quoted equity securities	14	14	-	-
Investments in unquoted investments others	24	-	-	24
Others				
Derivative financial instruments- gain on outstanding foreign exchange forward and option contracts	10	-	10	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts	4	-	4	-
Financial liability under option arrangements(1)	72	-	-	72

(1) Discount rate ranges from 9% to 15%

During the year ended March 31, 2024, quoted debt securities of $257 million were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of $9 million were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2023 is as follows:

(Dollars in millions)

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments (Refer to note 2.2)				
Investments in liquid mutual fund units	119	119	-	-
Investments in target maturity fund units	49	49	-	-
Investments in quoted debt securities	1,661	1,302	359	-
Investments in unquoted equity and preference securities	24	-	-	24
Investments in certificates of deposit	435	-	435	-
Investments in commercial paper	90	-	90	-
Investments in unquoted investments others	21	-	-	21
Others				
Derivative financial instruments- gain on outstanding foreign exchange forward and option contracts	12	-	12	-
Liabilities				
Derivative financial instruments- loss on outstanding foreign exchange forward and option contracts	10	-	10	-
Financial liability under option arrangements (Refer to note 2.5)(1)	73	-	-	73
Liability towards contingent consideration (Refer to note 2.5)(1)	12	-	-	12

(1) Discount rate ranges from 10% to 15%

During the year ended March 31, 2023 quoted debt securities of $47 million were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of $196 million were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

Majority of investments of the Group are fair valued based on Level 1 or Level 2 inputs. These investments primarily include investment in liquid mutual fund units, target maturity fund units, quoted debt securities, certificates of deposit, commercial paper, quoted bonds issued by government and quasi-government organizations. The Group invests after considering counterparty risks based on multiple criteria including Tier I Capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and Deposit base of banks and financial institutions. These risks are monitored regularly as per Group’s risk management program.

2.4 Prepayments and other assets

Prepayments and other assets consist of the following:

(Dollars in millions)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current		
Security deposits[(1)]	9	5
Loans to employees[(1)]	30	35
Prepaid expenses[(2)]	399	334
Interest accrued and not due[(1)]	64	59
Withholding taxes and others[(2)]	424	398
Advance payments to vendors for supply of goods[(2)]	43	25
Deposit with corporations[(1)(3)]	304	286
Deferred contract cost		
Cost of obtaining a contract[(2)(4)]	24	104
Cost of fulfillment[(2)]	43	21
Net investment in sublease of right-of-use asset[(1)]	1	6
Other non financial assets [(2)]	21	32
Other financial assets[(1)(5)]	111	31
Total Current prepayment and other assets	**1,473**	**1,336**
Non-current		
Loans to employees[(1)]	4	5
Security deposits[(1)]	31	35
Deposit with corporations[(1)(3)]	6	12
Defined benefit plan assets[(2)]	4	4
Prepaid expenses[(2)]	41	41
Deferred contract cost		
Cost of obtaining a contract [(2)(4)]	16	23
Cost of fulfillment[(2)]	82	79
Withholding taxes and others[(2)]	81	83
Net investment in sublease of right-of-use asset[(1)]	-	37
Other financial assets[(1)(5)]	134	113
Total Non- current prepayment and other assets	**399**	**432**
Total prepayment and other assets	**1,872**	**1,768**
[(1)] Financial assets carried at amortized cost	694	624

[(2)] *Non financial assets*

Withholding taxes and others primarily consist of input tax credits and Cenvat recoverable from Government of India.

[(3)] Deposit with corporation represents amounts deposited to settle certain employee-related obligations as and when they arise during the normal course of business.

[(4)] Includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with IFRS 15 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to $45 million and $89 million, respectively. For the year ended March 31, 2023 $14 million was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction (Refer to note 2.5)

[(5)] Primarily includes net investment in lease

2.5 Other liabilities

Other liabilities comprise the following:

(Dollars in millions)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current		
Accrued compensation to employees(1)	534	508
Accrued expenses(1)	986	949
Accrued defined benefit liability(3)	1	-
Withholding taxes and others(3)	382	442
Liabilities of controlled trusts(1)	25	26
Liability towards contingent consideration(2)	-	12
Capital Creditors(1)	37	82
Financial liability under option arrangements(2)(5)	60	73
Other non-financial liabilities(3)	1	4
Other financial liabilities(1)(4)	73	307
Total current other liabilities	**2,099**	**2,403**
Non-current		
Accrued compensation to employees(1)	1	1
Accrued expenses(1)	213	198
Accrued defined benefit liability (3)	19	54
Financial liability under option arrangements(2)(5)	12	-
Other non-financial liabilities(3)	10	7
Other financial liabilities(1)(4)	18	41
Total non-current other liabilities	**273**	**301**
Total other liabilities	**2,372**	**2,704**
(1) Financial liability carried at amortized cost	1,887	2,112
(2) Financial liability carried at fair value through profit or loss	72	85
Financial liability under option arrangements on an undiscounted basis	83	82
Financial liability towards contingent consideration on an undiscounted basis	-	12

(3) Non financial liabilities

(2) In accordance with IAS 32 Financial Instruments: Presentation, the Company has recorded a financial liability as at March 31, 2024 for the obligation to acquire its own equity shares to the extent of standing instructions provided to its registered broker for the buyback (Refer to note 2.18). The financial liability is recognized at the present value of the maximum amount that the Company would be required to pay to the registered broker for buy back, with a corresponding debit in general reserve / retained earnings.

(4) Deferred contract cost in note 2.4 includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with IFRS 15 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to $45 million and $89 million, respectively. For the year ended March 31, 2023 $14 million was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction.

(5) Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries.

Accrued expenses primarily relate to cost of technical sub-contractors, telecommunication charges, legal and professional charges, brand building expenses, overseas travel expenses and office maintenance and cost of third party software and hardware.

2.6 Provisions and other contingencies

Accounting Policy

2.6.1 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

a. Post sales client support

The Group provides its clients with a fixed-period post sales support for its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded and included in cost of sales. The Group estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognizes any impairment loss on the assets associated with that contract.

Provision for post sales client support and other provisions

(Dollars in millions)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Post sales client support and other provisions	215	159
Total provisions	**215**	**159**

Provision for post sales client support and other provisions majorly represents costs associated with providing post sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

As at March 31, 2024 and March 31, 2023, claims against the Group, not acknowledged as debts, (excluding demands from income tax authorities- Refer to Note 2.12) amounted to $95 million (₹789 crore) and $85 million (₹700 crore), respectively.

2.6.2 McCamish cybersecurity incident

In November 2023, Infosys McCamish Systems (McCamish), a step-down subsidiary of Infosys Limited, experienced a cybersecurity incident resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems.

Loss of contracted revenues and costs incurred with respect to remediations, restoration, communication efforts, investigative processes and analysis, legal services and others amounted to $38 million (approximately ₹316 crore).

Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish's review process is ongoing. McCamish may incur additional costs including indemnities or damages/claims, which are indeterminable at this time.

On March 6, 2024, a class action complaint was filed in the U.S. District Court for the Northern District of Georgia against McCamish . The complaint arises out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. The complaint was purportedly filed on behalf of all individuals within the United States whose personally identifiable information was exposed to unauthorized third parties as a result of the incident.

2.6.3 Legal proceedings

Apart from this, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management reasonably expects that such ordinary course legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Group's results of operations or financial condition.

2.7 Property, plant and equipment

Accounting Policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building	22-25 years
Plant and machinery[(1)]	5 years
Computer equipment	3-5 years
Furniture and fixtures	5 years
Vehicles	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

[(1)] *Includes solar plant with a useful life of 25 years*

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in net profit in the statement of comprehensive income is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in net profit in the statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2024 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at January 1, 2024	**172**	**1,381**	**622**	**1,021**	**406**	**6**	**3,608**
Additions	-	34	22	41	10	-	107
Deletions*	-	-	(5)	(27)	(7)	-	(39)
Translation difference	(1)	(4)	(2)	(3)	(3)	-	(13)
Gross carrying value as at March 31, 2024	**171**	**1,411**	**637**	**1,032**	**406**	**6**	**3,663**
Accumulated depreciation as at January 1, 2024	**-**	**(578)**	**(491)**	**(753)**	**(320)**	**(5)**	**(2,147)**
Depreciation	-	(13)	(14)	(40)	(11)	-	(78)
Accumulated depreciation on deletions*	-	-	5	26	7	-	38
Translation difference	-	1	2	2	2	-	7
Accumulated depreciation as at March 31, 2024	**-**	**(590)**	**(498)**	**(765)**	**(322)**	**(5)**	**(2,180)**
Capital work-in progress as at March 31, 2024							54
Carrying value as at March 31, 2024	**171**	**821**	**139**	**267**	**84**	**1**	**1,537**
Capital work-in progress as at January 1, 2024							86
Carrying value as at January 1, 2024	**172**	**803**	**131**	**268**	**86**	**1**	**1,547**

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2023 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at January 1, 2023	**173**	**1,394**	**623**	**1,075**	**417**	**6**	**3,688**
Additions	-	4	24	60	27	-	115
Deletions*	-	-	(27)	(107)	(39)	-	(173)
Translation difference	1	9	5	9	4	-	28
Gross carrying value as at March 31, 2023	**174**	**1,407**	**625**	**1,037**	**409**	**6**	**3,658**
Accumulated depreciation as at January 1, 2023	**-**	**(535)**	**(478)**	**(766)**	**(324)**	**(5)**	**(2,108)**
Depreciation	-	(13)	(14)	(43)	(11)	-	(81)
Accumulated depreciation on deletions*	-	-	27	106	38	-	171
Translation difference	-	(4)	(3)	(6)	(3)	-	(16)
Accumulated depreciation as at March 31, 2023	**-**	**(552)**	**(468)**	**(709)**	**(300)**	**(5)**	**(2,034)**
Capital work-in progress as at March 31, 2023							55
Carrying value as at March 31, 2023	**174**	**855**	**157**	**328**	**109**	**1**	**1,679**
Capital work-in progress as at January 1, 2023							42
Carrying value as at January 1, 2023	**173**	**859**	**145**	**309**	**93**	**1**	**1,622**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at April 1, 2023	**174**	**1,407**	**625**	**1,037**	**409**	**6**	**3,658**
Additions	-	36	40	112	24	-	212
Deletions*	-	(7)	(19)	(102)	(20)	-	(148)
Translation difference	(3)	(25)	(9)	(15)	(7)	-	(59)
Gross carrying value as at March 31, 2024	**171**	**1,411**	**637**	**1,032**	**406**	**6**	**3,663**
Accumulated depreciation as at April 1, 2023	**-**	**(552)**	**(468)**	**(709)**	**(300)**	**(5)**	**(2,034)**
Depreciation	-	(54)	(56)	(167)	(47)	-	(324)
Accumulated depreciation on deletions*	-	7	18	101	19	-	145
Translation difference	-	9	8	10	6	-	33
Accumulated depreciation as at March 31, 2024	**-**	**(590)**	**(498)**	**(765)**	**(322)**	**(5)**	**(2,180)**
Capital work-in progress as at April 1, 2023							55
Carrying value as at April 1, 2023	**174**	**855**	**157**	**328**	**109**	**1**	**1,679**
Capital work-in progress as at March 31, 2024							54
Carrying value as at March 31, 2024	**171**	**821**	**139**	**267**	**84**	**1**	**1,537**

* During the three months ended and year ended March 31, 2024, certain assets which were not in use having gross book value of $22 million (net book value: Nil) and $ 93 million (net book value: Nil) respectively, were retired.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at April 1, 2022	**188**	**1,481**	**653**	**1,125**	**423**	**6**	**3,876**
Additions - Business Combination (Refer to Note 2.10)	**-**	**-**	1	1	-	**-**	**2**
Additions	-	42	57	187	62	-	348
Deletions*	-	-	(32)	(191)	(45)	-	(268)
Translation difference	(14)	(116)	(54)	(85)	(31)	-	(300)
Gross carrying value as at March 31, 2023	**174**	**1,407**	**625**	**1,037**	**409**	**6**	**3,658**
Accumulated depreciation as at April 1, 2022	**-**	**(541)**	**(484)**	**(796)**	**(324)**	**(5)**	**(2,150)**
Depreciation	-	(54)	(58)	(164)	(44)	-	(320)
Accumulated depreciation on deletions*	-	-	32	190	44	-	266
Translation difference	-	43	42	61	24	-	170
Accumulated depreciation as at March 31, 2023	**-**	**(552)**	**(468)**	**(709)**	**(300)**	**(5)**	**(2,034)**
Capital work-in progress as at April 1, 2022							67
Carrying value as at April 1, 2022	**188**	**940**	**169**	**329**	**99**	**1**	**1,793**
Capital work-in progress as at March 31, 2023							55
Carrying value as at March 31, 2023	**174**	**855**	**157**	**328**	**109**	**1**	**1,679**

* During the three months ended and year ended March 31, 2023, certain assets which were not in use having gross book value of $172 million (net book value: Nil) and $234 million (net book value: Nil) respectively, were retired.

The aggregate depreciation expense is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

Repairs and maintenance costs are recognized in the statement of comprehensive income when incurred.

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company was required to transfer its CSR capital assets installed prior to January 2021. Towards this the Company had incorporated a subsidiary 'Infosys Green Forum' (IGF) under Section 8 of the Companies Act, 2013. During the year ended March 31, 2022 the Company had completed the transfer of assets upon obtaining the required approvals from regulatory authorities, as applicable. During March 31, 2024, the application filed by IGF for registration u/s.12AB of the Income Tax Act was rejected and registration cancelled. IGF is in the process of challenging the rejection order.

The Group had contractual commitments for capital expenditure primarily comprising of commitments for infrastructure facilities and computer equipments aggregating to $94 million and $117 million as at March 31, 2024 and March 31, 2023, respectively.

2.8 Leases

Accounting Policy

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and computers. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2024

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of January 1, 2024	**73**	**424**	**2**	**329**	**828**
Additions*	-	8	-	45	53
Deletions	-	(11)	-	(26)	(37)
Depreciation	(1)	(21)	-	(29)	(51)
Translation difference	-	(4)	-	(3)	(7)
Balance as of March 31, 2024	**72**	**396**	**2**	**316**	**786**

* *Net of adjustments on account of modifications and lease incentives*

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2023

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of January 1, 2023	**75**	**465**	**2**	**241**	**783**
Additions*	-	28	-	80	108
Deletions	-	(4)	-	(15)	(19)
Depreciation	-	(21)	-	(22)	(43)
Translation difference	1	6	-	1	8
Balance as of March 31, 2023	**76**	**474**	**2**	**285**	**837**

* *Net of adjustments on account of modifications and lease incentives*

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2024

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2023	**76**	**474**	**2**	**285**	**837**
Additions*	-	47	1	226	274
Deletions	(1)	(22)	-	(91)	(114)
Impairment#	-	(10)	-	-	(10)
Depreciation	(1)	(87)	(1)	(104)	(193)
Translation difference	(2)	(6)	-	-	(8)
Balance as of March 31, 2024	**72**	**396**	**2**	**316**	**786**

* *Net of adjustments on account of modifications and lease incentives*

 # included under other expenses. Refer note 2.19

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2023:

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2022	**83**	**489**	**2**	**62**	**636**
Additions*	-	107	1	328	436
Deletions	-	(5)	-	(46)	(51)
Depreciation	(1)	(84)	(1)	(61)	(147)
Translation difference	(6)	(33)	-	2	(37)
Balance as of March 31, 2023	**76**	**474**	**2**	**285**	**837**

* *Net of adjustments on account of modifications and lease incentives*

The aggregate depreciation expense on ROU assets is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

The following is the break-up of current and non-current lease liabilities as of March 31, 2024 and March 31, 2023

(Dollars in millions)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current lease liabilities	235	151
Non-current lease liabilities	767	859
Total	**1,002**	**1,010**

2.9 Goodwill and Intangible assets

2.9.1 Goodwill

Accounting Policy

Goodwill represents purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized immediately in the net profit in the Statement of Comprehensive Income. Goodwill is measured at cost less accumulated impairment losses.

Impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGU's which benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Key assumptions in the cash flow projections are prepared based on current economic conditions and includes estimated long term growth rates, weighted average cost of capital and estimated operating margins.

Following is a summary of changes in the carrying amount of goodwill:

(Dollars in millions)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Carrying value at the beginning	**882**	**817**
Goodwill on acquisitions *(Refer to note 2.10)*	-	79
Translation differences	(7)	(14)
Carrying value at the end	**875**	**882**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGU's or groups of CGUs

The following table presents the allocation of goodwill to operating segments as at March 31, 2024 and March 31, 2023 respectively :

(In ₹ crore)

Segment	As at	
	March 31, 2024	**March 31, 2023**
Financial services	177	178
Retail	112	113
Communication	81	81
Energy, Utilities, Resources and Services	139	140
Manufacturing	69	70
Life Sciences	114	115
	692	697
Operating segments without significant goodwill	66	68
Total	**758**	**765**

The goodwill pertaining to Panaya amounting to $117 and $117 million as at March 31, 2024 and March 31, 2023, respectively is tested for impairment at the entity level.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows:

(in %)

	As at	
	March 31, 2024	**March 31, 2023**
Long term growth rate	7-10	8-10
Operating margins	19-21	19-21
Discount rate	13	13

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in the key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

2.9.2 Intangible assets

Accounting Policy

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to prepare the asset for its intended use.

Impairment

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the net profit in the statement of comprehensive income is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the net profit in the statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization) had no impairment loss been recognized for the asset in prior years.

2.10 Business combinations

Accounting policy

Business combinations have been accounted for using the acquisition method under the provisions of IFRS 3 (Revised), Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Comprehensive Income.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is outside the scope of IFRS 3 (Revised), Business Combinations and is accounted for at carrying value of assets acquired and liabilities assumed.

The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable. In the event that the option expires unexercised, the liability is derecognized.

Acquisitions during the year ended March 31, 2023

During the year ended March 31, 2023 the Group, completed two business combinations to complement its digital offerings by acquiring 100% voting interests in:

1) oddity GmbH, oddity group services GmbH, oddity space GmbH, oddity jungle GmbH, oddity code GmbH and oddity waves GmbH (collectively known as oddity), a Germany-based digital marketing, experience, and commerce agencies on April 20, 2022.

2) BASE life science A/S, a consulting and technology firm in the life Science industry in Europe on September 1, 2022.

These acquisitions are expected to strengthen the Group's creative, branding and experience design capabilities and augment the Group's life sciences expertise, scales its digital transformation capabilities with cloud based industry solutions and expand its presence across Europe.

The purchase price is allocated to assets acquired and liabilities assumed based upon determination of fair values at the dates of acquisition as follows:

(Dollars in millions)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets(1)	12	-	12
Intangible assets :			
Customer contracts and relationships	-	34	34
Vendor relationships	-	4	4
Brand	-	3	3
Deferred tax liabilities on intangible assets	-	(10)	(10)
Total	**12**	**31**	**43**
Goodwill			79
Total purchase price			**122**

(1) *Includes cash and cash equivalents acquired of $3 million*

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the acquired assembled workforce and estimated synergies, neither of which qualify as an intangible asset.

Goodwill is not tax-deductible. Goodwill pertaining to these business combinations is allocated to operating segments as more fully described in Note 2.9.1

The purchase consideration of $122 million includes cash of $116 million and contingent consideration with an estimated fair value of $6 million as on the date of acquisition.

At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rate of 12.5%. The undiscounted value of contingent consideration as of March 31, 2023 was $7 million.

Additionally, these acquisitions have shareholder and employee retention bonus payable to the employees of the acquiree over three years, subject to their continuous employment with the Group along with achievement of financial targets for the respective years. Performance and Retention Bonus is recognized in employee benefit expenses in the Interim Consolidated Statement of Comprehensive Income over the period of service.

Fair value of trade receivables acquired, is $14 million as of acquisition date and as of March 31, 2023 the amounts are fully collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of $1 million related to the acquisition have been included under administrative expenses in the Interim Consolidated Statement of Comprehensive Income for the year ended March 31, 2023.

Proposed acquisitions

On January 11, 2024, Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India, for a consideration including earn-outs, and management incentives and retention bonuses totaling up to ₹280 crore (approximately $34 million), subject to customary closing adjustments.

On January 11, 2024, Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in InSemi Technology Services Private Limited, a

2.11 Employees' Stock Option Plans (ESOP)

Accounting Policy

The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in net profit in the consolidated statement of interim condensed comprehensive income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share premium.

Infosys Expanded Stock Ownership Program 2019 (the 2019 Plan)

On June 22, 2019 pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 plan shall not exceed 50,000,000 equity shares. To implement the 2019 Plan, upto 45,000,000 equity shares may be issued by way of secondary acquisition of shares by Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

2015 Stock Incentive Compensation Plan (the 2015 Plan):

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Plan. The maximum number of shares under the 2015 plan shall not exceed 24,038,883 equity shares (this includes 11,223,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

The equity settled and cash settled RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NARC). The exercise price of the RSUs will be equal to the par value of the shares and the exercise price of the stock options would be the market price as on the date of grant.

Controlled trust holds 10,916,829 and 12,172,119 shares as at March 31, 2024 and March 31, 2023, respectively under the 2015 plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at March 31, 2024 and March 31, 2023.

The following is the summary of grants during three months and year ended March 31, 2024 and March 31, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity settled RSUs								
Key Management Personnel (KMP)	26,900	33,750	141,171	210,643	77,094	80,154	498,730	367,479
Employees other than KMP	3,582,471	3,329,240	4,046,731	3,704,014	3,442,700	1,736,925	4,640,640	1,784,975
	3,609,371	**3,362,990**	**4,187,902**	**3,914,657**	**3,519,794**	**1,817,079**	**5,139,370**	**2,152,454**
Cash settled RSUs								
Key Management Personnel (KMP)	-	-	-	-	-	-	-	-
Employees other than KMP	-	-	-	-	169,040	92,400	176,990	92,400
	-	**-**	**-**	**-**	**169,040**	**92,400**	**176,990**	**92,400**
Total Grants	**3,609,371**	**3,362,990**	**4,187,902**	**3,914,657**	**3,688,834**	**1,909,479**	**5,316,360**	**2,244,854**

Notes on grants to KMP:

CEO & MD

Under the 2015 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2024. In accordance with such approval the following grants were made effective May 2, 2023.

- 2,72,026 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 15,656 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 39,140 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore . These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Further, in accordance with the employee agreement which has been approved by the shareholders, the CEO is eligible to receive an annual grant of RSUs of fair value ₹3 crore which will vest overtime in three equal annual installments upon the completion of each year of service from the respective grant date. Accordingly, annual time-based grant of 18,104 RSUs was made effective February 1, 2024 for fiscal 2024.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of March 31, 2024, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with IFRS 2, Share based payments. The grant date for this purpose in accordance with IFRS 2, Share based payments is July 1, 2022.

Under the 2019 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2024 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 78,281 performance based RSU's were granted effective May 2, 2023.

Other KMP

Under the 2015 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved 1,47,030 time based RSUs and 6,774 performance based RSUs to other KMP under the 2015 plan. Time based RSUs will vest over three to four years and performance based RSUs will vest over three years based on certain performance targets.

Under the 2019 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved performance based grants of 62,890 RSUs to other KMPs under the 2019 plan. These RSUs will vest over three years based on achievement of certain performance targets.

The break-up of employee stock compensation expense is as follows:

(Dollars in millions)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Granted to:				
KMP#	2	1	8	6
Employees other than KMP	25	15	71	58
Total (1)	**27**	**16**	**79**	**64**
(1) *Cash settled stock compensation expense included in the above*	1	1	2	1

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options and Monte Carlo simulation model is used for TSR based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options. Correlation coefficient is calculated between each peer entity and the indices as a whole or between each entity in the peer group.

The fair value of each equity settled award is estimated on the date of grant using the following assumptions:

Particulars	**For options granted in**			
	Fiscal 2024-Equity Shares-RSU	**Fiscal 2024-ADS-RSU**	**Fiscal 2023-Equity Shares-RSU**	**Fiscal 2023-ADS-RSU**
Weighted average share price (₹) / ($ ADS)	1,588	19.19	1,525	18.08
Exercise price (₹)/ ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	23-31	25-33	23-32	27-34
Expected life of the option (years)	1-4	1-4	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	7	4-5	5-7	2-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,317	16.27	1,210	13.69

The expected life of the RSU/ESOP is estimated based on the vesting term and contractual term of the RSU/ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2.12 Income Taxes

Accounting policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the consolidated statement of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

The Group offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

Income tax expense in the consolidated statement of comprehensive income comprises:

(Dollars in millions)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Current taxes				
Domestic taxes	124	187	768	830
Foreign taxes	18	88	247	323
	142	**275**	**1,015**	**1,153**
Deferred taxes				
Domestic taxes	114	22	180	54
Foreign taxes	17	(13)	(18)	(65)
	131	**9**	**162**	**(11)**
Income tax expense	**273**	**284**	**1,177**	**1,142**

Income tax expense for the three months ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of $105 million and $9 million, respectively. Income tax expense for the year ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of $113 million and $13 million, respectively. These reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

During the quarter ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of $232 million was recognised and provision for income tax aggregating $63 million was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to $196 million has been reduced from contingent liabilities.

Deferred income tax for the three months ended and year ended March 31, 2024 and March 31, 2023 substantially relates to origination and reversal of temporary differences.

The Company’s Advanced Pricing Arrangement (APA) with the Internal Revenue Service (IRS) for US branch income tax expired in March 2021. The Company has applied for renewal of APA and currently the US taxable income is based on the Company’s best estimate determined based on the expected value method.

As at March 31, 2024, claims against the Group not acknowledged as debts from the Income tax authorities amounted to $335 million (₹2,794 crore). As at March 31, 2023, claims against the Group not acknowledged as debts from the Income tax authorities amounted to $494 million (₹4,062 crore).

Amount paid to statutory authorities against the tax claims amounted to $1,048 million (₹8,743 crore) and $794 million (₹6,528 crore) as at March 31, 2024 and March 31, 2023 respectively.

The claims against the Group primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of issues of disallowance of expenditure towards software being held as capital in nature, payments made to Associated Enterprises held as liable for withholding of taxes, among others. These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group's financial position and results of operations.

2.13 Basic and diluted shares used in computing earnings per equity share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.14 Related party transactions

Refer Note 2.20 "Related party transactions" in the Company’s 2023 Annual Report on Form 20-F for the full names and other details of the Company's subsidiaries and controlled trusts.

Changes in Subsidiaries

During the years ended March 31, 2024, the following are the changes in the subsidiaries:

- Infosys Americas Inc., (Infosys Americas) a Wholly-owned subsidiary of Infosys Limited is liquidated effective July 14, 2023.
- oddity GmbH renamed as WongDoody GmbH
- On September 29, 2023, oddity space GmbH, oddity waves GmbH, oddity jungle GmbH, oddity group services GmbH and oddity code GmbH merged into WongDoody GmbH and oddity code d.o.o which was formerly a subsidiary of oddity code Gmbh has become a subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH).
- On September 1, 2023 Infosys Ltd. acquired 100% of voting interests in Danske IT and Support Services India Private Limited (“Danske IT”). Danske IT renamed as Idunn Information Technology Private Limited from April 1, 2024.
- Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM Limited was incorporated on August 11, 2023.
- Kaleidoscope Prototyping LLC, a Wholly-owned subsidiary of Kaleidoscope Animations is liquidated effective November 1, 2023.
- oddity Code d.o.o renamed as WongDoody d.o.o
- On November 24, 2023 Stater Participations B.V (Wholly-owned subsidiary of Stater N.V) merged with Stater N.V and Stater Belgium N.V./S.A which was formerly a wholly owned subsidiary of Stater Participations B.V. became a wholly owned subsidiary of Stater N.V.
- On March 15, 2024, Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM Limited was dissolved.
- oddity Limited (Taipei) renamed as WongDoody limited (Taipei) and oddity (Shanghai) Co., Ltd. renamed as WongDoody (Shanghai) Co. Limited.

Change in key management personnel

The following are the changes in the key management personnel:

Non-whole-time Directors

- Uri Levine (retired as independent director effective April 19, 2023)
- Helene Auriol Potier (appointed as independent director effective May 26, 2023)
- Nitin Paranjpe (appointed as an additional and independent director effective January 1, 2024)

Executive Officers:

- Mohit Joshi (resigned as President effective March 11, 2023 and was on leave till June 9, 2023 which was his last date with the company)
- Nilanjan Roy (resigned as Chief Financial Officer of the Company effective March 31, 2024)
- Jayesh Sanghrajka (appointed as Chief Financial Officer effective April 1, 2024)

Transactions with key management personnel

The table below describes the compensation to key management personnel which comprise directors and executive officers:

(Dollars in millions)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Salaries and other short term employee benefits to whole-time directors and executive officers(1)(2)	4	3	14	14
Commission and other benefits to non-executive/ independent directors	1	-	2	2
Total	**5**	**3**	**16**	**16**

(1) Total employee stock compensation expense for the three months ended March 31, 2024 and March 31, 2023 includes a charge of $2 million and $1 million respectively, towards key management personnel. For the year ended March 31, 2024 and March 31, 2023, includes a charge of $8 million and $ 6 million respectively, towards key management personnel. (Refer note 2.11).

(2) Does not include post-employment benefits and other long-term benefits, based on actuarial valuation as these are done for the Company as a whole.

2.15 Segment reporting

IFRS 8 Operating Segments establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance.

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

Business segments of the Group are primarily enterprises in Financial Services and Insurance, enterprises in Manufacturing, enterprises in Retail, Consumer Packaged Goods and Logistics, enterprises in the Energy, Utilities, Resources and Services, enterprises in Communication, Telecom OEM and Media, enterprises in Hi-Tech, enterprises in Life Sciences and Healthcare and all other segments. The Financial services reportable segments has been aggregated to include the Financial Services operating segment and Finacle operating segment because of the similarity of the economic characteristics. All other segments represent the operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for 'all other segments' represents revenue generated by Infosys Public Services and revenue generated from customers located in India, Japan and China and other enterprises in public service. Allocated expenses of segments include expenses incurred for rendering services from the Group's offshore software development centres and on-site expenses, which are categorized in relation to the associated efforts of the segment. Certain expenses such as depreciation and amortization, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. The Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Group.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. The Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

Disclosure of revenue by geographic locations is given in note 2.16 Revenue from operations

2.15.1 Business segments

For the three months ended March 31, 2024 and March 31, 2023

(Dollars in millions)

Particulars	Financial Services[(1)]	Retail[(2)]	Communication[(3)]	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Sciences[(4)]	All other segments[(5)]	Total
Revenue	1,205	653	562	610	673	399	332	130	4,564
	1,316	*674*	*537*	*587*	*617*	*363*	*326*	*134*	*4,554*
Identifiable operating expenses	727	312	366	327	440	240	197	78	2,687
	750	*350*	*318*	*318*	*395*	*211*	*184*	*85*	*2,611*
Allocated expenses	244	117	99	111	103	62	59	25	820
	250	*126*	*103*	*110*	*113*	*61*	*56*	*31*	*850*
Segment Profit	**234**	**224**	**97**	**172**	**130**	**97**	**76**	**27**	**1,057**
	316	*198*	*116*	*159*	*109*	*91*	*86*	*18*	*1,093*
Unallocable expenses									140
									136
Operating profit									917
									957
Other income, net *(Refer to note 2.19)*									328
									82
Finance Cost									13
									10
Profit before income taxes									**1,232**
									1,029
Income tax expense									273
									284
Net profit									**959**
									745
Depreciation and amortization									**140**
									136
Non-cash expenses other than depreciation and amortization									**-**
									-

[(1)] Financial Services include enterprises in Financial Services and Insurance

[(2)] Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics

[(3)] Communication includes enterprises in Communication, Telecom OEM and Media

[(4)] Life Sciences includes enterprises in Life sciences and Health care

[(5)] Others include operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services

For the year ended March 31, 2024 and March 31, 2023

(Dollars in millions)

Particulars	Financial Services[(1)]	Retail[(2)]	Communication[(3)]	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Sciences[(4)]	All other segments[(5)]	Total
Revenue	5,093	2,719	2,173	2,417	2,696	1,498	1,391	575	18,562
	5,434	*2,632*	*2,246*	*2,300*	*2,357*	*1,472*	*1,251*	*520*	*18,212*
Identifiable operating expenses	2,993	1,414	1,337	1,309	1,763	874	811	355	10,856
	3,103	*1,352*	*1,380*	*1,231*	*1,551*	*864*	*724*	*348*	*10,553*
Allocated expenses	973	473	391	444	423	245	230	128	3,307
	985	*487*	*401*	*430*	*426*	*242*	*209*	*130*	*3,310*
Segment Profit	**1,127**	**832**	**445**	**664**	**510**	**379**	**350**	**92**	**4,399**
	1,346	*793*	*465*	*639*	*380*	*366*	*318*	*42*	*4,349*
Unallocable expenses									565
									524
Operating profit									3,834
									3,825
Other income, net *(Refer to note 2.19)*									568
									335
Finance Cost									56
									35
Profit before income taxes									**4,346**
									4,125
Income tax expense									1,177
									1,142
Net profit									**3,169**
									2,983
Depreciation and amortization									565
									524
Non-cash expenses other than depreciation and amortization									-
									-

[(1)] *Financial Services include enterprises in Financial Services and Insurance*

[(2)] *Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics*

[(3)] *Communication includes enterprises in Communication, Telecom OEM and Media*

[(4)] *Life Sciences includes enterprises in Life sciences and Health care*

[(5)] *Others include operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services*

2.15.2 Significant clients

No client individually accounted for more than 10% of the revenues for the three months and year ended March 31, 2024 and March 31, 2023, respectively.

2.16 Revenue from Operations

Accounting Policy:

The Group derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Group's core and digital offerings (together called as "software related services") and business process management services. Contracts with customers are either on a time-and-material, unit of work, fixed-price or on a fixed-timeframe basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing, by the parties, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Group allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Group estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Group's contracts may include variable consideration including rebates, volume discounts and penalties. The Group includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue on time-and-material and unit of work based contracts, are recognized as the related services are performed. Fixed price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The billing schedules agreed with customers include periodic performance based billing and / or milestone based progress billings. Revenues in excess of billing are classified as unbilled revenue while billing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, by applying the revenue recognition criteria for each distinct performance obligation, the arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Certain cloud and infrastructure services contracts include multiple elements which may be subject to other specific accounting guidance, such as leasing guidance. These contracts are accounted in accordance with such specific accounting guidance. In such arrangements where the Group is able to determine that hardware and services are distinct performance obligations, it allocates the consideration to these performance obligations on a relative standalone selling price basis. In the absence of standalone selling price, the Group uses the expected cost-plus margin approach in estimating the standalone selling price. When such arrangements are considered as a single performance obligation, revenue is recognized over the period and measure of progress is determined based on promise in the contract.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services (ATS).When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two distinct separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the Group uses the expected cost plus margin approach in estimating the standalone selling price. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably on a straight-line basis over the period in which the services are rendered.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

A contract modification is a change in the scope or price or both of a contract that is approved by the parties to the contract. A contract modification that results in the addition of distinct performance obligations are accounted for either as a separate contract if the additional services are priced at the standalone selling price or as a termination of the existing contract and creation of a new contract if they are not priced at the standalone selling price. If the modification does not result in a distinct performance obligation, it is accounted for as part of the existing contract on a cumulative catch-up basis.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Group expects to recover them.

Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Group that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to cost of sales over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs

The Group presents revenues net of indirect taxes in its Consolidated Statement of Comprehensive Income.

Revenues for the three months ended and year ended March 31, 2024 and March 31, 2023 is as follows

(Dollars in millions)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Revenue from software services	4,341	4,281	17,549	17,072
Revenue from products and platforms	223	273	1,013	1,140
Total revenue from operations	**4,564**	**4,554**	**18,562**	**18,212**

Products & platforms

The Group also derives revenues from the sale of products and platforms including Finacle – core banking solution, Edge Suite of products, Panaya platform, Infosys Equinox, Infosys Helix, Infosys Applied AI, Infosys Cortex, Stater digital platform and Infosys McCamish – insurance platform.

Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by geography and offerings for each of our business segments. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Three months and year ended March 31, 2024 and March 31, 2023

(Dollars in millions)

Particulars	Three months ended		Year ended	
	2024	2023	2024	2023
Revenues by Geography*				
North America	2,721	2,778	11,163	11,262
Europe	1,307	1,227	5,105	4,670
India	100	120	469	478
Rest of the world	436	429	1,825	1,802
Total	**4,564**	**4,554**	**18,562**	**18,212**

The percentage of revenue from fixed-price contracts for the three months ended March 31, 2024 and March 31, 2023 is 54% and 52%, respectively. The percentage of revenue from fixed-price contracts for the year ended March 31, 2024 and March 31, 2023 is 53% and 52%, respectively

Trade Receivables and Contract Balances

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Group's Consolidated Balance Sheet. Amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., monthly or quarterly) or upon achievement of contractual milestones.

The Group's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled revenues for other fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the consolidated statement of balance sheet.

2.17 Unbilled Revenue

(Dollars in millions)

Particulars	As at	
	March 31, 2024	March 31, 2023
Unbilled financial asset (1)	1,151	1,157
Unbilled non financial asset (2)	593	880
Total	**1,744**	**2,037**

(1) Right to consideration is unconditional and is due only after a passage of time.

(2) Right to consideration is dependent on completion of contractual milestones.

2.18 Equity

Accounting policy

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Treasury Shares

When any entity within the Group purchases the company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from Share premium.

Description of reserves

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Group.

Share premium

The amount received in excess of the par value of equity shares has been classified as share premium. Additionally, share-based compensation recognized in net profit in the interim condensed consolidated statement of comprehensive income is credited to share premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

Other Reserves

The Special Economic Zone Re-investment reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA (2) of the Income Tax Act, 1961.

Capital Redemption Reserve

In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve / retained earnings.

Cash flow hedge reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the consolidated Statement of Comprehensive Income upon the occurrence of the related forecasted transaction.

Other components of equity

Other components of equity include currency translation, re-measurement of net defined benefit liability/asset, fair value changes of equity instruments fair valued through other comprehensive income, changes on fair valuation of investments, net of taxes.

2.18.1 Voting

Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depositary Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

2.18.2 Liquidation

In the event of liquidation of the company, the holders of shares shall be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently, other than the amounts held by irrevocable controlled trusts. The amount distributed will be in proportion to the number of equity shares held by the shareholders. For irrevocable controlled trusts, the corpus would be settled in favor of the beneficiaries.

2.18.3 Share options

There are no voting, dividend or liquidation rights to the holders of options issued under the company's share option plans.

2.18.4 Share capital and share premium

The Company has only one class of shares referred to as equity shares having a par value of ₹5/- each. 10,916,829 shares and 12,172,119 shares were held by controlled trust, as at March 31, 2024 and March 31, 2023, respectively.

2.18.5 Capital allocation policy

Effective from financial year 2025, the Company expects to continue the policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes

Buyback completed in February 2023

In line with the capital allocation policy, the Board, at its meeting held on October 13, 2022, approved the buyback of equity shares, from the open market route through the Indian stock exchanges, amounting to ₹9,300 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹1,850 per share (Maximum Buyback Price), subject to shareholders' approval by way of Postal Ballot.

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 3, 2022. The buyback was offered to all equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on December 7, 2022 and was completed on February 13, 2023. During this buyback period the Company had purchased and extinguished a total of 60,426,348 equity shares from the stock exchange at a volume weighted average buyback price of ₹1,539.06/- per equity share comprising 1.44% of the pre buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹9,300 crore (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of $3 million equal to the nominal value of the shares bought back as an appropriation from general reserve and retained earnings.

Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	in ₹	in US Dollars	in ₹	in US Dollars
Final dividend for fiscal 2022	-	-	16.00	0.21
Interim dividend for fiscal 2023	-	-	16.50	0.20
Final dividend for fiscal 2023	17.50	0.21	-	-
Interim dividend for fiscal 2024	18.00	0.22	-	-

During the year ended March 31, 2024, on account of the final dividend for fiscal 2023 and interim dividend for fiscal 2024, the Company has incurred a net cash outflow of ₹14,692 crore (approximately $1,777 million) (excluding dividend paid on treasury shares).

The Board of Directors in their meeting held on April 18, 2024 recommended a final dividend of ₹20/- per equity share (approximately $0.24 per equity share) for the financial year ended March 31, 2024 and a special dividend of ₹8/- per equity share (approximately $0.10 per equity share). The payment is subject to the approval of shareholders in the AGM of the Company to be held on June 26, 2024 and if approved, would result in a net cash outflow of approximately $1,390 million (excluding dividend paid on treasury shares).

2.19 Break-up of expenses and other income, net

Accounting policy

2.19.1 Gratuity and Pensions

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees majorly of Infosys and its Indian subsidiaries. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The Company contributes Gratuity liabilities to the Infosys Limited Employees' Gratuity Fund Trust (the Trust). In case of Infosys BPM and EdgeVerve, contributions are made to the Infosys BPM Employees' Gratuity Fund Trust and EdgeVerve Systems Limited Employees' Gratuity Fund Trust, respectively. Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The Group operates defined benefit pension plan in certain overseas jurisdictions, in accordance with the local laws. These plans are managed by third party fund managers. The plans provide for periodic payouts after retirement or for a lumpsum payment as set out in rules of each fund and includes death and disability benefits. The defined benefit plans require contributions which are based on a percentage of salary that varies depending on the age of the respective employees.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an external actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market risk.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profits in the interim condensed consolidated statement of comprehensive income.

2.19.2 Superannuation

Certain employees of Infosys, Infosys BPM and EdgeVerve are participants in a defined contribution plan. The Group has no further obligations to the Plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India.

2.19.3 Provident fund

Eligible employees of Infosys receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The company contributes a portion of the contributions to the Infosys Limited Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government of India. The company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

In respect of Indian subsidiaries, eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the respective companies make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond its monthly contributions.

2.19.4 Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an external actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.19.5 Other income, net

Other income is comprised primarily of interest income, dividend income, gain/loss on investment and exchange gain/loss on forward and options contracts and on translation of foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

2.19.6 Foreign Currency

Functional currency and presentation currency

The functional currency of Infosys, Infosys BPM, EdgeVerve, Skava, Infosys Green Forum, Danske IT and controlled trusts is the Indian rupee. The functional currencies for foreign subsidiaries are their respective local currencies. These financial statements are presented in U.S. dollars (rounded off to the nearest million) to facilitate the investors' ability to evaluate Infosys' performance and financial position in comparison to similar companies domiciled in other geographic locations.

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the interim condensed Consolidated Statement of Comprehensive Income and reported within exchange gains/ (losses) on translation of assets and liabilities, net, except when deferred in Other Comprehensive Income as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the Statement of Comprehensive Income. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Other Comprehensive Income, net of taxes includes translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments and measured at fair value through other comprehensive income (FVOCI).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

2.19.7 Government grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in the net profit in the statement of comprehensive income on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of comprehensive income over the periods necessary to match them with the related costs which they are intended to compensate.

2.19.8 Operating Profits

Operating profit of the Group is computed considering the revenues, net of cost of sales, selling and marketing expenses and administrative expenses.

The table below provides details of break-up of expenses:

Cost of sales

(Dollars in millions)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Employee benefit costs	2,214	2,243	8,998	8,826
Depreciation and amortization	140	136	565	524
Travelling costs	39	36	150	133
Cost of technical sub-contractors	357	379	1,477	1,750
Cost of software packages for own use	63	57	245	227
Third party items bought for service delivery to clients	377	291	1,372	1,110
Consultancy and professional charges	13	4	36	16
Communication costs	8	10	40	44
Repairs and maintenance	14	13	54	52
Provision for post-sales client support	(15)	(10)	9	15
Others	9	5	29	12
Total	**3,219**	**3,164**	**12,975**	**12,709**

Selling and marketing expenses

(Dollars in millions)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Employee benefit costs	158	152	656	598
Travelling costs	10	10	38	35
Branding and marketing	34	32	121	111
Consultancy and professional charges	4	5	17	16
Communication costs	-	-	1	2
Others	3	3	9	14
Total	**209**	**202**	**842**	**776**

Administrative expenses

(Dollars in millions)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Employee benefit costs	83	76	327	305
Consultancy and professional charges	42	38	157	178
Repairs and maintenance	31	31	121	116
Power and fuel	6	6	24	22
Communication costs	9	10	40	43
Travelling costs	7	7	25	22
Rates and taxes	10	9	39	37
Insurance charges	6	5	25	21
Commission to non-whole time directors	1	-	2	2
Impairment loss recognized/(reversed) under expected credit loss model	(12)	11	15	35
Contribution towards Corporate Social Responsibility	22	19	64	58
Others	14	19	72	63
Total	**219**	**231**	**911**	**902**

Other income for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(Dollars in millions)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Interest income on financial assets carried at amortized cost	30	24	128	107
Interest income on financial assets carried at fair value through other comprehensive income	38	28	122	119
Gain/(loss) on investments carried at fair value through profit or loss	11	8	34	18
Interest income on income tax refund	231	-	237	-
Exchange gains / (losses) on forward and options contracts	23	17	12	(80)
Exchange gains / (losses) on translation of other assets and liabilities	(15)	(11)	11	131
Others	10	16	24	40
Total	**328**	**82**	**568**	**335**

for and on behalf of the Board of Directors of Infosys Limited

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Bengaluru
April 18, 2024

Deloitte Haskins & Sells LLP

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

Report on the Audit of the Interim Consolidated Financial Statements

Opinion

We have audited the accompanying interim consolidated financial statements of **INFOSYS LIMITED** (the "Company"), and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Comprehensive Income for the three months and year ended on that date, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Interim Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Interim Consolidated Financial Statements give a true and fair view in conformity with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), of the consolidated state of affairs of the Group as at March 31, 2024, its consolidated profit and its consolidated total comprehensive income for the three months and year ended on that date, its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Interim Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Interim Consolidated Financial Statements.

Emphasis of Matter

As described in note 2.6.2 to the Interim Consolidated Financial Statements, certain costs relating to possible damages or claims relating to a cybersecurity incident in a subsidiary are indeterminable as at the date of this report because of reasons stated in the note. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>1</td><td>Revenue recognition

The Group's contracts with customers include contracts with multiple products and services. The group derives revenues from IT services comprising software development and related services, maintenance, consulting and package implementation, licensing of software products and platforms across the Group's core and digital offerings and business process management services. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement.
In certain integrated services arrangements, contracts with customers include subcontractor services or third-party vendor equipment or software. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or service before it is transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the products or service and therefore, is acting as a principal or an agent.
Fixed price maintenance revenue is recognized ratably either on (1) a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from the services rendered to the customer and</td><td>Principal Audit Procedures Performed included the following:

Our audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether the Group is acting as a principal or agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method included the following, among others:

• We tested the effectiveness of controls relating to the (a) identification of distinct performance obligations, (b) determination of whether the Group is acting as a principal or an agent and (c) determination of whether fixed price maintenance revenue for certain contracts is recognized on a straight-line basis or using the percentage of completion method.
• We selected a sample of contracts with customers and performed the following procedures:

– Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement.

– Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations (ii) whether the Group is acting as a principal or an agent and (iii) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method</td></tr>
</table>

Sr. No.	Key Audit Matter	Auditor's Response
	the Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables. As certain contracts with customers involve management's judgment in (1) identifying distinct performance obligations, (2) determining whether the Group is acting as a principal or an agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort. Refer Notes 1.5 and 2.16 to the Consolidated Financial Statements.	
2	**Revenue recognition - Fixed price contracts using the percentage of completion method** Fixed price maintenance revenue is recognized ratably either (1) on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to	Principal Audit Procedures Performed included the following: Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others: • We tested the effectiveness of controls relating to (1) recording of efforts or costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations and (2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred. • We selected a sample of fixed price contracts with customers measured the using percentage-of-completion method and performed the following: – Evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual efforts or costs incurred

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Sr. No.	Key Audit Matter	Auditor's Response
	measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. We identified the estimate of total efforts or costs to complete fixed price contracts measured using the percentage of completion method as a key audit matter as the estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts or costs incurred to-date and estimates of efforts or costs required to complete the remaining contract performance obligations over the term of the contracts. This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit effort to evaluate the reasonableness of the total estimated amount of revenue recognized on fixed-price contracts. Refer Notes 1.5 and 2.16 to the Consolidated Financial Statements.	to prior year estimates of efforts or costs budgeted for performance obligations that have been fulfilled. – Compared efforts or costs incurred with Group's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract. – Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.

Responsibilities of Management and Those Charged with Governance for the Interim Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Interim Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with IAS 34 as issued by the IASB. The respective Boards of Directors/Trustees of the entities included in the Group are responsible for maintenance of the adequate accounting records for safeguarding assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Interim Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Interim Consolidated Financial Statements, the respective Boards of Directors/Trustees of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors/Trustees of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Interim Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Interim Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Interim Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Interim Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Interim Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Interim Consolidated Financial Statements, including the disclosures, and whether the Interim Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Interim Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Interim Consolidated Financial Statements of which we are independent auditors.

Materiality is the magnitude of misstatements in the Interim Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Interim Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Interim Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

INFOSYS LIMITED AND SUBSIDIARIES

Consolidated Financial Statements under International Financial Reporting Standards (IFRS) in Indian Rupee for the three months and year ended March 31, 2024

Index **Page No.**

Infosys Limited and subsidiaries

(In ₹ crore except equity share data)

Consolidated Balance Sheet as at	Note	March 31, 2024	March 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	2.1	14,786	12,173
Current investments	2.2	12,915	6,909
Trade receivables		30,193	25,424
Unbilled revenue	2.17	12,768	15,289
Prepayments and other current assets	2.4	12,289	10,979
Income tax assets	2.12	6,397	6
Derivative financial instruments	2.3	84	101
Total current assets		**89,432**	**70,881**
Non-current assets			
Property, plant and equipment	2.7	12,818	13,793
Right-of-use assets	2.8	6,552	6,882
Goodwill	2.9	7,303	7,248
Intangible assets		1,397	1,749
Non-current investments	2.2	11,708	12,569
Unbilled revenue	2.17	1,780	1,449
Deferred income tax assets	2.12	454	1,245
Income tax assets	2.12	3,045	6,453
Other non-current assets	2.4	3,325	3,547
Total non-current assets		**48,382**	**54,935**
Total assets		**137,814**	**125,816**
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		3,956	3,865
Lease liabilities	2.8	1,959	1,242
Derivative financial instruments	2.3	31	78
Current income tax liabilities	2.12	3,585	3,384
Unearned revenue		7,341	7,163
Employee benefit obligations		2,622	2,399
Provisions	2.6	1,796	1,307
Other current liabilities	2.5	17,504	19,748
Total current liabilities		**38,794**	**39,186**
Non-current liabilities			
Lease liabilities	2.8	6,400	7,057
Deferred income tax liabilities	2.12	1,794	1,220
Employee benefit obligations		89	83
Other non-current liabilities	2.5	2,276	2,475
Total non-current liabilities		10,559	10,835
Total liabilities		**49,353**	**50,021**
Equity			
Share capital - ₹5 par value 4,800,000,000 (4,800,000,000) equity shares authorized, issued and outstanding 4,139,950,635 (4,136,387,925) equity shares fully paid up, net of 10,916,829 (12,172,119) treasury shares as at March 31, 2024 (March 31, 2023)	2.18	2,071	2,069
Share premium		1,550	1,065
Retained earnings		69,674	60,063
Cash flow hedge reserves		6	(5)
Other reserves		12,104	10,014
Capital redemption reserve		169	169
Other components of equity		2,542	2,032
Total equity attributable to equity holders of the Company		**88,116**	**75,407**
Non-controlling interests		345	388
Total equity		**88,461**	**75,795**
Total liabilities and equity		**137,814**	**125,816**

The accompanying notes form an integral part of the interim consolidated financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D.Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Infosys Limited and subsidiaries

(In ₹ crore except equity share and per equity share data)

Consolidated Statement of Comprehensive Income for the	Note	Three months ended March 31,		Year ended March 31,	
		2024	2023	2024	2023
Revenues	2.16	**37,923**	**37,441**	**153,670**	**146,767**
Cost of sales	2.19	26,748	26,011	107,413	102,353
Gross profit		**11,175**	**11,430**	**46,257**	**44,414**
Operating expenses					
Selling and marketing expenses	2.19	1,735	1,659	6,973	6,249
Administrative expenses	2.19	1,819	1,894	7,537	7,260
Total operating expenses		3,554	3,553	14,510	13,509
Operating profit		**7,621**	**7,877**	**31,747**	**30,905**
Other income, net	2.21	2,729	671	4,711	2,701
Finance cost		110	82	470	284
Profit before income taxes		**10,240**	**8,466**	**35,988**	**33,322**
Income tax expense	2.12	2,265	2,332	9,740	9,214
Net profit		**7,975**	**6,134**	**26,248**	**24,108**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		26	25	120	8
Equity instruments through other comprehensive income, net	2.2	(12)	(15)	19	(7)
		14	10	139	1
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		28	36	11	(7)
Exchange differences on translation of foreign operations		(231)	61	226	776
Fair value changes on investments, net	2.2	37	42	144	(256)
		(166)	139	381	513
Total other comprehensive income/(loss), net of tax		**(152)**	**149**	**520**	**514**
Total comprehensive income		**7,823**	**6,283**	**26,768**	**24,622**
Profit attributable to:					
Owners of the Company		7,969	6,128	26,233	24,095
Non-controlling interests		6	6	15	13
		7,975	**6,134**	**26,248**	**24,108**
Total comprehensive income attributable to:					
Owners of the Company		7,821	6,276	26,754	24,598
Non-controlling interests		2	7	14	24
		7,823	**6,283**	**26,768**	**24,622**
Earnings per equity share					
Equity shares of par value ₹5/- each					
Basic (₹)		19.25	14.79	63.39	57.63
Diluted (₹)		19.22	14.77	63.29	57.54
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.13	4,139,432,133	4,144,013,195	4,138,568,090	4,180,897,857
Diluted (in shares)	2.13	4,145,052,370	4,149,555,426	4,144,680,425	4,187,731,070

The accompanying notes form an integral part of the interim consolidated financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
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Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Infosys Limited and subsidiaries

(In ₹ crore except equity share data)

Consolidated Statement of Changes in Equity	Number of Shares[(1)]	Share capital	Share premium	Retained earnings	Other reserves[(2)]	Capital redemption reserve	Other components of equity	Cash flow hedge reserve	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2022	**4,193,012,929**	**2,098**	**827**	**62,423**	**8,339**	**139**	**1,522**	**2**	**75,350**	**386**	**75,736**
Impact on adoption of amendment to IAS 37[##]	-	-	-	(19)	-	-	-	-	(19)	-	(19)
	4,193,012,929	**2,098**	**827**	**62,404**	**8,339**	**139**	**1,522**	**2**	**75,331**	**386**	**75,717**
Changes in equity for the year ended March 31, 2023											
Net profit	-	-	-	24,095	-	-	-	-	24,095	13	24,108
Remeasurement of the net defined benefit liability/asset, net* (Refer to note 2.20)	-	-	-	-	-	-	8	-	8	-	8
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	(7)	-	(7)	-	(7)
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	-	(7)	(7)	-	(7)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	765	-	765	11	776
Fair value changes on investments, net*	-	-	-	-	-	-	(256)	-	(256)	-	(256)
Total comprehensive income for the period	**-**	**-**	**-**	**24,095**	**-**	**-**	**510**	**(7)**	**24,598**	**24**	**24,622**
Shares issued on exercise of employee stock options (Refer to note 2.11)	3,801,344	1	34	-	-	-	-	-	35	-	35
Buyback of equity shares (Refer to note 2.18)[**]	(60,426,348)	(30)	(340)	(11,096)	-	-	-	-	(11,466)	-	(11,466)
Transaction cost relating to buyback*	-	-	(19)	(5)	-	-	-	-	(24)	-	(24)
Amount transferred to capital redemption reserve upon buyback	-	-	-	(30)	-	30	-	-	-	-	-
Employee stock compensation expense (Refer to note 2.11)	-	-	514	-	-	-	-	-	514	-	514
Income tax benefit arising on exercise of stock options (Refer to note 2.12)	-	-	51	-	-	-	-	-	51	-	51
Transfer on account of options not exercised	-	-	(2)	2	-	-	-	-	-	-	-
Transferred to other reserves	-	-	-	(3,139)	3,139	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	1,464	(1,464)	-	-	-	-	-	-
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(22)	(22)
Dividends[#]	-	-	-	(13,632)	-	-	-	-	(13,632)	-	(13,632)
Balance as at March 31, 2023	**4,136,387,925**	**2,069**	**1,065**	**60,063**	**10,014**	**169**	**2,032**	**(5)**	**75,407**	**388**	**75,795**

Infosys Limited and subsidiaries

(In ₹ crore except equity share data)

Consolidated Statement of Changes in Equity	Number of Shares(1)	Share capital	Share premium	Retained earnings	Other reserves(2)	Capital redemption reserve	Other components of equity	Cash flow hedge reserve	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2023	**4,136,387,925**	**2,069**	**1,065**	**60,063**	**10,014**	**169**	**2,032**	**(5)**	**75,407**	**388**	**75,795**
Changes in equity for year ended March 31, 2024											
Net profit	-	-	-	26,233	-	-	-	-	26,233	15	26,248
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	120	-	120	-	120
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	19	-	19	-	19
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	11	11	-	11
Exchange differences on translation of foreign operations	-	-	-	-	-	-	227	-	227	(1)	226
Fair value changes on investments, net*	-	-	-	-	-	-	144	-	144	-	144
Total comprehensive income for the period	**-**	**-**	**-**	**26,233**	**-**	**-**	**510**	**11**	**26,754**	**14**	**26,768**
Shares issued on exercise of employee stock options (Refer to note 2.11)	3,562,710	2	3	-	-	-	-	-	5	-	5
Employee stock compensation expense (Refer to note 2.11)	-	-	639	-	-	-	-	-	639	-	639
Income tax benefit arising on exercise of stock options (Refer to note 2.12)	-	-	3	-	-	-	-	-	3	-	3
Transferred on account of options not exercised	-	-	(160)	160	-	-	-	-	-	-	-
Transferred to other reserves	-	-	-	(2,957)	2,957	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	867	(867)	-	-	-	-	-	-
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(39)	(39)
Buyback of shares pertaining to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(18)	(18)
Dividends#	-	-	-	(14,692)	-	-	-	-	(14,692)	-	(14,692)
Balance as at March 31, 2024	**4,139,950,635**	**2,071**	**1,550**	**69,674**	**12,104**	**169**	**2,542**	**6**	**88,116**	**345**	**88,461**

** net of tax*

*** Including tax on buyback of ₹2,166 crore for the year ended March 31, 2023.*

 # net of treasury shares

Impact on account of adoption of amendment to IAS 37 Provisions, Contingent Liabilities and Contingents Assets

(1) excludes treasury shares of 10,916,829 as at March 31, 2024, 12,172,119 as at April 1, 2023, 13,725,712 as at April 1, 2022 held by consolidated trust.

(2) Represents the Special Economic Zone Re-investment reserve created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act,1961. The reserve should be utilized by the Group for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA(2) of the Income Tax Act, 1961.

The accompanying notes form an integral part of the interim consolidated financial statements.

As per our report of even date attached
for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D.Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Infosys Limited and subsidiaries

Consolidated Statement of Cash Flows

Accounting Policy

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(In ₹ crore)

Particulars		**Year ended March 31,**	
	Note	**2024**	**2023**
Operating activities:			
Net Profit		26,248	24,108
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation and amortization		4,678	4,225
Income tax expense	2.12	9,740	9,214
Finance cost		470	284
Interest and dividend income		(1,138)	(1,118)
Exchange differences on translation of assets and liabilities, net		76	161
Impairment loss recognized/(reversed) under expected credit loss model		121	283
Stock compensation expense		652	519
Provision for post sale client support		75	120
Interest receivable on income tax refund		(1,934)	-
Other adjustments		1,471	523
Changes in working capital			
Trade receivables and unbilled revenue		(2,667)	(7,076)
Prepayments and other assets		(1,252)	(3,267)
Trade payables		91	(279)
Unearned revenue		178	834
Other liabilities and provisions		(1,512)	3,285
Cash generated from operations		**35,297**	**31,816**
Income taxes paid		(9,231)	(8,794)
Net cash generated by operating activities		**26,066**	**23,022**
Investing activities:			
Expenditure on property, plant and equipment and intangibles		(2,201)	(2,579)
Deposits placed with corporation		(847)	(996)
Redemption of deposits placed with corporation		710	762
Interest and dividend received		912	970
Payment for acquisition of business, net of cash acquired	2.10	-	(910)
Payment of contingent consideration pertaining to acquisition of business		(101)	(60)
Escrow and other deposits pertaining to Buyback		-	(483)
Redemption of escrow and other deposits pertaining to Buyback		-	483
Payments to acquire Investments			
- Quoted debt securities		(1,526)	(1,845)
- Liquid mutual fund units		(66,191)	(70,631)
- Target maturity fund units		-	(400)
- Certificates of deposit		(8,509)	(10,348)
- Commercial paper		(10,387)	(3,003)
- Other investments		(14)	(20)
Proceeds on sale of investments			
- Quoted debt securities		1,684	2,573
- Liquid mutual fund units		64,767	71,851
- Certificates of deposit		9,205	10,404
- Commercial paper		6,479	2,298
- Other investments		26	99
Other receipts		128	71
Net cash (used)/generated in investing activities		**(5,865)**	**(1,764)**

Financing activities:			
Payment of lease liabilities		(2,024)	(1,231)
Payment of dividends		(14,692)	(13,631)
Payment of dividends to non-controlling interests of subsidiary		(39)	(22)
Payment towards purchase of non-controlling interest		(18)	-
Other payments		(736)	(479)
Other receipts		-	132
Buyback of equity shares including transaction costs and tax on buyback		-	(11,499)
Shares issued on exercise of employee stock options		5	35
Net cash used in financing activities		**(17,504)**	**(26,695)**
Net increase/(decrease) in cash and cash equivalents		2,697	(5,437)
Effect of exchange rate changes on cash and cash equivalents		(84)	138
Cash and cash equivalents at the beginning of the period	2.1	12,173	17,472
Cash and cash equivalents at the end of the period	2.1	**14,786**	**12,173**
Supplementary information:			
Restricted cash balance	2.1	348	362

The accompanying notes form an integral part of the interim consolidated financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D.Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Overview and Notes to the Interim Consolidated Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

Infosys together with its subsidiaries and controlled trusts is herein after referred to as the "Group".

The Company is a public limited company incorporated and domiciled in India and has its registered office at Electronics City, Hosur Road, Bengaluru -560100, Karnataka, India. The Company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited. The Company's American Depositary Shares (ADS) representing equity shares are listed on the New York Stock Exchange (NYSE).

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on April 18, 2024.

1.2 Basis of preparation of financial statements

These consolidated financial statements are prepared in compliance with IAS 34, Interim Financial Reporting as issued by International Accounting Standards Board, under the historical cost convention on accrual basis except for certain financial instruments which have been measured at fair values. Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The material accounting policy information used in preparation of the audited consolidated interim financial statements have been discussed in the respective notes.

As the quarter and year-end figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

1.3 Basis of consolidation

Infosys consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Refer to Note 2.14 for the list of subsidiaries and controlled trusts of the Company

1.4 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgments are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

1.5 Critical accounting estimates and judgments

a. Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Fixed price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from a fixed price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Group uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

b. Income taxes

The Group's two major tax jurisdictions are India and the United States, though the Company also files tax returns in other overseas jurisdictions.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. (Refer to Note 2.12)

c. Business combinations and intangible assets

Business combinations are accounted for using IFRS 3 (Revised), Business Combinations. IFRS 3 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by Management. (Refer to Note 2.10 and 2.9.2).

d. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer to Note 2.7).

e. Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins. (Refer to note 2.9.1)

1.6 Recent accounting pronouncements

New and revised IFRS Standards in issue but not yet effective:

Amendments to IFRS 16 Leases	Lease Liability in a Sale and Leaseback
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments	Disclosure regarding supplier finance arrangements
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability
IFRS 18 Presentation and Disclosures in Financial Statements	Presentation and Disclosures in Financial Statements

Amendments to IFRS 16

On September 22, 2022, International Accounting Standards Board (IASB) has issued amendments to IFRS 16 Leases, which added requirements explaining the subsequent measurement for a sale and leaseback transaction. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

The effective date for the adoption of this amendment is annual reporting periods beginning on or after January 1, 2024, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Amendments to IAS 7 and IFRS 7

On May 25, 2023 IASB has issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosure which requires entities to disclose information that enables users of financial statement to assess how supplier finance arrangements affect its liabilities and cash flows and to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2024, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Amendments to IAS 21

On August 15, 2023, IASB has issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, Lack of Exchangeability that will require companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. These amendments specify when a currency is exchangeable into another currency and when it is not and specify how an entity determines the exchange rate to apply when a currency is not exchangeable.

The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2025, although early adoption is permitted. The Group is in the process of evaluating the impact of the amendment.

IFRS 18 – Presentation and Disclosures in Financial Statements

On April 9, 2024, IASB has issued IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 Presentation of Financial Statements from its effective date. IFRS 18 introduces new requirements for information presented in the primary financial statements and disclosed in the notes. The new requirements are focused on the statement of profit or loss. IFRS 18 introduces three categories for income and expenses, that is, operating, investing and financing to improve the structure of the income statement. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, although early adoption is permitted. The Group is yet to evaluate the impact of the amendment.

2. Notes to the Interim Consolidated Financial Statements

2.1 Cash and cash equivalents

Cash and cash equivalents consist of the following:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Cash and bank deposits	14,786	10,026
Deposits with financial institutions	-	2,147
Total Cash and cash equivalents	**14,786**	**12,173**

Cash and cash equivalents as at March 31, 2024 and March 31, 2023 include restricted cash and bank balances of ₹348 crore and ₹362 crore, respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the Company.

The deposits maintained by the Group with banks and financial institutions comprise of time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

2.2 Investments

The carrying value of the investments are as follows:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
(i) Current Investments		
Amortized Cost		
Quoted debt securities	-	150
Fair Value through other comprehensive income		
Quoted debt securities	2,427	1,468
Commercial papers	4,830	742
Certificate of deposit	3,043	3,574
Fair Value through profit or loss		
Liquid mutual fund units	2,615	975
Total current investments	**12,915**	**6,909**
(ii) Non-current Investments		
Amortized Cost		
Quoted debt securities	1,759	1,770
Fair Value through other comprehensive income		
Quoted debt securities	9,114	10,032
Quoted equity securities	113	-
Unquoted equity and preference securities	93	196
Fair Value through profit or loss		
Target maturity fund units	431	402
Others[(1)]	198	169
Total non-current investments	**11,708**	**12,569**
Total investments	**24,623**	**19,478**
Investments carried at amortized cost	1,759	1,920
Investments carried at fair value through other comprehensive income	19,620	16,012
Investments carried at fair value through profit or loss	3,244	1,546

[(1)] *Uncalled capital commitments outstanding as at March 31, 2024 and March 31, 2023 was ₹79 crore and ₹92 crore, respectively.*

Refer to note 2.3 for accounting policies on financial instruments.

Details of amounts recorded in Other comprehensive income : *(In ₹ crore)*

	Year ended March 31, 2024			Year ended March 31, 2023		
	Gross	**Tax**	**Net**	**Gross**	**Tax**	**Net**
Net Gain/(loss) on						
Quoted debt securities	160	(15)	145	(262)	7	(255)
Commercial papers	-	-	-	-	-	-
Certificates of deposit	(1)	-	(1)	(1)	-	(1)
Equity and preference securities	10	9	19	(8)	1	(7)

Method of fair valuation: *(In ₹ crore)*

Class of investment	**Method**	**Fair value as at**	
		March 31, 2024	**March 31, 2023**
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	2,615	975
Target maturity fund units - carried at fair value through profit or loss	Quoted price	431	402
Quoted debt securities- carried at amortized cost	Quoted price and market observable inputs	1,973	2,148
Quoted debt securities- carried at fair value through other comprehensive income	Quoted price and market observable inputs	11,541	11,500
Commercial papers- carried at fair value through other comprehensive income	Market observable inputs	4,830	742
Certificates of deposit- carried at fair value through other comprehensive income	Market observable inputs	3,043	3,574
Quoted equity securities carried at fair value through other comprehensive income	Quoted price	113	-
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, option pricing model	93	196
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, option pricing model	198	169
Total		**24,837**	**19,706**

Note: Certain quoted investments are classified as Level 2 in the absence of active market for such investments.

2.3 Financial instruments

Accounting Policy

2.3.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.3.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration and financial liability under option arrangements recognized in a business combination which are subsequently measured at fair value through profit or loss.

b. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for such contracts is generally a bank.

(i) Financial assets or financial liabilities, carried at fair value through profit or loss

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under IFRS 9, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per IFRS 9, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the consolidated statement of comprehensive income when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

(ii) Cash flow hedge

The Group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the consolidated statement of comprehensive income. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the consolidated statement of comprehensive income upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the consolidated statement of comprehensive income.

2.3.3 Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IFRS 9. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.3.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices ,option pricing model, market multiples, and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to table 'Financial instruments by category' below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.3.5 Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in the consolidated statement of comprehensive income.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets / liabilities at fair value through profit or loss		Financial assets / liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.1)	14,786	-	-	-	-	14,786	14,786
Investments (Refer to note 2.2)							
Liquid mutual fund units	-	-	2,615	-	-	2,615	2,615
Target maturity fund units	-	-	431	-	-	431	431
Quoted debt securities	1,759	-	-	-	11,541	13,300	13,514 (1)
Commercial Papers	-	-	-	-	4,830	4,830	4,830
Certificates of deposit	-	-	-	-	3,043	3,043	3,043
Quoted equity securities	-	-	-	113	-	113	113
Unquoted equity and preference securities	-	-	-	93	-	93	93
Unquoted investment others	-	-	198	-	-	198	198
Trade receivables	30,193	-	-	-	-	30,193	30,193
Unbilled revenues (Refer to note 2.17)(3)	9,600	-	-	-	-	9,600	9,600
Prepayments and other assets (Refer to note 2.4)	5,788	-	-	-	-	5,788	5,704 (2)
Derivative financial instruments	-	-	61	-	23	84	84
Total	**62,126**	**-**	**3,305**	**206**	**19,437**	**85,074**	**85,204**
Liabilities:							
Trade payables	3,956	-	-	-	-	3,956	3,956
Lease liabilities (Refer to note 2.8)	8,359	-	-	-	-	8,359	8,359
Derivative financial instruments	-	-	30	-	1	31	31
Financial liability under option arrangements (Refer to note 2.5)	-	-	597	-	-	597	597
Other liabilities including contingent consideration (Refer to note 2.5)	15,750	-	-	-	-	15,750	15,750
Total	**28,065**	**-**	**627**	**-**	**1**	**28,693**	**28,693**

(1) *On account of fair value changes including interest accrued*

(2) *Excludes interest accrued on quoted debt securities carried at amortized cost of ₹84 crore.*

(3) *Excludes unbilled revenue for contracts where the right to consideration is dependent on completion of contractual milestones*

The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.1)	12,173	-	-	-	-	12,173	12,173
Investments (Refer to note 2.2)							
Liquid mutual fund units	-	-	975	-	-	975	975
Target maturity fund units	-	-	402	-	-	402	402
Quoted debt securities	1,920	-	-	-	11,500	13,420	13,648 [1]
Commercial papers	-	-	-	-	742	742	742
Certificates of deposit	-	-	-	-	3,574	3,574	3,574
Unquoted equity and preference securities	-	-	-	196	-	196	196
Unquoted investments others	-	-	169	-	-	169	169
Trade receivables	25,424	-	-	-	-	25,424	25,424
Unbilled revenue (Refer to note 2.17)[3]	9,502	-	-	-	-	9,502	9,502
Prepayments and other assets (Refer to note 2.4)	5,127	-	-	-	-	5,127	5,043 [2]
Derivative financial instruments	-	-	69	-	32	101	101
Total	**54,146**	**-**	**1,615**	**196**	**15,848**	**71,805**	**71,949**
Liabilities:							
Trade payables	3,865	-	-	-	-	3,865	3,865
Lease liabilities (Refer to note 2.8)	8,299	-	-	-	-	8,299	8,299
Derivative financial instruments	-	-	64	-	14	78	78
Financial liability under option arrangements (Refer to note 2.5)	-	-	600	-	-	600	600
Other liabilities including contingent consideration (Refer to note 2.5)	17,359	-	97	-	-	17,456	17,456
Total	**29,523**	**-**	**761**	**-**	**14**	**30,298**	**30,298**

[1] *On account of fair value changes including interest accrued*

[2] *Excludes interest accrued on quoted debt securities carried at amortized cost of ₹84 crore.*

[3] *Excludes unbilled revenue for contracts where the right to consideration is dependent on completion of contractual milestones*

For trade receivables, trade payables and other assets and payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2024 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2024	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments (Refer to note 2.2)				
Investments in liquid mutual fund units	2,615	2,615	-	-
Investments in target maturity fund units	431	431	-	-
Investments in quoted debt securities	13,514	13,184	330	-
Investments in certificates of deposit	3,043	-	3,043	-
Investments in commercial papers	4,830	-	4,830	-
Investments in quoted equity securities	113	113	-	-
Investments in unquoted equity and preference securities	93	-	-	93
Investments in unquoted investments others	198	-	-	198
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts	84	-	84	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts	31	-	31	-
Financial liability under option arrangements (Refer to note 2.5)[1]	597	-	-	597

[1] *Discount rate ranges from 9% to 15%*

During the year ended March 31, 2024, quoted debt securities of ₹2,143 crore were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of ₹73 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2023 was as follows:

(In ₹ crore)

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments (Refer to note 2.2)				
Investments in liquid mutual fund units	975	975	-	-
Investments in target maturity fund units	402	402	-	-
Investments in quoted debt securities	13,648	10,701	2,947	-
Investments in unquoted equity and preference securities	196	-	-	196
Investments in certificates of deposit	3,574	-	3,574	-
Investments in commercial papers	742	-	742	-
Investments in unquoted investments others	169	-	-	169
Others				
Derivative financial instruments- gain on outstanding foreign exchange forward and option contracts	101	-	101	-
Liabilities				
Derivative financial instruments- loss on outstanding foreign exchange forward and option contracts	78	-	78	-
Financial liability under option arrangements (Refer to note 2.5)(1)	600	-	-	600
Liability towards contingent consideration (Refer to note 2.5)(1)	97	-	-	97

(1) Discount rate ranges from 10.0% to 15.0%

During the year ended March 31, 2023, quoted debt securities of ₹383 crore were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of ₹1,611 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

Majority of investments of the Group are fair valued based on Level 1 or Level 2 inputs. These investments primarily include investment in liquid mutual fund units, target maturity fund units, quoted debt securities, certificates of deposit, commercial paper, quoted bonds issued by government and quasi-government organizations. The Group invests after considering counterparty risks based on multiple criteria including Tier I Capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and Deposit base of banks and financial institutions. These risks are monitored regularly as per Group's risk management program.

Income from financial assets is as follows :

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Interest income from financial assets carried at amortized cost	253	197	1,060	861
Interest income on financial assets fair valued through other comprehensive income	318	231	1,007	955
Gain / (loss) on investments carried at fair value through profit or loss	88	61	285	148
Gain / (loss) on investments carried at fair value through other comprehensive Income	-	-	-	1
	659	**489**	**2,352**	**1,965**

Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Market risk

The Group operates internationally, and a major portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in the United States and elsewhere, and purchases from overseas suppliers in various foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Group is also exposed to foreign exchange risk arising on intercompany transaction in foreign currencies. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

The following table analyses foreign currency risk from financial assets and liabilities as at March 31, 2024:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net financial assets	26,126	9,559	2,153	1,479	2,917	42,234
Net financial liabilities	(11,925)	(3,378)	(710)	(813)	(2,218)	(19,044)
Total	**14,201**	**6,181**	**1,443**	**666**	**699**	**23,190**

The following table analyses foreign currency risk from financial assets and liabilities as at March 31, 2023:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net financial assets	20,777	7,459	1,816	1,809	2,604	34,465
Net financial liabilities	(12,148)	(3,734)	(737)	(953)	(2,208)	(19,780)
Total	**8,629**	**3,725**	**1,079**	**856**	**396**	**14,685**

For the three months and year ended March 31, 2024 and March 31, 2023, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and the U.S. dollar has affected the Group's incremental operating margins by approximately 0.43%, 0.43%, 0.43%% and 0.44%, respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for such contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

The details in respect of outstanding foreign currency forward and option contracts are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	In million	In ₹ crore	In million	In ₹ crore
Derivatives designated as cash flow hedges				
Forward contracts				
In Euro	30	270	-	-
Option Contracts				
In Euro	236	2,121	325	2,907
In Australian dollars	106	573	140	770
In United Kingdom Pound Sterling	35	368	55	559
Other derivatives				
Forward contracts				
In U.S. dollars	1,423	11,866	1,670	13,726
In Euro	574	5,163	316	2,825
In Singapore dollars	171	1,046	204	1,245
In United Kingdom Pound Sterling	86	902	86	877
In Swiss Franc	17	158	1	8
In New Zealand dollars	30	149	30	154
In Czech Koruna	374	135	364	134
In Danish Krone	100	121	-	-
In Norwegian Krone	130	100	100	79
In Canadian dollars	15	92	-	-
In Australian dollars	14	75	10	55
In Hungarian Forint	2,500	57	-	-
In Chinese Yuan	43	49	41	49
In South African rand	85	37	85	39
Option Contracts				
In U.S. dollars	543	4,527	300	2,465
In Euro	100	897	160	1,431
In Australian dollars	20	111	30	165
In United Kingdom Pound Sterling	-	-	15	153
Total forwards & options		**28,817**		**27,641**

The group recognized a net gain of ₹209 crore and a net gain of ₹186 crore during the three months and year ended March 31, 2024 and a net gain of ₹164 crore and a net loss of ₹558 crore during the three months and year ended March 31, 2023, respectively, on derivative financial instruments not designated as cash flow hedges which are included in other income.

The foreign exchange forward and option contracts mature within twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the balance sheet date:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Not later than one month	10,877	13,155
Later than one month and not later than three months	15,963	11,159
Later than three months and not later than one year	1,977	3,327
Total	**28,817**	**27,641**

During the year ended March 31, 2024 and March 31, 2023, the Group has designated certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance in cash flow hedging reserve as of March 31, 2024, are expected to occur and reclassified to statement of comprehensive income within three months.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of its forecasted cash flows. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

The following table provides the reconciliation of cash flow hedge reserve for the three months and year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Three months ended		Year ended March 31,	
	2024	2023	2024	2023
Gain / (Loss)				
Balance at the beginning of the period	22	(41)	(5)	2
Gain / (loss) recognized in other comprehensive income during the period	(11)	(22)	8	90
Amount reclassified to profit and loss during the period	4	64	7	(99)
Tax impact on above	(9)	(6)	(4)	2
Balance at the end of the period	**6**	**(5)**	**6**	**(5)**

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows:

(In ₹ crore)

Particulars	As at			
	March 31, 2024		March 31, 2023	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognized financial asset/liability	98	(45)	127	(104)
Amount set off	(14)	14	(26)	26
Net amount presented in balance sheet	**84**	**(31)**	**101**	**(78)**

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹30,193 crore and ₹25,424 crore as at March 31, 2024 and March 31, 2023, respectively and unbilled revenue amounting to ₹14,548 crore and ₹16,738 crore as at March 31, 2024 and March 31, 2023, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in the United States of America and Europe. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. This matrix takes into account credit reports and other related credit information to the extent available.

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

The following table gives details in respect of percentage of revenues generated from top five customers and top ten customers:

(In %)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Revenue from top five customers	13.6	13.0	13.3	12.7
Revenue from top ten customers	20.4	20.1	20.0	20.2

Credit risk exposure

Trade receivables ageing schedule as at March 31, 2024 is as follows:

(In ₹ crore)

Particulars		Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables	22,575	7,418	347	446	8	115	30,909
Less: Allowance for credit loss							(716)
Total Trade receivables							**30,193**

Trade receivables ageing schedule as at March 31, 2023 is as follows:

(In ₹ crore)

Particulars		Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables	18,411	7,508	60	7	76	45	26,107
Less: Allowance for credit loss							(683)
Total Trade receivables							**25,424**

The allowance of lifetime ECL on customer balances for the three months and year ended March 31, 2024 was (₹104) crore and ₹90 crore, respectively. The allowance of lifetime expected credit loss on customer balances for the three months and year ended March 31, 2023 was ₹71 crore and ₹228 crore, respectively.

The movement in credit loss allowance on customer balance is as follows:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Balance at the beginning	1,049	936	961	858
Translation differences	8	(2)	-	41
Impairment loss recognized / (reversed), net	(104)	71	90	228
Amounts written off	-	(44)	(98)	(166)
Balance at the end	**953**	**961**	**953**	**961**

The gross carrying amount of a financial asset is written off (either partially or in full) when there is no realistic prospect of recovery.

Credit exposure

The Group's credit period generally ranges from 30-75 days.

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Trade receivables	30,193	25,424
Unbilled revenue	14,548	16,738

Days sales outstanding (DSO) was 71 days and 62 days as of March 31, 2024 and March 31, 2023, respectively.

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Group has considered the latest available credit ratings as at the date of approval of these Consolidated financial statements.

The investments of the Group primarily include investment in liquid mutual fund units, quoted debt securities, certificates of deposit, commercial paper, quoted bonds issued by government and quasi government organizations. The Group invests after considering counterparty risks based on multiple criteria including Tier I Capital, Capital Adequacy Ratio, credit rating, profitability, NPA levels and deposit base of banks and financial institutions. These risks are monitored regularly as per Group's risk management program.

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time.

The Group's principal sources of liquidity are cash and cash equivalents and investments and the cash flow that is generated from operations. The Group has no outstanding borrowings. The Group believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2024, the Group had a working capital of ₹50,638 crore including cash and cash equivalents of ₹14,786 crore and current investments of ₹12,915 crore. As at March 31, 2023, the Group had a working capital of ₹31,695 crore including cash and cash equivalents of ₹12,173 crore and current investments of ₹6,909 crore.

As at March 31, 2024 and March 31, 2023, the outstanding employee benefit obligations were ₹2,711 crore and ₹2,482 crore, respectively, which have been substantially funded. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2024:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	3,956	-	-	-	3,956
Financial liability under option arrangements on an undiscounted basis (Refer to Note 2.5)	554	-	-	136	690
Other financial liabilities (excluding liability towards contingent consideration) on an undiscounted basis (Refer to Note 2.5)	13,820	1,321	570	67	15,778

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	3,865	-	-	-	3,865
Financial liability under option arrangements on an undiscounted basis (Refer to Note 2.5)	676	-	-	-	676
Other financial liabilities (excluding liability towards contingent consideration) (Refer to Note 2.5)	15,403	1,532	438	13	17,386
Liability towards contingent consideration on an undiscounted basis (Refer to Note 2.5)	101	-	-	-	101

2.4 Prepayments and other assets

Prepayments and other assets consist of the following:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Current		
Security deposits[(1)]	75	42
Loans to employees[(1)]	248	289
Prepaid expenses[(2)]	3,329	2,745
Interest accrued and not due[(1)]	537	488
Withholding taxes and others[(2)]	3,540	3,268
Advance payments to vendors for supply of goods[(2)]	356	202
Deposit with corporations[(1)(3)]	2,535	2,348
Deferred contract cost		
Cost of obtaining a contract [(2)(4)]	200	853
Cost of fulfillment [(2)]	358	175
Net investment in sublease of right of use asset[(1)]	6	53
Other non financial assets [(2)]	180	261
Other financial assets[(1)(5)]	925	255
Total Current prepayment and other assets	**12,289**	**10,979**
Non-current		
Security deposits[(1)]	259	287
Loans to employees[(1)]	34	39
Prepaid expenses[(2)]	343	332
Withholding taxes and others[(2)]	673	684
Deposit with corporations[(1)(3)]	47	96
Deferred contract cost		
Cost of obtaining a contract [(2)(4)]	129	191
Cost of fulfillment [(2)]	687	652
Defined benefit plan assets[(2)]	31	36
Net investment in sublease of right of use asset[(1)]	3	305
Other non financial assets[(2)]	-	-
Other financial assets[(1)(5)]	1,119	925
Total Non- current prepayment and other assets	**3,325**	**3,547**
Total prepayment and other assets	**15,614**	**14,526**
[(1)] Financial assets carried at amortized cost	**5,788**	**5,127**

[(2)] Non financial assets

Withholding taxes and others primarily consist of input tax credits and Cenvat/VAT recoverable from Government of India.

[(3)] Deposit with corporation represents amounts deposited to settle certain employee-related obligations as and when they arise during the normal course of business.

(4) Includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with IFRS 15 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹372 crore and ₹731 crore, respectively. For the year ended March 31, 2023 ₹118 crore was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction (Refer to note 2.5)

[(5)] Primarily includes net investment in lease

2.5 Other liabilities

Other liabilities comprise the following:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Current		
Accrued compensation to employees[1]	4,454	4,174
Accrued defined benefit liability [3]	5	4
Accrued expenses[1]	8,224	7,802
Withholding taxes and others[3]	3,185	3,632
Liabilities of controlled trusts[1]	211	211
Liability towards contingent consideration[2]	-	97
Capital Creditors[1]	310	674
Financial liability under option arrangements[2][4]	499	600
Other non-financial liabilities [3]	8	31
Other financial liabilities[1][5]	608	2,523
Total current other liabilities	**17,504**	**19,748**
Non-current		
Accrued expenses[1]	1,779	1,628
Accrued defined benefit liability [3]	159	445
Accrued compensation to employees[1]	7	5
Financial liability under option arrangements[2][4]	98	-
Other financial liabilities[1][5]	157	342
Other non-financial liabilities[3]	76	55
Total non-current other liabilities	**2,276**	**2,475**
Total other liabilities	**19,780**	**22,223**
[1] Financial liability carried at amortized cost	15,750	17,359
[2] Financial liability carried at fair value through profit or loss	597	697
Financial liability under option arrangements on an undiscounted basis	690	676
Financial liability towards contingent consideration on an undiscounted basis	-	101

[3] Non financial liabilities

[4] Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries

[5] Deferred contract cost in note 2.4 includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with IFRS 15 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹372 crore and ₹731 crore, respectively. For the year ended March 31, 2023 ₹118 crore was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction.

Accrued expenses primarily relates to cost of technical sub-contractors, telecommunication charges, legal and professional charges, brand building expenses, overseas travel expenses and office maintenance and cost of third party software and hardware.

2.6 Provisions and other contingencies

Accounting Policy

2.6.1 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

a. Post sales client support

The Group provides its clients with a fixed-period post sales support on its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded and included in cost of sales. The Group estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognizes any impairment loss on the assets associated with that contract.

Provision for post sales client support and other provisions

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Post sales client support and other provisions	1,796	1,307
Total provisions	**1,796**	**1,307**

The movement in the provision for post sales client support is as follows:

(In ₹ crore)

Particulars	Three months ended March 31, 2024	Year ended March 31, 2024
Balance at the beginning	1,827	1,307
Provision recognized / (reversed)	74	895
Provision utilized	(95)	(421)
Exchange difference	(10)	15
Balance at the end	**1,796**	**1,796**

Provision for post sales client support represents cost associated with providing post sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the consolidated statement of comprehensive income.

As at March 31, 2024 and March 31, 2023 claims against the Group, not acknowledged as debts, (excluding demands from income tax authorities - Refer to note 2.12) amounted to ₹789 crore and ₹700 crore respectively.

2.6.2 McCamish Cybersecurity incident

In November 2023, Infosys McCamish Systems (McCamish), a step-down subsidiary of Infosys Limited, experienced a cybersecurity incident resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems.

Loss of contracted revenues and costs incurred with respect to remediations, restoration, communication efforts, investigative processes and analysis, legal services and others amounted to $38 million (approximately ₹316 crore).

Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish's review process is ongoing. McCamish may incur additional costs including indemnities or damages/claims, which are indeterminable at this time.

On March 6, 2024, a class action complaint was filed in the U.S. District Court for the Northern District of Georgia against McCamish . The complaint arises out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. The complaint was purportedly filed on behalf of all individuals within the United States whose personally identifiable information was exposed to unauthorized third parties as a result of the incident.

2.6.3 Legal proceedings

Apart from this, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management reasonably expects that such ordinary course legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Group's results of operations or financial condition.

2.7 Property, plant and equipment

Accounting Policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building	22-25 years
Plant and machinery[(1)]	5 years
Computer equipment	3-5 years
Furniture and fixtures	5 years
Vehicles	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

[(1)] *Includes solar plant with a useful life of 25 years*

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in net profit in the consolidated statement of comprehensive income is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in net profit in the consolidated statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at January 1, 2024	**1,430**	**11,498**	**5,203**	**8,497**	**3,378**	**45**	**30,051**
Additions	-	287	183	345	79	-	**894**
Deletions*	-	-	(42)	(224)	(59)	-	**(325)**
Translation difference	-	(15)	(3)	(7)	(8)	-	**(33)**
Gross carrying value as at March 31, 2024	**1,430**	**11,770**	**5,341**	**8,611**	**3,390**	**45**	**30,587**
Accumulated depreciation as at January 1, 2024	**-**	**(4,814)**	**(4,115)**	**(6,267)**	**(2,660)**	**(42)**	**(17,898)**
Depreciation	-	(111)	(109)	(336)	(90)	-	(646)
Accumulated depreciation on deletions*	-	-	39	219	51	-	309
Translation difference	-	4	3	4	7	-	18
Accumulated depreciation as at March 31, 2024	**-**	**(4,921)**	**(4,182)**	**(6,380)**	**(2,692)**	**(42)**	**(18,217)**
Capital work-in progress as at January 1, 2024							717
Carrying value as at January 1, 2024	**1,430**	**6,684**	**1,088**	**2,230**	**718**	**3**	**12,870**
Capital work-in progress as at March 31, 2024							448
Carrying value as at March 31, 2024	**1,430**	**6,849**	**1,159**	**2,231**	**698**	**3**	**12,818**

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at January 1, 2023	**1,429**	**11,530**	**5,184**	**8,895**	**3,455**	**44**	**30,537**
Additions	2	29	205	494	224	1	955
Deletions*	(2)	-	(221)	(877)	(318)	-	(1,418)
Translation difference	-	3	1	7	4	-	15
Gross carrying value as at March 31, 2023	**1,429**	**11,562**	**5,169**	**8,519**	**3,365**	**45**	**30,089**
Accumulated depreciation as at January 1, 2023	**-**	**(4,425)**	**(3,984)**	**(6,339)**	**(2,683)**	**(39)**	**(17,470)**
Depreciation	-	(109)	(112)	(354)	(94)	(1)	(670)
Accumulated depreciation on deletions*	-	-	220	871	314	-	1,405
Translation difference	-	(1)	(1)	(4)	(2)	-	(8)
Accumulated depreciation as at March 31, 2023	**-**	**(4,535)**	**(3,877)**	**(5,826)**	**(2,465)**	**(40)**	**(16,743)**
Capital work-in progress as at January 1, 2023							350
Carrying value as at January 1, 2023	**1,429**	**7,105**	**1,200**	**2,556**	**772**	**5**	**13,417**
Capital work-in progress as at March 31, 2023							447
Carrying value as at March 31, 2023	**1,429**	**7,027**	**1,292**	**2,693**	**900**	**5**	**13,793**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at April 1, 2023	**1,429**	**11,562**	**5,169**	**8,519**	**3,365**	**45**	**30,089**
Additions	1	300	331	931	197	1	1,761
Deletions*	-	(55)	(155)	(846)	(170)	(1)	(1,227)
Translation difference	-	(37)	(4)	7	(2)	-	(36)
Gross carrying value as at March 31, 2024	**1,430**	**11,770**	**5,341**	**8,611**	**3,390**	**45**	**30,587**
Accumulated depreciation as at April 1, 2023	**-**	**(4,535)**	**(3,877)**	**(5,826)**	**(2,465)**	**(40)**	**(16,743)**
Depreciation	-	(450)	(458)	(1,387)	(387)	(3)	(2,685)
Accumulated depreciation on deletions*	-	55	151	836	158	1	1,201
Translation difference	-	9	2	(3)	2	-	10
Accumulated depreciation as at March 31, 2024	**-**	**(4,921)**	**(4,182)**	**(6,380)**	**(2,692)**	**(42)**	**(18,217)**
Capital work-in progress as at April 1, 2023							447
Carrying value as at April 1, 2023	**1,429**	**7,027**	**1,292**	**2,693**	**900**	**5**	**13,793**
Capital work-in progress as at March 31, 2024							448
Carrying value as at March 31, 2024	**1,430**	**6,849**	**1,159**	**2,231**	**698**	**3**	**12,818**

* During the three months and year ended March 31, 2024, certain assets which were not in use having gross book value of ₹181 crore (net book value: Nil) and ₹775 crore (net book value: Nil) respectively, were retired.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at April 1, 2022	**1,429**	**11,224**	**4,950**	**8,527**	**3,201**	**44**	**29,375**
Additions - Business Combination (Refer to Note 2.10)	-	-	5	6	3	-	14
Additions	2	337	472	1,510	507	2	2,830
Deletions*	(2)	-	(264)	(1,563)	(367)	(1)	(2,197)
Translation difference	-	1	6	39	21	-	67
Gross carrying value as at March 31, 2023	**1,429**	**11,562**	**5,169**	**8,519**	**3,365**	**45**	**30,089**
Accumulated depreciation as at April 1, 2022	**-**	**(4,100)**	**(3,677)**	**(6,034)**	**(2,452)**	**(37)**	**(16,300)**
Depreciation	-	(434)	(457)	(1,322)	(360)	(4)	(2,577)
Accumulated depreciation on deletions*	-	-	262	1,556	363	1	2,182
Translation difference	-	(1)	(5)	(26)	(16)	-	(48)
Accumulated depreciation as at March 31, 2023	**-**	**(4,535)**	**(3,877)**	**(5,826)**	**(2,465)**	**(40)**	**(16,743)**
Capital work-in progress as at April 1, 2022							504
Carrying value as at April 1, 2022	**1,429**	**7,124**	**1,273**	**2,493**	**749**	**7**	**13,579**
Capital work-in progress as at March 31, 2023							447
Carrying value as at March 31, 2023	**1,429**	**7,027**	**1,292**	**2,693**	**900**	**5**	**13,793**

* During the three months and year ended March 31, 2023, certain assets which were not in use having gross book value of ₹1,414 crore (net book value: Nil) and ₹1,918 crore (net book value: Nil) respectively, were retired.

The aggregate depreciation expense is included in cost of sales in the consolidated statement of comprehensive income.

Repairs and maintenance costs are recognized in the consolidated statement of comprehensive income when incurred.

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (“the Rules”), the Company was required to transfer its CSR capital assets installed prior to January 2021. Towards this the Company had incorporated a subsidiary ‘Infosys Green Forum’ (IGF) under Section 8 of the Companies Act, 2013. During the year ended March 31, 2022 the Company had completed the transfer of assets upon obtaining the required approvals from regulatory authorities, as applicable. During March 31, 2024, the application filed by IGF for registration u/s.12AB of the Income Tax Act was rejected and registration cancelled. IGF is in the process of challenging the rejection order.

The Group had contractual commitments for capital expenditure primarily comprising of commitments for infrastructure facilities and computer equipment aggregating to ₹780 crore and ₹959 crore as at March 31, 2024 and March 31, 2023, respectively.

2.8 Leases

Accounting Policy

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and computers. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2024:

(In ₹ crore)

Particulars	**Category of ROU asset**				**Total**
	Land	**Buildings**	**Vehicles**	**Computers**	
Balance as of January 1, 2024	**607**	**3,527**	**18**	**2,740**	**6,892**
Additions[(1)]	-	61	2	376	439
Deletions	-	(92)	-	(215)	(307)
Depreciation	(2)	(185)	(2)	(234)	(423)
Translation difference	-	(13)	(1)	(35)	(49)
Balance as of March 31, 2024	**605**	**3,298**	**17**	**2,632**	**6,552**

[(1)] *Net of adjustments on account of modifications and lease incentives*

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2023:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of January 1, 2023	**624**	**3,847**	**15**	**1,994**	**6,480**
Additions[(1)]	-	228	2	651	881
Deletions	-	(33)	-	(124)	(157)
Depreciation	(2)	(171)	(3)	(179)	(355)
Translation difference	1	25	1	6	33
Balance as of March 31, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**

[(1)] *Net of adjustments on account of modifications and lease incentives*

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**
Additions[(1)]	-	394	12	1,872	2,278
Deletions	(10)	(181)	(1)	(755)	(947)
Impairment[#]	-	(88)	-	-	(88)
Depreciation	(6)	(728)	(10)	(851)	(1,595)
Translation difference	(2)	5	1	18	22
Balance as of March 31, 2024	**605**	**3,298**	**17**	**2,632**	**6,552**

[(1)] *Net of adjustments on account of modification and lease incentives.*
 # included under other expenses. Refer note 2.19

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2022	**628**	**3,711**	**16**	**468**	**4,823**
Additions[(1)]	-	847	8	2,646	3,501
Deletions	-	(45)	-	(364)	(409)
Depreciation	(6)	(671)	(10)	(499)	(1,186)
Translation difference	1	54	1	97	153
Balance as of March 31, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**

[(1)] *Net of adjustments on account of modification and lease incentives.*

The aggregate depreciation expense on ROU assets is included in cost of sales in the consolidated statement of comprehensive income.

The following is the break-up of current and non-current lease liabilities as of March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current lease liabilities	1,959	1,242
Non-current lease liabilities	6,400	7,057
Total	**8,359**	**8,299**

The movement in lease liabilities during the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

	Three months ended March 31,		Year ended March 31,	
Particulars	2024	2023	2024	2023
Balance as at Beginning	8,744	7,720	8,299	5,474
Additions	521	883	2,190	3,503
Deletions	(332)	(36)	(444)	(49)
Finance cost accrued during the period	79	73	326	245
Payment of lease liabilities	(575)	(366)	(2,030)	(1,241)
Translation difference	(78)	25	18	367
Balance as at end	**8,359**	**8,299**	**8,359**	**8,299**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	2,152	1,803
One to five years	6,123	5,452
More than five years	994	1,978
Total	**9,269**	**9,233**

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹27 crore and ₹97 crore for the three months and year ended March 31, 2024 respectively. Rental expense recorded for short-term leases was ₹25 crore and ₹92 crore for the three months and year ended March 31, 2023 respectively.

The following is the movement in the net investment in sublease of ROU asset during the three months and year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Balance as at beginning	**10**	**373**	**358**	**372**
Additions	-	-	-	6
Deletions	-	-	(346)	-
Interest income accrued during the period	-	3	-	13
Lease receipts	(1)	(15)	(3)	(63)
Translation difference	-	(3)	-	30
Balance as at the end	**9**	**358**	**9**	**358**

Leases not yet commenced to which Group is committed is ₹497 crore for a lease term ranging from 3 years to 8 years.

2.9 Goodwill and Intangible assets

2.9.1 Goodwill

Accounting Policy

Goodwill represents the purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized immediately in the net profit in the Statement of Comprehensive Income. Goodwill is measured at cost less accumulated impairment losses.

Impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGU's which benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Key assumptions in the cash flow projections are prepared based on current economic conditions and includes estimated long term growth rates, weighted average cost of capital and estimated operating margins.

Following is a summary of changes in the carrying amount of goodwill:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Carrying value at the beginning	**7,248**	**6,195**
Goodwill on acquisitions *(Refer to note 2.10)*	-	630
Translation differences	55	423
Carrying value at the end	**7,303**	**7,248**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGUs or groups of CGUs, which are benefited from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGUs or groups of CGUs.

The allocation of goodwill to operating segments as at March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Segment	As at	
	March 31, 2024	March 31, 2023
Financial services	1,476	1,465
Retail	939	929
Communication	675	668
Energy, Utilities, Resources and Services	1,160	1,152
Manufacturing	578	573
Life Sciences	951	943
	5,779	5,730
Operating segments without significant goodwill	552	559
Total	**6,331**	**6,289**

The goodwill pertaining to Panaya amounting to ₹972 crore and ₹959 crore as at March 31, 2024 and March 31, 2023, respectively is tested for impairment at the entity level.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows:

(in %)

	As at	
	March 31, 2024	March 31, 2023
Long term growth rate	7-10	8-10
Operating margins	19-21	19-21
Discount rate	13	13

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions are unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

2.9.2 Intangible assets

Accounting Policy

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to prepare the asset for its intended use.

Impairment

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in net profit in the statement of comprehensive income is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in net profit in the statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization) had no impairment loss been recognized for the asset in prior years.

Following are the changes in the carrying value of acquired intangible assets for the three months ended March 31, 2024:

(In ₹ crore)

Particulars	**Customer related**	**Software related**	**Intellectual property rights related**	**Brand or Trademark Related**	**Others***	**Total**
Gross carrying value as at January 1, 2024	**2,570**	**1,102**	**1**	**351**	**784**	**4,808**
Additions during the period	-	22	-	-	-	22
Deletions	-	-	-	-	-	-
Translation differences	(58)	(14)	-	(2)	(2)	(76)
Gross carrying value as at March 31, 2024	**2,512**	**1,110**	**1**	**349**	**782**	**4,754**
Accumulated amortization as at January 1, 2024	**(1,797)**	**(748)**	**(1)**	**(227)**	**(527)**	**(3,300)**
Amortization expense	(44)	(19)	-	(9)	(30)	(102)
Deletions	-	2	-	-	-	2
Translation differences	41	-	-	1	1	43
Accumulated amortization as at March 31, 2024	**(1,800)**	**(765)**	**(1)**	**(235)**	**(556)**	**(3,357)**
Carrying value as at January 1, 2024	**773**	**354**	**-**	**124**	**257**	**1,508**
Carrying value as at March 31, 2024	**712**	**345**	**-**	**114**	**226**	**1,397**
Estimated Useful Life *(in years)*	1-15	3-10	-	3-10	3-7	
Estimated Remaining Useful Life *(in years)*	1-10	1-5	-	1-6	1-4	

Following are the changes in the carrying value of acquired intangible assets for the three months ended March 31, 2023:

(In ₹ crore)

Particulars	**Customer related**	**Software related**	**Intellectual property rights related**	**Brand or Trademark Related**	**Others***	**Total**
Gross carrying value as at January 1, 2023	**2,495**	**1,015**	**1**	**346**	**776**	**4,633**
Additions during the period	2	15	-	-	-	17
Deletions	-	(4)	-	-	-	(4)
Translation differences	10	5	-	-	(2)	13
Gross carrying value as at March 31, 2023	**2,507**	**1,031**	**1**	**346**	**774**	**4,659**
Accumulated amortization as at January 1, 2023	**(1,547)**	**(671)**	**(1)**	**(183)**	**(395)**	**(2,797)**
Amortization expense	(50)	(21)	-	(12)	(31)	(114)
Deletions	-	3	-	-	-	3
Translation differences	(3)	1	-	-	-	(2)
Accumulated amortization as at March 31, 2023	**(1,600)**	**(688)**	**(1)**	**(195)**	**(426)**	**(2,910)**
Carrying value as at January 1, 2023	**948**	**344**	**-**	**163**	**381**	**1,836**
Carrying value as at March 31, 2023	**907**	**343**	**-**	**151**	**348**	**1,749**
Estimated Useful Life *(in years)*	*1-15*	*3-10*	-	*3-10*	*3-7*	
Estimated Remaining Useful Life *(in years)*	*1-11*	*1-6*	-	*1-7*	*1-5*	

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2024:

(In ₹ crore)

Particulars	Customer related	Software related	Intellectual property rights related	Brand or Trademark Related	Others*	Total
Gross carrying value as at April 1, 2023	**2,507**	**1,031**	**1**	**346**	**774**	**4,659**
Additions during the period	-	79	-	-	-	79
Deletions	-	(2)	-	-	-	(2)
Translation differences	5	2	-	3	8	18
Gross carrying value as at March 31, 2024	**2,512**	**1,110**	**1**	**349**	**782**	**4,754**
Accumulated amortization as at April 1, 2023	**(1,600)**	**(688)**	**(1)**	**(195)**	**(426)**	**(2,910)**
Amortization expense	(194)	(75)	-	(38)	(125)	(432)
Deletions	-	2	-	-	-	2
Translation differences	(6)	(4)	-	(2)	(5)	(17)
Accumulated amortization as at March 31, 2024	**(1,800)**	**(765)**	**(1)**	**(235)**	**(556)**	**(3,357)**
Carrying value as at April 1, 2023	**907**	**343**	**-**	**151**	**348**	**1,749**
Carrying value as at March 31, 2024	**712**	**345**	**-**	**114**	**226**	**1,397**
Estimated Useful Life *(in years)*	*1-15*	*3-10*	-	*3-10*	*3-7*	
Estimated Remaining Useful Life *(in years)*	*1-10*	*1-5*	-	*1-6*	*1-4*	

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	Customer related	Software related	Intellectual property rights related	Brand or Trademark Related	Others*	Total
Gross carrying value as at April 1, 2022	**2,080**	**915**	**1**	**299**	**686**	**3,981**
Additions during the period	-	62	-	-	-	62
Acquisition through business combination (Refer note no. 2.10)	274	-	-	24	30	328
Deletions	-	(4)	-	-	-	(4)
Translation differences	153	58	-	23	58	292
Gross carrying value as at March 31, 2023	**2,507**	**1,031**	**1**	**346**	**774**	**4,659**
Accumulated amortization as at April 1, 2022	**(1,279)**	**(569)**	**(1)**	**(141)**	**(284)**	**(2,274)**
Amortization expense	(236)	(84)	-	(45)	(119)	(484)
Deletions	-	3	-	-	-	3
Translation differences	(85)	(38)	-	(9)	(23)	(155)
Accumulated amortization as at March 31, 2023	**(1,600)**	**(688)**	**(1)**	**(195)**	**(426)**	**(2,910)**
Carrying value as at April 1, 2022	**801**	**346**	**-**	**158**	**402**	**1,707**
Carrying value as at March 31, 2023	**907**	**343**	**-**	**151**	**348**	**1,749**
Estimated Useful Life *(in years)*	*1-15*	*3-10*	-	*3-10*	*3-7*	
Estimated Remaining Useful Life *(in years)*	*1-11*	*1-6*	-	*1-7*	*1-5*	

* *Majorly includes intangibles related to vendor relationships*

The amortization expense has been included under depreciation and amortization expense under cost of sales in the consolidated statement of comprehensive income.

Research and development expense recognized in net profit in the consolidated statement of comprehensive income for the three months ended March 31, 2024 and March 31, 2023 was ₹281 crore and ₹266 crore respectively, and for the year ended March 31, 2024 and March 31, 2023 was ₹1,118 crore and ₹1,042 crore respectively.

2.10 Business combinations

Accounting policy

Business combinations have been accounted for using the acquisition method under the provisions of IFRS 3 (Revised), Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Comprehensive Income.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is outside the scope of IFRS 3 (Revised), Business Combinations and is accounted for at carrying value of assets acquired and liabilities assumed.

The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable. In the event that the option expires unexercised, the liability is derecognized.

Acquisitions during the year ended March 31, 2023

During the year ended March 31, 2023 the Group, completed two business combinations to complement its digital offerings by acquiring 100% voting interests in:

1) oddity GmbH, oddity group services GmbH, oddity space GmbH, oddity jungle GmbH, oddity code GmbH and oddity waves GmbH (collectively known as oddity), a Germany-based digital marketing, experience, and commerce agencies on April 20, 2022.

2) BASE life science A/S, a consulting and technology firm in the life Science industry in Europe on September 1, 2022.

These acquisitions are expected to strengthen the Group's creative, branding and experience design capabilities and augment the Group's life sciences expertise, scales its digital transformation capabilities with cloud based industry solutions and expand its presence across Europe.

The purchase price is allocated to assets acquired and liabilities assumed based upon determination of fair values at the dates of acquisition as follows:

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets[(1)]	103	-	103
Intangible assets :			
Customer contracts and relationships	-	274	274
Vendor relationships	-	30	30
Brand	-	24	24
Deferred tax liabilities on intangible assets	-	(80)	(80)
Total	**103**	**248**	**351**
Goodwill			630
Total purchase price			**981**

[(1)] *Includes cash and cash equivalents acquired of ₹ 26 crore.*

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the acquired assembled workforce and estimated synergies, neither of which qualify as an intangible asset.

Goodwill is not tax-deductible. Goodwill pertaining to these business combinations is allocated to operating segments as more fully described in Note 2.9.1

The purchase consideration of ₹981 crore includes cash of ₹936 crore and contingent consideration with an estimated fair value of ₹45 crore as on the date of acquisition.

At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rate of 12.5%. As of March 31, 2024 the contingent consideration was fully paid.

Additionally, these acquisitions have shareholder and employee retention bonus payable to the employees of the acquiree over three years, subject to their continuous employment with the Group along with achievement of financial targets for the respective years. Performance and Retention Bonus is recognized in employee benefit expenses in the Consolidated Statement of Comprehensive Income over the period of service.

Fair value of trade receivables acquired, is ₹111 crore as of acquisition date and as of March 31, 2024 the amounts are fully collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹7 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Comprehensive Income for the year ended March 31, 2023.

Proposed acquisitions

On January 11, 2024, Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India, for a consideration including earn-outs, and management incentives and retention bonuses totaling up to ₹280 crore (approximately $34 million), subject to customary closing adjustments.

On April 18, 2024, Infosys Germany GmBH wholly owned step down subsidiary of Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in in-tech Holding GmbH, leading provider of Engineering R&D services headquartered in Germany, for a consideration including earn-outs amounting up to EUR 450 million (approximately $485 million), subject to customary closing adjustments.

2.11 Employees' Stock Option Plans (ESOP)

Accounting Policy

The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in net profit in the consolidated statement of comprehensive income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share premium.

Infosys Expanded Stock Ownership Program 2019 (the 2019 Plan):

On June 22, 2019 pursuant to the approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 plan shall not exceed 50,000,000 equity shares. To implement the 2019 Plan , up to 45,000,000 equity shares may be issued by way of secondary acquisition of shares by the Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

2015 Stock Incentive Compensation Plan (the 2015 Plan):

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Stock Incentive Compensation Plan. The maximum number of shares under the 2015 plan shall not exceed 24,038,883 equity shares (this includes 11,223,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

The equity settled and cash settled RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NARC). The exercise price of the RSUs will be equal to the par value of the shares and the exercise price of the stock options would be the market price as on the date of grant.

Controlled trust holds 10,916,829 and 12,172,119 shares as at March 31, 2024 and March 31, 2023, respectively under the 2015 plan, out of which 200,000 equity shares each have been earmarked for welfare activities of the employees as at March 31, 2024 and March 31, 2023.

The following is the summary of grants made during the three months and year ended March 31, 2024 and March 31, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity settled RSUs								
Key Management Personnel (KMP)	26,900	33,750	141,171	210,643	77,094	80,154	498,730	367,479
Employees other than KMP	3,582,471	3,329,240	4,046,731	3,704,014	3,442,700	1,736,925	4,640,640	1,784,975
	3,609,371	**3,362,990**	**4,187,902**	**3,914,657**	**3,519,794**	**1,817,079**	**5,139,370**	**2,152,454**
Cash settled RSUs								
Key Management Personnel (KMP)	-	-	-	-	-	-	-	-
Employees other than KMP	-	-	-	-	169,040	92,400	176,990	92,400
	-	**-**	**-**	**-**	**169,040**	**92,400**	**176,990**	**92,400**
Total Grants	**3,609,371**	**3,362,990**	**4,187,902**	**3,914,657**	**3,688,834**	**1,909,479**	**5,316,360**	**2,244,854**

Notes on grants to KMP:

CEO & MD

Under the 2015 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2024. In accordance with such approval the following grants were made effective May 2, 2023.

- 2,72,026 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 15,656 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 39,140 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore . These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Further, in accordance with the employee agreement which has been approved by the shareholders, the CEO is eligible to receive an annual grant of RSUs of fair value ₹3 crore which will vest overtime in three equal annual installments upon the completion of each year of service from the respective grant date. Accordingly, annual time-based grant of 18,104 RSUs was made effective February 1, 2024 for fiscal 2024.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of March 31, 2024, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with IFRS 2, Share based payments. The grant date for this purpose in accordance with IFRS 2, Share based payments is July 1, 2022.

Under the 2019 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2024 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 78,281 performance based RSU's were granted effective May 2, 2023.

Other KMP

Under the 2015 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved 1,47,030 time based RSUs and 6,774 performance based RSUs to other KMP under the 2015 plan. Time based RSUs will vest over three to four years and performance based RSUs will vest over three years based on certain performance targets.

Under the 2019 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved performance based grants of 62,890 RSUs to other KMPs under the 2019 plan. These RSUs will vest over three years based on achievement of certain performance targets.

The break-up of employee stock compensation expense is as follows:

(in ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Granted to:				
KMP	17	8	68	49
Employees other than KMP	208	125	584	470
Total (1)	**225**	**133**	**652**	**519**
(1) *Cash settled stock compensation expense included in the above*	4	2	13	5

The activity in the 2015 and 2019 plan for equity-settled share based payment transactions is set out as follows:

Particulars	Three months ended March 31, 2024		Three months ended March 31, 2023		Year ended March 31, 2024		Year ended March 31, 2023	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
2015 Plan: RSU								
Outstanding at the beginning	5,154,236	5.00	4,419,773	4.99	5,408,018	5.00	6,232,975	4.82
Granted	3,519,794	5.00	1,817,079	5.00	5,139,370	5.00	2,152,454	5.00
Exercised	471,536	5.00	725,834	5.00	1,815,025	5.00	2,105,904	4.50
Forfeited and expired	126,436	5.00	103,000	5.00	656,305	5.00	871,507	4.93
Outstanding at the end	**8,076,058**	**5.00**	**5,408,018**	**5.00**	**8,076,058**	**5.00**	**5,408,018**	**5.00**
Exercisable at the end	831,050	4.98	787,976	4.97	831,050	4.98	787,976	4.97
2015 Plan: Employee Stock Options (ESOPs)								
Outstanding at the beginning	82,050	551	347,258	581	134,030	529	700,844	557
Granted	-	-	-	-	-	-	-	-
Exercised	-	-	213,228	610	51,980	499	566,814	596
Forfeited and expired	-	-	-	-	-	-	-	-
Outstanding at the end	**82,050**	**551**	**134,030**	**529**	**82,050**	**551**	**134,030**	**529**
Exercisable at the end	82,050	551	134,030	529	82,050	551	134,030	529
2019 Plan: RSU								
Outstanding at the beginning	5,845,282	5.00	4,310,473	5.00	7,222,038	5.00	4,958,938	5.00
Granted	3,609,371	5.00	3,362,990	5.00	4,187,902	5.00	3,914,657	5.00
Exercised	281,010	5.00	362,590	5.00	1,695,705	5.00	1,128,626	5.00
Forfeited and expired	1,149,788	5.00	88,835	5.00	1,690,380	5.00	522,931	5.00
Outstanding at the end	**8,023,855**	**5.00**	**7,222,038**	**5.00**	**8,023,855**	**5.00**	**7,222,038**	**5.00**
Exercisable at the end	814,798	5.00	1,352,150	5.00	814,798	5.00	1,352,150	5.00

The weighted average share price of option exercised is set out as follows:

(in ₹)

Particulars	2019 Plan				2015 Plan			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Weighted average share price of options exercised	1,600	1,429	1,352	1,485	1,630	1,466	1,414	1,515

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2024 is as follows:

Range of exercise prices per share (₹)	2019 plan - Options outstanding			2015 plan - Options outstanding		
	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (₹)	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (₹)
0 - 5 (RSU)	8,023,855	1.42	5.00	8,076,058	1.77	5.00
450 - 640 (ESOP)	-	-	-	82,050	1.10	551

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2023 was as follows:

Range of exercise prices per share (₹)	2019 plan - Options outstanding			2015 plan - Options outstanding		
	No. of shares arising out	Weighted average remaining	Weighted average exercise	No. of shares arising out	Weighted average remaining	Weighted average exercise
0 - 5 (RSU)	7,222,038	1.33	5.00	5,408,018	1.49	5.00
450 - 630 (ESOP)	-	-	-	134,030	1.77	529

As at March 31, 2024 and March 31, 2023, 2,91,795 and 2,24,924 cash settled options were outstanding respectively. The carrying value of liability towards cash settled share based payments was ₹13 crore and ₹4 crore as at March 31, 2024 and March 31, 2023 respectively.

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options and Monte Carlo simulation model is used for TSR based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options. Correlation coefficient is calculated between each peer entity and the indices as a whole or between each entity in the peer group.

The fair value of each equity settled award is estimated on the date of grant using the following assumptions:

Particulars	For options granted in			
	Fiscal 2024-Equity Shares-RSU	Fiscal 2024-ADS-RSU	Fiscal 2023-Equity Shares-RSU	Fiscal 2023-ADS-RSU
Weighted average share price (₹) / ($ ADS)	1,588	19.19	1,525	18.08
Exercise price (₹)/ ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	23-31	25-33	23-32	27-34
Expected life of the option (years)	1-4	1-4	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	7	4-5	5-7	2-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,317	16.27	1,210	13.69

The expected life of the RSU/ESOP is estimated based on the vesting term and contractual term of the RSU/ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2.12 Income Taxes

Accounting policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Consolidated Statement of Comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

The Group offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

Income tax expense in the consolidated statement of comprehensive income comprises:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Current taxes				
Domestic taxes	1,021	1,539	6,346	6,681
Foreign taxes	152	721	2,044	2,606
	1,173	**2,260**	**8,390**	**9,287**
Deferred taxes				
Domestic taxes	950	179	1,498	446
Foreign taxes	142	(107)	(148)	(519)
	1,092	**72**	**1,350**	**(73)**
Income tax expense	**2,265**	**2,332**	**9,740**	**9,214**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	**2023**
Profit before income taxes	35,988	33,322
Enacted tax rates in India	34.94%	34.94%
Computed expected tax expense	12,576	11,644
Tax effect due to non-taxable income for Indian tax purposes	(3,009)	(2,916)
Overseas taxes	1,128	1,060
Tax provision (reversals)	(937)	(106)
Effect of exempt non-operating income	(49)	(52)
Effect of unrecognized deferred tax assets	203	109
Effect of differential tax rates	(568)	(329)
Effect of non-deductible expenses	165	153
Others	231	(349)
Income tax expense	**9,740**	**9,214**

The applicable Indian corporate statutory tax rate for the year ended March 31, 2024 and March 31, 2023 is 34.94% each

Income tax expense for the three months ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹871 crore and ₹71 crore, respectively. Income tax expense for the year ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹937 crore and ₹106 crore, respectively. These reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

During the year ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of ₹1,933 crore was recognised and provision for income tax aggregating ₹525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹ 1,628 crore has been reduced from contingent liabilities.

The foreign tax expense is due to income taxes payable overseas, principally in the United States. In India, the Company has benefited from certain income tax incentives that the Government of India had provided for export of software and services from the units registered under the Special Economic Zones Act (SEZs), 2005. SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for further five years. Up to 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone re-investment Reserve out of the profit for the eligible SEZ units and utilization of such reserve by the Company for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961. (Refer to Special Economic Zone Re-investment reserve under Note 2.18 Equity).

Deferred income tax for the three months and year ended March 31, 2024 and March 31, 2023 substantially relates to origination and reversal of temporary differences.

Infosys is subject to a 15% Branch Profit Tax (BPT) in the U.S. to the extent its U.S. branch's net profit during the year is greater than the increase in the net assets of the U.S. branch during the year, computed in accordance with the Internal Revenue Code. As at March 31, 2024, Infosys' U.S. branch net assets amounted to approximately ₹7,844 crore. As at March 31, 2024, the Company has a deferred tax liability for branch profit tax of ₹269 crore (net of credits), as the Company estimates that these branch profits are expected to be distributed in the foreseeable future.

Deferred income tax liabilities have not been recognized on temporary differences amounting to ₹10,776 crore and ₹10,948 crore as at March 31, 2024 and March 31, 2023, respectively, associated with investments in subsidiaries and branches as the Company is able to control the timing of reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. The Group majorly intends to repatriate earnings from subsidiaries and branches only to the extent these can be distributed in a tax-free manner.

Deferred income tax assets have not been recognized on accumulated losses of ₹4,668 crore and ₹4,423 crore as at March 31, 2024 and March 31, 2023, respectively, as it is probable that future taxable profit will be not available against which the unused tax losses can be utilized in the foreseeable future.

The following table provides details of expiration of unused tax losses as at March 31, 2024:

(In ₹ crore)

Year	As at March 31, 2024
2025	13
2026	202
2027	128
2028	467
2029	684
Thereafter	3,174
Total	**4,668**

The following table provides details of expiration of unused tax losses as at March 31, 2023:

(In ₹ crore)

Year	As at March 31, 2023
2024	122
2025	138
2026	146
2027	88
2028	494
Thereafter	3,435
Total	**4,423**

The following table provides the details of income tax assets and income tax liabilities as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Income tax assets	9,442	6,459
Current income tax liabilities	3,585	3,384
Net current income tax asset / (liabilities) at the end	**5,857**	**3,075**

The gross movement in the current income tax asset/ (liabilities) for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Net current income tax asset/ (liabilities) at the beginning	3,005	3,151	3,075	3,545
Translation differences	1	(1)	-	1
Income tax paid	2,085	2,179	9,231	8,794
Interest receivable on income tax refund	1,934	-	1,934	-
Current income tax expense	(1,173)	(2,260)	(8,390)	(9,287)
Income tax benefit arising on exercise of stock options	3	3	3	51
Additions through business combination	-	-	-	(12)
Tax impact on buyback expenses	-	4	-	9
Income tax on other comprehensive income	2	(1)	4	(24)
Impact on account of IAS 37 adoption	-	-	-	(2)
Net current income tax asset/ (liabilities) at the end	**5,857**	**3,075**	**5,857**	**3,075**

The movement in gross deferred income tax assets / (liabilities) (before set off) for the three months ended March 31, 2024 is as follows:

(In ₹ crore)

Particulars	Carrying value as at January 1, 2024	Changes through profit and loss	Addition through business combination	Changes through OCI	Translation difference	Carrying value as at March 31, 2024
Deferred income tax assets/(liabilities)						
Property, plant and equipment	231	12	-	-	1	244
Lease liabilities	215	(17)	-	-	-	198
Accrued compensation to employees	57	5	-	-	-	62
Trade receivables	242	(19)	-	-	-	223
Compensated absences	655	(28)	-	-	-	627
Post sales client support	250	(194)	-	-	-	56
Credits related to branch profits	537	273	-	-	1	811
Derivative financial instruments	24	(26)	-	(9)	-	(11)
Intangible assets	64	-	-	-	-	64
Intangibles arising on business combinations	(301)	15	-	-	4	(282)
Branch profit tax	(638)	(440)	-	-	(2)	(1,080)
SEZ reinvestment reserve	(1,798)	(198)	-	-	-	(1,996)
Interest receivable on income tax refund	-	(487)	-	-	-	(487)
Others	222	12	-	(3)	-	231
Total deferred income tax assets/(liabilities)	**(240)**	**(1,092)**	**-**	**(12)**	**4**	**(1,340)**

The movement in gross deferred income tax assets / (liabilities) (before set off) for the three months ended March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Carrying value as at January 1, 2023	Changes through profit and loss	Addition through business combination	Changes through OCI	Translation difference	Carrying value as at March 31, 2023
Deferred income tax assets/(liabilities)						
Property, plant and equipment	170	-	-	-	(1)	169
Lease liabilities	235	(12)	-	-	-	223
Accrued compensation to employees	56	12	-	-	-	68
Trade receivables	241	20	-	-	-	261
Compensated absences	576	-	-	-	-	576
Post sales client support	227	21	-	-	-	248
Credits related to branch profits	556	165	-	-	(3)	718
Derivative financial instruments	41	(35)	-	(6)	-	-
Intangible assets	61	1	-	-	-	62
Intangibles arising on business combinations	(359)	17	-	-	(2)	(344)
Branch profit tax	(687)	(184)	-	-	5	(866)
SEZ reinvestment reserve	(1,261)	(90)	-	-	-	(1,351)
Others	242	13	-	(7)	13	261
Total deferred income tax assets/(liabilities)	**98**	**(72)**	**-**	**(13)**	**12**	**25**

The movement in gross deferred income tax assets / (liabilities) (before set off) for the year ended March 31, 2024 is as follows:

(In ₹ crore)

Particulars	Carrying value as at April 1, 2023	Changes through profit and loss	Addition through business combination	Changes through OCI	Translation difference	Carrying value as at March 31, 2024
Deferred income tax assets/(liabilities)						
Property, plant and equipment	169	75	-	-	-	244
Lease liabilities	223	(25)	-	-	-	198
Accrued compensation to employees	68	(6)	-	-	-	62
Trade receivables	261	(40)	-	-	2	223
Compensated absences	576	50	-	-	1	627
Post sales client support	248	(192)	-	-	-	56
Credits related to branch profits	718	84	-	-	9	811
Derivative financial instruments	-	(7)	-	(4)	-	(11)
Intangible assets	62	1	-	-	1	64
Intangibles arising on business combinations	(344)	63	-	-	(1)	(282)
Branch profit tax	(866)	(202)	-	-	(12)	(1,080)
SEZ reinvestment reserve	(1,351)	(645)	-	-	-	(1,996)
Interest receivable on income tax refund	-	(487)	-	-	-	(487)
Others	261	(19)	-	(4)	(7)	231
Total deferred income tax assets/(liabilities)	**25**	**(1,350)**	**-**	**(8)**	**(7)**	**(1,340)**

The movement in gross deferred income tax assets / liabilities (before set off) for the year ended March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Carrying value as at April 1, 2022	Changes through profit and loss	Addition through business combina tion	Impact on account of IAS 37 adoption	Changes through OCI	Translation difference	Carrying value as at March 31, 2023
Deferred income tax assets/(liabilities)							
Property, plant and equipment	156	17	-	-	-	(4)	169
Lease liabilities	180	43	-	-	-	-	223
Accrued compensation to employees	51	15	-	-	-	2	68
Trade receivables	213	48	-	-	-	-	261
Compensated absences	529	47	-	-	-	-	576
Post sales client support	131	114	-	2	-	1	248
Credits related to branch profits	676	(13)	-	-	-	55	718
Derivative financial instruments	(25)	22	-	-	2	1	-
Intangible assets	49	8	-	-	-	5	62
Intangibles arising on business combinations	(308)	70	(80)	-	-	(26)	(344)
Branch profit tax	(834)	35	-	-	-	(67)	(866)
SEZ reinvestment reserve	(852)	(499)	-	-	-	-	(1,351)
Others	90	166	(1)	-	-	6	261
Total deferred income tax assets/(liabilities)	**56**	**73**	**(81)**	**2**	**2**	**(27)**	**25**

The deferred income tax assets and liabilities are as follows:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Deferred income tax assets after set off	454	1,245
Deferred income tax liabilities after set off	(1,794)	(1,220)

In assessing the realizability of deferred income tax assets, the management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The Company's Advanced Pricing Arrangement (APA) with the Internal Revenue Service (IRS) for US branch income tax expired in March 2021. The Company has applied for renewal of APA and currently the US taxable income is based on the Company's best estimate determined based on the expected value method.

As at March 31, 2024, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹2,794 crore.

As at March 31, 2023, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹4,062 crore.

The amount paid to statutory authorities against the tax claims amounted to ₹8,743 crore and ₹6,528 crore as at March 31, 2024 and March 31, 2023, respectively.

The claims against the Group primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of issues of disallowance of expenditure towards software being held as capital in nature, payments made to associated enterprises held as liable for withholding of taxes, among others. These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group's financial position and results of operations.

2.13 Reconciliation of basic and diluted shares used in computing earnings per equity share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Basic earnings per equity share - weighted average number of equity shares outstanding(1)	4,139,432,133	4,144,013,195	4,138,568,090	4,180,897,857
Effect of dilutive common equivalent shares - share options outstanding	5,620,237	5,542,231	6,112,335	6,833,213
Diluted earnings per equity share - weighted average number of equity shares and common equivalent shares outstanding	**4,145,052,370**	**4,149,555,426**	**4,144,680,425**	**4,187,731,070**

(1) excludes treasury shares

For the three months ended March 31, 2024 and March 31, 2023, there were 4,36,473 and 16,695 options to purchase equity shares which had an anti-dilutive effect.

For the years ended March 31, 2024 and March 31, 2023, there were 1,19,711 and 9,960 options to purchase equity shares which had an anti-dilutive effect.

2.14 Related party transactions

List of related parties:

Name of subsidiaries	**Country**	**Holdings as at**	
		March 31, 2024	**March 31, 2023**
Infosys Technologies (China) Co. Limited (Infosys China)(1)	China	100%	100%
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)(1)	Mexico	100%	100%
Infosys Technologies (Sweden) AB (Infosys Sweden)(1)	Sweden	100%	100%
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)(1)	China	100%	100%
EdgeVerve Systems Limited (EdgeVerve)(1)	India	100%	100%
Infosys Austria GmbH(1)	Austria	100%	100%
Skava Systems Private Limited (Skava Systems)(1)(22)	India	100%	100%
Infosys Chile SpA(1)	Chile	100%	100%
Infosys Arabia Limited(2)(22)	Saudi Arabia	70%	70%
Infosys Consulting Ltda.(1)	Brazil	100%	100%
Infosys Luxembourg S.a.r.l(1)	Luxembourg	100%	100%
Infosys Americas Inc. (Infosys Americas)(1)(30)	U.S.	-	100%
Infosys Consulting S.R.L.(1)(19)	Argentina	100%	100%
Infosys Consulting S.R.L.(1)	Romania	100%	100%
Infosys Limited Bulgaria EOOD(1)	Bulgaria	100%	100%
Infosys Turkey Bilgi Teknolojileri Limited Sirketi(1)	Turkey	100%	100%
Infosys Germany Holding Gmbh(1)	Germany	100%	100%
Infosys Automotive and Mobility GmbH & Co. KG(1)	Germany	100%	100%
Infosys Green Forum(1)	India	100%	100%
Infosys Business Solutions LLC(1)	Qatar	100%	100%
WongDoody Inc. (1)	U.S.	100%	100%
Danske IT and Support Services India Private Limited ("Danske IT") (1)(32)	India	100%	-
Infosys Public Services, Inc. USA (Infosys Public Services)(1)	U.S.	100%	100%
Infosys Public Services Canada Inc. (12)(23)	Canada	100%	100%

Infosys BPM Limited[(1)]	India	100%	100%
Infosys BPM UK Limited[(3)]	U.K.	100%	100%
Infosys (Czech Republic) Limited s.r.o.[(3)]	Czech Republic	100%	100%
Infosys Poland Sp z.o.o[(3)]	Poland	100%	100%
Infosys McCamish Systems LLC[(3)]	U.S.	100%	100%
Portland Group Pty Ltd[(3)]	Australia	100%	100%
Infosys BPO Americas LLC.[(3)]	U.S.	100%	100%
Infosys BPM Canada Inc [(3)(31)(36)]	Canada	-	-
Panaya Inc. (Panaya)[(1)]	U.S.	100%	100%
Panaya Ltd.[(4)]	Israel	100%	100%
Panaya Germany GmbH [(4)(27)]	Germany	100%	100%
Brilliant Basics Holdings Limited (Brilliant Basics)[(1)(22)]	U.K.	100%	100%
Brilliant Basics Limited [(5)(22)]	U.K.	100%	100%
Infosys Consulting Holding AG [(1)]	Switzerland	100%	100%
Infosys Management Consulting Pty Limited[(6)]	Australia	100%	100%
Infosys Consulting AG[(6)]	Switzerland	100%	100%
Infosys Consulting GmbH[(6)]	Germany	100%	100%
Infosys Consulting SAS[(6)]	France	100%	100%
Infy Consulting B.V.[(6)]	The Netherlands	100%	100%
Infosys Consulting (Belgium) NV[(6)]	Belgium	100%	100%
Infy Consulting Company Ltd[(6)]	U.K.	100%	100%
GuideVision s.r.o.[(7)]	Czech Republic	100%	100%
GuideVision Deutschland GmbH[(8)]	Germany	100%	100%
GuideVision Suomi Oy[(8)]	Finland	100%	100%
GuideVision Magyarország Kft[(8)]	Hungary	100%	100%
GuideVision Polska Sp. z.o.o[(8)]	Poland	100%	100%
GuideVision UK Ltd[(8)(22)]	U.K.	100%	100%
Infosys Nova Holdings LLC. (Infosys Nova)[(1)]	U.S.	100%	100%
Outbox systems Inc. dba Simplus (US)[(9)]	U.S.	100%	100%
Simplus ANZ Pty Ltd.[(10)]	Australia	100%	100%
Simplus Australia Pty Ltd[(11)]	Australia	100%	100%
Simplus Philippines, Inc.[(10)]	Philippines	100%	100%
Kaleidoscope Animations, Inc.[(9)]	U.S.	100%	100%
Kaleidoscope Prototyping LLC[(18)(34)]	U.S.	-	100%
Blue Acorn iCi Inc (formerly Beringer Commerce Inc)[(9)]	U.S.	100%	100%
Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)[(1)]	Singapore	100%	100%
Infosys Financial Services GmbH. (formerly Panaya GmbH) [(13)(29)]	Germany	100%	100%
Infosys South Africa (Pty) Ltd[(13)]	South Africa	100%	100%
Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.)[(13)]	Malaysia	100%	100%
Infosys Middle East FZ LLC [(13)]	Dubai	100%	100%
Infosys Norway [(13)(28)]	Norway	100%	100%
Infosys Compaz Pte. Ltd [(14)]	Singapore	60%	60%
HIPUS Co., Ltd[(14)]	Japan	81%	81%
Fluido Oy [(13)]	Finland	100%	100%
Fluido Sweden AB [(15)]	Sweden	100%	100%
Fluido Norway A/S[(15)]	Norway	100%	100%
Fluido Denmark A/S[(15)]	Denmark	100%	100%
Fluido Slovakia s.r.o[(15)]	Slovakia	100%	100%
Infosys Fluido UK, Ltd.[(15)]	U.K.	100%	100%
Infosys Fluido Ireland, Ltd.[(16)]	Ireland	100%	100%
Stater N.V.[(14)]	The Netherlands	75%	75%
Stater Nederland B.V.[(17)]	The Netherlands	75%	75%
Stater XXL B.V.[(17)]	The Netherlands	75%	75%
HypoCasso B.V.[(17)]	The Netherlands	75%	75%

Stater Participations B.V.[35]	The Netherlands	-	75%
Stater Belgium N.V./S.A.[17][35]	Belgium	75%	75%
Stater Gmbh[17]	Germany	75%	75%
Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall"))[13]	Germany	100%	100%
Wongdoody Gmbh (formerly known as oddity GmbH) [20]	Germany	100%	100%
WongDoody (Shanghai) Co. Limited (formerly known as oddity (Shanghai) Co., Ltd.) [21]	China	100%	100%
WongDoody limited (Taipei) (formerly known as oddity Limited (Taipei)) [21]	Taiwan	100%	100%
oddity space GmbH [20][33]	Germany	-	100%
oddity jungle GmbH [20][33]	Germany	-	100%
oddity code GmbH [20][33]	Germany	-	100%
WongDoody d.o.o (formerly known as oddity code d.o.o) [21][33]	Serbia	100%	100%
oddity waves GmbH [20][33]	Germany	-	100%
oddity group services GmbH [20][33]	Germany	-	100%
BASE life science A/S [13][24]	Denmark	100%	100%
BASE life science AG [25]	Switzerland	100%	100%
BASE life science GmbH [25]	Germany	100%	100%
BASE life science S.A.S [25]	France	100%	100%
BASE life science Ltd. [25]	U.K.	100%	100%
BASE life science S.r.l. [25]	Italy	100%	100%
Innovisor Inc.[25]	U.S.	100%	100%
BASE life science Inc.[25]	U.S.	100%	100%
BASE life science S.L.[25][26]	Spain	100%	100%

(1) Wholly-owned subsidiary of Infosys Limited

(2) Majority owned and controlled subsidiary of Infosys Limited

(3) Wholly-owned subsidiary of Infosys BPM Limited

(4) Wholly-owned subsidiary of Panaya Inc.

(5) Wholly-owned subsidiary of Brilliant Basics Holding Limited.

(6) Wholly-owned subsidiary of Infosys Consulting Holding AG

(7) Wholly-owned subsidiary of Infy Consulting Company Limited

(8) Wholly-owned subsidiary of GuideVision s.r.o.

(9) Wholly-owned subsidiary of Infosys Nova Holdings LLC

(10) Wholly-owned subsidiary of Outbox systems Inc. dba Simplus.

(11) Wholly-owned subsidiary of Simplus ANZ Pty Ltd

(12) Wholly-owned subsidiary of Infosys Public Services, Inc.

(13) Wholly-owned subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

(14) Majority owned and controlled subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

(15) Wholly-owned subsidiary of Fluido Oy

(16) Wholly-owned subsidiary of Infosys Fluido UK, Ltd.

(17) Wholly-owned subsidiary of Stater N.V

(18) Wholly-owned subsidiary of Kaleidoscope Animations, Inc.

(19) Infosys Consulting S.R.L. (Argentina) (formerly a wholly-owned subsidiary of Infosys Consulting Holding AG) became the majority owned and controlled subsidiary of Infosys Limited with effect from April 1, 2022

(20) On April 20, 2022, Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall")) (a wholly owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.)) acquired 100% of voting interests in oddity space GmbH, oddity jungle GmbH, oddity waves GmbH, oddity group services GmbH, oddity code GmbH and Wongdoody Gmbh (formerly known as oddity GmbH)

(21) Wholly-owned subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH)

(22) Under liquidation

(23) Incorporated on July 8, 2022

(24) On September 1, 2022, Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.) (a Wholly-owned subsidiary of Infosys Limited) acquired 100% of voting interests in BASE life science A/S.

(25) Wholly-owned subsidiary of BASE life science A/S

(26) Incorporated on September 6, 2022

(27) Incorporated effective December 15, 2022

(28) Incorporated effective September 22, 2022.

(29) Infosys Financial Services GmbH. (formerly Panaya GmbH) became a wholly-owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.) with effect from February 23, 2023.

[30] Liquidated effective July 14, 2023

[31] Incorporated on August 11, 2023

[32] On September 1, 2023 Infosys Ltd. acquired 100% of voting interests in Danske IT and Support Services India Private Limited ("Danske IT"). Danske IT renamed as Idunn Information Technology Private Limited from April 1, 2024.

[33] On September 29, 2023, oddity space GmbH, oddity waves GmbH, oddity jungle GmbH, oddity group services GmbH and oddity code GmbH merged into WongDoody GmbH and oddity code d.o.o which was formerly a subsidiary of oddity code Gmbh has become a subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH).

[34] Kaleidoscope Prototyping LLC, a Wholly-owned subsidiary of Kaleidoscope Animations is liquidated effective November 1, 2023

[35] On November 24, 2023 Stater Participations B.V (Wholly-owned subsidiary of Stater N.V) merged with Stater N.V and Stater Belgium N.V./S.A which was formerly a wholly owned subsidiary of Stater Participations B.V. became a wholly owned subsidiary of Stater N.V.

[36] On March 15, 2024 Infosys BPM Canada Inc., a Wholly-owned subsidiary of Infosys BPM Limited got dissolved.

List of other related party

Particulars	Country	Nature of
Infosys Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys
Infosys Limited Employees' Provident Fund Trust	India	Post-employment benefit plan of Infosys
Infosys Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys
Infosys BPM Limited Employees' Superannuation Fund Trust	India	Post-employment
Infosys BPM Limited Employees' Gratuity Fund Trust	India	Post-employment
EdgeVerve Systems Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of EdgeVerve
EdgeVerve Systems Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of EdgeVerve
Infosys Employees Welfare Trust	India	Controlled trust
Infosys Employee Benefits Trust	India	Controlled trust
Infosys Science Foundation	India	Controlled trust
Infosys Expanded Stock Ownership Trust	India	Controlled trust
Infosys Foundation [1]	India	Trust jointly controlled by KMPs

Refer note no. 2.20 for information on transactions with post-employment benefit plans mentioned above.

[1] During the quarter and year ended March 31, 2024, the Group contributed ₹89 crore and ₹369 crore towards CSR. During the quarter and year ended March 31, 2023, the Group contributed ₹ 71 crore and ₹354 crore towards CSR.

List of key management personnel

Whole-time Directors
Salil Parekh, Chief Executive Officer and Managing Director

Non-whole-time Directors
Nandan M. Nilekani
D. Sundaram (appointed as lead independent director effective March 23, 2023)
Kiran Mazumdar-Shaw (retired as lead independent director effective March 22, 2023)
Micheal Gibbs
Uri Levine (retired as independent director effective April 19, 2023)
Bobby Parikh
Chitra Nayak
Govind Iyer (appointed as an independent director effective January 12, 2023)
Helene Auriol Potier (appointed as independent director effective May 26, 2023)
Nitin Paranjpe (appointed as an additional and independent director effective January 1, 2024)

Executive Officers
Inderpreet Sawhney, Group General Counsel and Chief Compliance Officer
Jayesh Sanghrajka (appointed as Chief Financial Officer effective April 1, 2024)
Nilanjan Roy (resigned as Chief Financial Officer of the Company effective March 31, 2024)
Shaji Mathew (appointed as Group Head - Human Resources effective March 22, 2023)
Krishnamurthy Shankar (retired as Group Head - Human Resources effective March 21, 2023)
Mohit Joshi (resigned as President effective March 11, 2023 and was on leave till June 9, 2023 which was his last date with the company)
Ravi Kumar S (resigned as President effective October 11, 2022)

Company Secretary
A.G.S. Manikantha

Transactions with key management personnel

The table below describes the compensation to key management personnel which comprise directors and executive officers:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Salaries and other employee benefits to whole-time directors and executive officers[(1)(2)]	30	25	113	111
Commission and other benefits to non-executive/ independent directors	5	4	17	16
Total	**35**	**29**	**130**	**127**

[(1)] *For the three months ended March 31, 2024 and March 31, 2023, includes a charge of ₹17 crore and ₹8 crore respectively, towards employee stock compensation expense. For the year ended March 31, 2024 and March 31, 2023, includes a charge of ₹68 crore and ₹49 crore respectively, towards employee stock compensation expense(Refer to note 2.11).*

[(2)] *Does not include post-employment benefits and other long-term benefits based on actuarial valuation as these are done for the Company as a whole.*

2.15 Segment reporting

IFRS 8 Operating Segments establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

Business segments of the Group are primarily enterprises in Financial Services and Insurance, enterprises in Manufacturing, enterprises in Retail, Consumer Packaged Goods and Logistics, enterprises in the Energy, Utilities, Resources and Services, enterprises in Communication, Telecom OEM and Media, enterprises in Hi-Tech, enterprises in Life Sciences and Healthcare and all other segments. The Financial services reportable segments has been aggregated to include the Financial Services operating segment and Finacle operating segment because of the similarity of the economic characteristics. All other segments represents the operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for 'all other segments' represents revenue generated by Infosys Public Services and revenue generated from customers located in India, Japan and China and other enterprises in Public services. Allocated expenses of segments include expenses incurred for rendering services from the Group's offshore software development centers and on-site expenses, which are categorized in relation to the associated efforts of the segment. Certain expenses such as depreciation and amortization, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. The Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Group.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. The Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

Disclosure of revenue by geographic locations is given in note 2.16 Revenue from operations.

2.15.1 Business segments

Three months ended March 31, 2024 and March 31, 2023

(In ₹ crore)

Particulars	Financial Services[(1)]	Retail[(2)]	Communication[(3)]	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Sciences[(4)]	All other segments[(5)]	Total
Revenue	10,010	5,429	4,666	5,068	5,589	3,316	2,762	1,083	37,923
	10,818	*5,537*	*4,411*	*4,825*	*5,078*	*2,989*	*2,681*	*1,102*	*37,441*
Identifiable operating expenses	6,042	2,591	3,033	2,717	3,656	1,995	1,639	652	22,325
	6,161	*2,869*	*2,613*	*2,614*	*3,248*	*1,734*	*1,514*	*701*	*21,454*
Allocated expenses	2,027	974	823	920	852	518	491	209	6,814
	2,057	*1,034*	*840*	*909*	*928*	*505*	*462*	*254*	*6,989*
Segment Profit	**1,941**	**1,864**	**810**	**1,431**	**1,081**	**803**	**632**	**222**	**8,784**
	2,600	*1,634*	*958*	*1,302*	*902*	*750*	*705*	*147*	*8,998*
Unallocable expenses									1,163
									1,121
Operating profit									7,621
									7,877
Other income, net *(Refer to note 2.21)*									2,729
									671
Finance cost									110
									82
Profit before income taxes									**10,240**
									8,466
Income tax expense									2,265
									2,332
Net profit									**7,975**
									6,134
Depreciation and amortization									**1,163**
									1,121
Non-cash expenses other than depreciation and amortization									-
									-

(1) *Financial Services include enterprises in Financial Services and Insurance*

(2) *Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics*

(3) *Communication includes enterprises in Communication, Telecom OEM and Media*

(4) *Life Sciences includes enterprises in Life sciences and Health care*

(5) *Others include operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services*

Year ended March 31, 2024 and March 31, 2023

(In ₹ crore)

Particulars	Financial Services[(1)]	Retail[(2)]	Communication[(3)]	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Sciences[(4)]	All other segments[(5)]	Total
Revenue	42,158	22,504	17,991	20,035	22,298	12,411	11,515	4,758	153,670
	43,763	*21,204*	*18,086*	*18,539*	*19,035*	*11,867*	*10,085*	*4,188*	*146,767*
Identifiable operating expenses	24,782	11,704	11,071	10,838	14,596	7,232	6,716	2,938	89,877
	24,990	*10,892*	*11,101*	*9,923*	*12,493*	*6,959*	*5,834*	*2,801*	*84,993*
Allocated expenses	8,052	3,918	3,232	3,674	3,505	2,026	1,901	1,060	27,368
	7,930	*3,916*	*3,226*	*3,461*	*3,429*	*1,949*	*1,685*	*1,048*	*26,644*
Segment Profit	**9,324**	**6,882**	**3,688**	**5,523**	**4,197**	**3,153**	**2,898**	**760**	**36,425**
	10,843	*6,396*	*3,759*	*5,155*	*3,113*	*2,959*	*2,566*	*339*	*35,130*
Unallocable expenses									4,678
									4,225
Operating profit									31,747
									30,905
Other income, net *(Refer to note 2.21)*									4,711
									2,701
Finance cost									470
									284
Profit before income taxes									**35,988**
									33,322
Income tax expense									9,740
									9,214
Net profit									**26,248**
									24,108
Depreciation and amortization									4,678
									4,225
Non-cash expenses other than depreciation and amortization									-
									-

[(1)] *Financial Services include enterprises in Financial Services and Insurance*

[(2)] *Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics*

[(3)] *Communication includes enterprises in Communication, Telecom OEM and Media*

[(4)] *Life Sciences includes enterprises in Life sciences and Health care*

[(5)] *Others include operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services*

2.15.2 Significant clients

No client individually accounted for more than 10% of the revenues for the three months and year ended March 31, 2024 and March 31, 2023, respectively.

2.16 Revenue from Operations

Accounting Policy

The Group derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Group's core and digital offerings (together called as "software related services") and business process management services. Contracts with customers are either on a time-and-material, unit of work, fixed-price or on a fixed-time frame basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing by the parties, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Group allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Group estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Group's contracts may include variable consideration including rebates, volume discounts and penalties. The Group includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue on time-and-material and unit of work based contracts, are recognized as the related services are performed. Fixed price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The billing schedules agreed with customers include periodic performance based billing and / or milestone based progress billings. Revenues in excess of billing are classified as unbilled revenue while billing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, by applying the revenue recognition criteria for each distinct performance obligation, the arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Certain cloud and infrastructure services contracts include multiple elements which may be subject to other specific accounting guidance, such as leasing guidance. These contracts are accounted in accordance with such specific accounting guidance. In such arrangements where the Group is able to determine that hardware and services are distinct performance obligations, it allocates the consideration to these performance obligations on a relative standalone selling price basis. In the absence of standalone selling price, the Group uses the expected cost-plus margin approach in estimating the standalone selling price. When such arrangements are considered as a single performance obligation, revenue is recognized over the period and measure of progress is determined based on promise in the contract.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services (ATS). When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two distinct separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the Group uses the expected cost plus margin approach in estimating the standalone selling price. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably on a straight line basis over the period in which the services are rendered.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

A contract modification is a change in the scope or price or both of a contract that is approved by the parties to the contract. A contract modification that results in the addition of distinct performance obligations are accounted for either as a separate contract if the additional services are priced at the standalone selling price or as a termination of the existing contract and creation of a new contract if they are not priced at the standalone selling price. If the modification does not result in a distinct performance obligation, it is accounted for as part of the existing contract on a cumulative catch-up basis.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Group expects to recover them.

Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Group that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to cost of sales over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

The Group presents revenues net of indirect taxes in its Consolidated Statement of Comprehensive Income.

Revenues for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Revenue from software services	36,064	35,199	145,285	137,575
Revenue from products and platforms	1,859	2,242	8,385	9,192
Total revenue from operations	**37,923**	**37,441**	**153,670**	**146,767**

Products & platforms

The Group also derives revenues from the sale of products and platforms including Finacle – core banking solution, Edge Suite of products, Panaya platform, Infosys Equinox, Infosys Helix, Infosys Applied AI, Infosys Cortex, Stater digital platform and Infosys McCamish – insurance platform.

Disaggregated revenue information

Revenue disaggregation by business segments has been included in segment information (Refer note 2.15). The table below presents disaggregated revenues from contracts with customers by geography and contract type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

For the three months and year ended March 31, 2024 and March 31, 2023

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Revenues by Geography*				
North America	22,606	22,842	92,411	90,724
Europe	10,861	10,088	42,267	37,675
India	833	981	3,881	3,861
Rest of the world	3,623	3,530	15,111	14,507
Total	**37,923**	**37,441**	**153,670**	**146,767**

* *Geographical revenues is based on the domicile of customer.*

The percentage of revenue from fixed-price contracts for the three months ended March 31, 2024 and March 31, 2023 is 54% and 52%, respectively. The percentage of revenue from fixed-price contracts for the year ended March 31, 2024 and March 31, 2023 is 53% and 52%, respectively.

Trade Receivables and Contract Balances

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Group's Consolidated Balance Sheet. Amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., monthly or quarterly) or upon achievement of contractual milestones.

The Group's Receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled revenues for other fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the consolidated statement of balance sheet.

During the year ended March 31, 2024 and March 31, 2023, the Company recognized revenue of ₹5,432 crore and ₹5,387 crore arising from opening unearned revenue as of April 1, 2023 and April 1, 2022 respectively.

During the year ended March 31, 2024 and March 31, 2023, ₹7,023 crore and ₹5,950 crore of unbilled revenue pertaining to other fixed price and fixed time frame contracts as of April 1, 2023 and April 1, 2022, respectively has been reclassified to trade receivables upon billing to customers on completion of milestones.

Remaining performance obligation disclosure

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as of the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in IFRS 15, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time & material basis and unit of work based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency fluctuations.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2024, other than those meeting the exclusion criteria mentioned above, is ₹90,658 crore. Out of this, the Group expects to recognize revenue of around 53.0% within the next one year and the remaining thereafter. The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2023 is ₹80,867 crore. The contracts can generally be terminated by the customers and typically includes an enforceable termination penalty payable by them. Generally, customers have not terminated contracts without cause.

2.17 Unbilled Revenue

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Unbilled financial asset [(1)]	9,600	9,502
Unbilled non financial asset [(2)]	4,948	7,236
Total	**14,548**	**16,738**

[(1)] Right to consideration is unconditional and is due only after a passage of time.

[(2)] Right to consideration is dependent on completion of contractual milestones.

2.18 Equity

Accounting policy

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Treasury Shares

When any entity within the Group purchases the company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from Share premium.

Description of reserves

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Group.

Share premium

The amount received in excess of the par value of equity shares has been classified as share premium. Additionally, share-based compensation recognized in net profit in the consolidated statement of comprehensive income is credited to share premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

Other Reserve

The Special Economic Zone Re-investment reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA (2) of the Income Tax Act, 1961.

Capital Redemption Reserve

In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve / retained earnings.

Cash flow hedge reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the consolidated Statement of Comprehensive Income upon the occurrence of the related forecasted transaction.

Other components of equity

Other components of equity include currency translation, re-measurement of net defined benefit liability/asset, fair value changes of equity instruments fair valued through other comprehensive income, changes on fair valuation of investments, net of taxes.

2.18.1 Voting

Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depositary Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

2.18.2 Liquidation

In the event of liquidation of the company, the holders of shares shall be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently, other than the amounts held by irrevocable controlled trusts. The amount distributed will be in proportion to the number of equity shares held by the shareholders. For irrevocable controlled trusts, the corpus would be settled in favor of the beneficiaries.

2.18.3 Share options

There are no voting, dividend or liquidation rights to the holders of options issued under the company's share option plans.

2.18.4 Share capital and share premium

The Company has only one class of shares referred to as equity shares having a par value of ₹5/- each. 10,916,829 shares and 12,172,119 shares were held by controlled trust, as at March 31, 2024 and March 31, 2023, respectively.

2.18.5 Capital allocation policy

Effective from financial year 2025, the Company expects to continue the policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes

Buyback completed in February 2023

In line with the capital allocation policy, the Board, at its meeting held on October 13, 2022, approved the buyback of equity shares, from the open market route through the Indian stock exchanges, amounting to ₹9,300 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹1,850 per share (Maximum Buyback Price), subject to shareholders' approval by way of Postal Ballot.

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 3, 2022. The buyback was offered to all equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on December 7, 2022 and was completed on February 13, 2023. During this buyback period the Company had purchased and extinguished a total of 60,426,348 equity shares from the stock exchange at a volume weighted average buyback price of ₹1,539.06/- per equity share comprising 1.44% of the pre buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹9,300 crore (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of ₹30 crore equal to the nominal value of the shares bought back as an appropriation from general reserve and retained earnings.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of March 31, 2024, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay / distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

(In ₹)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Final dividend for fiscal 2022	-	-	-	16.00
Interim dividend for fiscal 2023	-	-	-	16.50
Final dividend for fiscal 2023	-	-	17.50	-
Interim dividend for fiscal 2024	-	-	18.00	-

During the year ended March 31, 2024, on account of the final dividend for fiscal 2023 and interim dividend for fiscal 2024, the Company has incurred a net cash outflow of ₹14,692 crore (excluding dividend paid on treasury shares).

The Board of Directors in their meeting held on April 18, 2024 recommended a final dividend of ₹20/- per equity share for the financial year ended March 31, 2024 and a special dividend of ₹8/- per equity share. The payment is subject to the approval of shareholders in the AGM of the Company to be held on June 26, 2024 and if approved, would result in a net cash outflow of approximately ₹11,592 crore (excluding dividend paid on treasury shares).

2.19 Expense by nature

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Employee benefit costs	20,393	20,311	82,620	78,359
Depreciation and amortization charges	1,163	1,121	4,678	4,225
Travelling costs	471	426	1,759	1,525
Consultancy and professional charges	489	387	1,726	1,684
Cost of Software packages for own use	555	496	2,145	1,937
Third party items bought for service delivery to clients	3,132	2,390	11,370	8,965
Communication costs	147	171	677	713
Cost of technical sub-contractors	2,967	3,116	12,232	14,062
Power and fuel	48	46	199	176
Repairs and maintenance	316	372	1,278	1,366
Rates and taxes	84	78	326	299
Insurance charges	53	43	210	174
Commission to non-whole time directors	5	4	16	15
Branding and marketing expenses	285	265	1,007	905
Provision for post-sales client support	(129)	(80)	75	120
Impairment loss recognized / (reversed) on financial assets	(98)	86	121	283
Contribution towards Corporate Social Responsibility	182	151	533	471
Others	239	181	951	583
Total cost of sales, selling and marketing expenses and administrative expenses	**30,302**	**29,564**	**121,923**	**115,862**

The table below provides details of break-up of expenses:

Cost of sales

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Employee benefit costs	18,392	18,436	74,480	71,084
Depreciation and amortization	1,163	1,121	4,678	4,225
Travelling costs	328	293	1,243	1,069
Cost of technical sub-contractors	2,966	3,115	12,227	14,059
Cost of software packages for own use	528	473	2,032	1,830
Third party items bought for service delivery to clients	3,132	2,390	11,370	8,965
Consultancy and professional charges	107	32	293	128
Communication costs	70	83	332	355
Repairs and maintenance	113	111	445	422
Provision for post-sales client support	(129)	(80)	75	120
Others	78	37	238	96
Total	**26,748**	**26,011**	**107,413**	**102,353**

Selling and marketing expenses

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Employee benefit costs	1,309	1,248	5,434	4,819
Travelling costs	86	79	314	279
Branding and marketing	284	262	1,001	896
Communication costs	3	3	12	12
Consultancy and professional charges	31	42	137	131
Others	22	25	75	112
Total	**1,735**	**1,659**	**6,973**	**6,249**

Administrative expenses

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Employee benefit costs	692	627	2,706	2,456
Consultancy and professional charges	351	313	1,296	1,424
Repairs and maintenance	254	258	1,001	935
Power and fuel	48	46	199	175
Communication costs	74	85	333	346
Travelling costs	57	54	202	177
Impairment loss recognized/(reversed) under expected credit loss model	(98)	86	121	283
Rates and taxes	84	77	325	297
Insurance charges	54	42	209	171
Commission to non-whole time directors	5	4	16	15
Contribution towards Corporate Social Responsibility	182	151	533	471
Others	116	151	596	510
Total	**1,819**	**1,894**	**7,537**	**7,260**

2.20 Employee Benefits

Accounting policy

Gratuity and Pensions

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees majorly of Infosys and its Indian subsidiaries. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The Company contributes Gratuity liabilities to the Infosys Limited Employees' Gratuity Fund Trust (the Trust). In case of Infosys BPM and EdgeVerve, contributions are made to the Infosys BPM Employees' Gratuity Fund Trust and EdgeVerve Systems Limited Employees' Gratuity Fund Trust, respectively. Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The Group operates defined benefit pension plan in certain overseas jurisdictions, in accordance with the local laws. These plans are managed by third party fund managers. The plans provide for periodic payouts after retirement and/or a lumpsum payment as set out in rules of each fund and includes death and disability benefits. The defined benefit plans require contributions which are based on a percentage of salary that varies depending on the age of the respective employees.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an external actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market risk.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Consolidated Statement of Comprehensive Income.

Provident fund

Eligible employees of Infosys receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Infosys Limited Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government of India. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

In respect of Indian subsidiaries, eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the respective companies make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The Companies have no further obligation to the plan beyond its monthly contributions.

Superannuation

Certain employees of Infosys, Infosys BPM and EdgeVerve are participants in a defined contribution plan. The Group has no further obligations to the plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an external actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.20.1 Gratuity and pensions

The following table sets out the details of the defined benefit retirement plans and the amounts recognized in the Group's financial statements as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Gratuity		Pension	
	As at		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Change in benefit obligations				
Benefit obligations at the beginning	1,778	1,722	917	926
Transfer	29	-	-	19
Service cost	307	276	54	41
Interest expense	121	103	20	5
Remeasurements - Actuarial (gains) / losses	34	(72)	24	(143)
Past service cost - plan amendments	-	(1)	(33)	-
Employee contribution	-	-	34	27
Benefits paid	(154)	(268)	(10)	(46)
Translation difference	1	18	14	88
Benefit obligations at the end	**2,116**	**1,778**	**1,020**	**917**
Change in plan assets				
Fair value of plan assets at the beginning	1,755	1,711	870	846
Transfer	-	-	-	19
Interest income	127	105	20	4
Remeasurements- Return on plan assets excluding amounts included in interest income	18	24	16	(95)
Employer contribution	328	175	51	37
Employee contribution	-	-	34	27
Benefits paid	(149)	(260)	(10)	(46)
Translation difference	-	-	10	78
Fair value of plan assets at the end	**2,079**	**1,755**	**991**	**870**
Funded status	(37)	(23)	(29)	(47)
Defined benefit plan asset (Refer note 2.4)	16	23	15	13
Defined benefit plan liability (Refer note 2.5)	(53)	(46)	(44)	(60)

Amount for the three months and year ended March 31, 2024 and March 31, 2023 recognized in the Consolidated Statement of Comprehensive income under employee benefit expense:

(In ₹ crore)

Particulars	Gratuity				Pension			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Service cost	78	69	307	276	13	10	54	41
Net interest on the net defined benefit liability/(asset)	(4)	(1)	(6)	(2)	-	-	-	1
Plan amendments	-	-	-	(1)	(8)	-	(33)	-
Net cost	**74**	**68**	**301**	**273**	**5**	**10**	**21**	**42**

Amount for the three months and year ended March 31, 2024 and March 31, 2023 recognized in the Consolidated Statement of other comprehensive income:

(In ₹ crore)

Particulars	Gratuity				Pension			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Remeasurements of the net defined benefit liability/ (asset)								
Actuarial (gains) / losses	14	(1)	34	(72)	6	(34)	24	(143)
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	2	(2)	(18)	(24)	(4)	23	(16)	95
	16	**(3)**	**16**	**(96)**	**2**	**(11)**	**8**	**(48)**

Break up of actuarial (gains)/losses for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Gratuity				Pension			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	2	(1)	10	(62)	6	(35)	24	(148)
(Gain)/loss from experience adjustment	12	-	24	(10)	-	1	-	5
	14	**(1)**	**34**	**(72)**	**6**	**(34)**	**24**	**(143)**

The gratuity and pension cost recognized in statement of comprehensive income apportioned between cost of sales, selling and marketing expenses and administrative expenses on the basis of direct employee cost is as follows: -

(In ₹ crore)

Particulars	Gratuity				Pension			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Cost of sales	67	62	271	247	5	9	19	38
Selling and marketing expenses	5	4	20	17	0	1	1	3
Administrative expenses	2	2	10	9	-	-	1	1
	74	**68**	**301**	**273**	**5**	**10**	**21**	**42**

The weighted-average assumptions used to determine benefit obligations as at March 31, 2024 and March 31, 2023 are set out below:

Particulars	Gratuity		Pension	
	As at		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate(1)	7.0%	7.1%	1.5%-3.4%	1.8%- 3.8%
Weighted average rate of increase in compensation levels(2)	6%	6%	1%-3%	1%- 3%
Weighted average duration of defined benefit obligation(3)	5.8 years	5.9 years	12 years	12 years

The weighted-average assumptions used to determine net periodic benefit cost for the three months and year ended March 31, 2024 and March 31, 2023 are set out below:

Particulars	Gratuity				Pension			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Discount rate	7.1%	6.5%	7.1%	6.5%	1.8%-3.8%	0.4%- 1.7%	1.8%-3.8%	0.4%- 1.7%
Weighted average rate of increase in compensation levels	6%	6%	6%	6%	1%-3%	1%- 3%	1%-3%	1%- 3%

(1)For domestic defined benefit plan in India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. For most of our overseas defined benefit plan, given that the market for high quality corporate bonds is not developed, the Government bond rate adjusted for corporate spreads is used.

(2)The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends, inflation in respective markets and management's estimate of future salary increases.

(3)Attrition rate considered is the management's estimate based on the past long-term trend of employee turnover in the Company. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of post-employment benefit obligation.

For domestic defined benefit plan in India, assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India. For overseas defined benefit plan, the assumptions regarding future mortality experience are set with regard to the latest statistics in life expectancy, plan experience and other relevant data.

The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

The Company contributes all ascertained liabilities towards gratuity to the Infosys Limited Employees' Gratuity Fund Trust. In case of Infosys BPM and EdgeVerve, contributions are made to the Infosys BPM Employees' Gratuity Fund Trust and EdgeVerve Systems Limited Employees Gratuity Fund Trust, respectively. Trustees administer contributions made to the trust as of March 31, 2024 and March 31, 2023, and contributions for gratuity are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law. The plan assets of the overseas defined benefit plan have been primarily invested in insurer managed funds and the asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations applicable to pension funds and the insurer managers. The insurers' investments are diversified and provide for guaranteed interest rates arrangements.

Actual return on assets (including remeasurements) of the gratuity plan for the three months ended March 31, 2024 and March 31, 2023 were ₹35 crore and ₹28 crore, respectively and for the pension plan were ₹9 crore and (₹23) crore, respectively.

Actual return on assets (including remeasurements) of the gratuity plan for the year ended March 31, 2024 and March 31, 2023 were ₹145 crore and ₹129 crore, respectively and for the pension plan were ₹36 crore and (₹91) crore, respectively.

The contributions for gratuity are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law. The table below sets out the details of major plan assets into various categories as at March 31, 2024 and March 31, 2023:

Particulars	Pension	
	As at	
	March 31, 2024	March 31, 2023
Equity	34%	34%
Bonds	32%	32%
Real Estate/Property	26%	26%
Cash and Cash Equivalents	1%	1%
Other	7%	7%

These defined benefit plans expose the Group to actuarial risk which are set out below:

Interest rate risk: The present value of the defined benefit plan liability is generally calculated using a discount rate determined by reference to government bond yields and in certain overseas jurisdictions, it is calculated in reference to government bond yield adjusted for a corporate spread. If bond yields fall, the defined benefit obligation will tend to increase.

Life expectancy and investment risk: The pension fund offers the choice between a lifelong pension and a cash lump sum upon retirement. The pension fund has defined rates for converting the lump sum to a pension and there is the risk that the members live longer than implied by these conversion rates and that the pension assets don't achieve the investment return implied by these conversion rates.

Asset volatility: A proportion of the pension fund is held in equities, which is expected to outperform corporate bonds in the long term but give exposure to volatility and risk in the short term. The pension fund board of insurer is responsible for the investment strategy and equity allocation is justified given the long-term investment horizon of the pension fund and the objective to provide a reasonable long term return on members' account balances.

Sensitivity of significant assumptions used for valuation of defined benefit obligation:

(in ₹ crore)

Impact from	As at March 31, 2024	
	Gratuity	Pension
	1% point increase / decrease	0.5% point increase / decrease
Discount rate	112	43
Weighted average rate of increase in compensation levels	103	7

Sensitivity to significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation and keeping all other actuarial assumptions constant. In practice, this is not probable, and changes in some of the assumptions may be correlated.

The Group expects to contribute ₹335 crore to gratuity and ₹45 crore to pension during the fiscal 2025.

Maturity profile of defined benefit obligation:

(In ₹ crore)

	Gratuity	Pension
Within 1 year	316	62
1-2 year	311	67
2-3 year	338	65
3-4 year	417	70
4-5 year	444	65
5-10 years	2,122	332

2.20.2 Provident fund

Infosys has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social and economic factors. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India.

The following tables set out the funded status of the defined benefit provident fund plan of Infosys limited and the amounts recognized in the Group's financial statements as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Change in benefit obligations		
Benefit obligations at the beginning	10,527	9,304
Service cost	880	814
Employee contribution	1,652	1,689
Interest expense	764	625
Actuarial (gains) / loss	96	(82)
Benefits paid	(2,040)	(1,823)
Benefit obligations at the end	**11,879**	**10,527**
Change in plan assets		
Fair value of plan assets at the beginning	10,184	9,058
Interest income	740	609
Remeasurements- Return on plan assets excluding amounts included in interest income	234	(186)
Employer contribution	1,042	837
Employee contribution	1,652	1,689
Benefits paid	(2,040)	(1,823)
Fair value of plan assets at the end	**11,812**	**10,184**
Net liability (Refer note 2.5)	(67)	(343)

Amount for the three months and year ended March 31, 2024 and March 31, 2023 recognized in the consolidated statement of comprehensive income:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Service cost	234	217	880	814
Net interest on the net defined benefit liability / asset	6	4	24	16
Net provident fund cost	**240**	**221**	**904**	**830**

Amount for the three months and year ended March 31, 2024 and March 31, 2023 recognized in the consolidated statement of other comprehensive income:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Remeasurements of the net defined benefit liability/ (asset)				
Actuarial (gains) / losses	48	29	96	(82)
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(89)	(12)	(234)	186
	(41)	17	(138)	104

The assumptions used in determining the present value obligation of the defined benefit plan under the Deterministic Approach are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Government of India (GOI) bond yield [1]	7.00%	7.10%
Expected rate of return on plan assets	8.20%	8.15%
Remaining term to maturity of portfolio	6 years	6 years
Expected guaranteed interest rate	8.25%	8.15%

[1] In India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of the post-employment benefit obligation.

The breakup of the plan assets into various categories as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Central and State government bonds	60%	60%
Public sector undertakings and Private sector bonds	30%	33%
Others	10%	7%

The asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations.

The actuarial valuation of PF liability exposes the Group to interest rate risk. The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

As at March 31, 2024 the defined benefit obligation would be affected by approximately ₹66 crore and ₹110 crore on account of a 0.25% increase / decrease in the expected rate of return on plan assets.

The Group contributed ₹315 crore and ₹310 crore to the provident fund during the three months ended March 31, 2024 and March 31, 2023, respectively. The Group contributed ₹1,257 crore and ₹1,193 crore to the provident fund during the year ended March 31, 2024 and March 31, 2023, respectively. The same has been recognized in the net profit in the consolidated Statement of comprehensive income under the head employee benefit expense.

The provident plans are applicable only to employees drawing a salary in Indian rupees.

Provident fund contributions have been apportioned between cost of sales, selling and marketing expenses and administrative expenses on the basis of direct employee cost as follows: -

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Cost of sales	285	281	1,133	1,082
Selling and marketing expenses	21	19	83	73
Administrative expenses	10	10	41	38
	316	**310**	**1,257**	**1,193**

2.20.3 Superannuation

The group contributed ₹123 crore and ₹123 crore to the superannuation plan during the three months ended March 31, 2024 and March 31, 2023, respectively. The group contributed ₹513 crore and ₹487 crore to the superannuation plan during the year ended March 31, 2024 and March 31, 2023, respectively and the same has been recognized in the Consolidated Statement of comprehensive income under the head employee benefit expense.

Superannuation contribution have been apportioned between cost of sales, selling and marketing expenses and administrative expenses on the basis of direct employee cost as follows: -

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Cost of sales	111	112	462	442
Selling and marketing expenses	8	7	34	30
Administrative expenses	4	4	17	15
	123	**123**	**513**	**487**

2.20.4 Employee benefit costs include:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Salaries and bonus(1)	19,897	19,796	80,532	76,365
Defined contribution plans	161	159	670	627
Defined benefit plans	335	356	1,418	1,367
	20,393	**20,311**	**82,620**	**78,359**

(1) Includes an employee stock compensation expense of ₹225 crore and ₹652 crore for the three months and year ended March 31, 2024 respectively and, includes employee stock compensation expense of ₹133 crore and ₹519 crore for the three months and year ended March 31, 2023 respectively (Refer to Note 2.11).

The employee benefit cost is recognized in the following line items in the consolidated statement of comprehensive income: -

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Cost of sales	18,392	18,436	74,480	71,084
Selling and marketing expenses	1,309	1,248	5,434	4,819
Administrative expenses	692	627	2,706	2,456
	20,393	**20,311**	**82,620**	**78,359**

2.21 Other income, net

Accounting policy

Other income is comprised primarily of interest income, dividend income, gain/loss on investment and exchange gain/loss on forward and options contracts and on translation of foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

Foreign currency

Accounting policy

Functional currency

The functional currency of Infosys, Infosys BPM, EdgeVerve, Skava, Infosys Green Forum, Danske IT and controlled trusts is the Indian rupee. The functional currencies for foreign subsidiaries are their respective local currencies. These financial statements are presented in Indian rupees (rounded off to crore; one crore equals ten million).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Consolidated Statement of Comprehensive Income and reported within exchange gains/ (losses) on translation of assets and liabilities, net, except when deferred in Other Comprehensive Income as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of comprehensive income. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Other Comprehensive Income, net of taxes includes translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments and measured at fair value through other comprehensive income (FVOCI).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

Government grants

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in the net profit in the statement of comprehensive income on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of comprehensive income over the periods necessary to match them with the related costs which they are intended to compensate.

Operating Profits

Operating profit of the Group is computed considering the revenues, net of cost of sales, selling and marketing expenses and administrative expenses.

Other income for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Interest income on financial assets carried at amortized cost	253	197	1,060	861
Interest income on financial assets carried at fair value through other comprehensive income	318	231	1,007	955
Gain/(loss) on investments carried at fair value through profit or loss	88	61	285	148
Gain/(loss) on investments carried at fair value through other comprehensive income	-	-	-	1
Interest income on income tax refund	1,916	2	1,965	3
Exchange gains / (losses) on forward and options contracts	190	142	100	(647)
Exchange gains / (losses) on translation of other assets and liabilities	(123)	(91)	87	1,062
Others	87	129	207	318
Total	**2,729**	**671**	**4,711**	**2,701**

for and on behalf of the Board of Directors of Infosys Limited

D.Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer
and Managing Director

Bobby Parikh
Director

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Bengaluru
April 18, 2024

Deloitte Haskins & Sells LLP

Chartered Accountants
Prestige Trade Tower, Level 19
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INFOSYS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **INFOSYS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition** The Company's contracts with customers include contracts with multiple products and services. The Company derives revenues from IT services comprising software development and related services, maintenance, consulting and package implementation, licensing of software products and platforms across the Company's core and digital offerings and business process management services. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement. In certain integrated services arrangements, contracts with customers include subcontractor services or third-party vendor equipment or software. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or service before it is transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or service, inventory risk, pricing discretion and other factors to determine whether it controls the products or service and therefore, is acting as a principal or an agent.	Principal Audit Procedures Performed included the following: Our audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether the Company is acting as a principal or agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method included the following, among others: • We tested the effectiveness of controls relating to the (a) identification of distinct performance obligations, (b) determination of whether the Company is acting as a principal or an agent and (c) determination of whether fixed price maintenance revenue for certain contracts is recognized on a straight-line basis or using the percentage of completion method. • We selected a sample of contracts with customers and performed the following procedures: – Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement. – Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations (ii) whether the Company is acting as a principal or an agent and (iii) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method.

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Sr. No.	Key Audit Matter	Auditor's Response
	Fixed price maintenance revenue is recognized ratably either on (1) a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables. As certain contracts with customers involve management's judgment in (1) identifying distinct performance obligations, (2) determining whether the Company is acting as a principal or an agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort. Refer Notes 1.4 and 2.18 to the Standalone Financial Statements.	
2	**Revenue recognition - Fixed price contracts using the percentage of completion method** Fixed price maintenance revenue is recognized ratably either (1) on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method	Principal Audit Procedures Performed included the following: Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others: • We tested the effectiveness of controls relating to (1) recording of efforts or costs incurred and

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Sr. No.	Key Audit Matter	Auditor's Response
	when the pattern of benefits from services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. We identified the estimate of total efforts or costs to complete fixed price contracts measured using the percentage of completion method as a key audit matter as the estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. This estimate has a high inherent uncertainty and requires consideration of progress of the	estimation of efforts or costs required to complete the remaining contract performance obligations and (2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred. • We selected a sample of fixed price contracts with customers measured the using percentage-of-completion method and performed the following: – Evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual efforts or costs incurred to prior year estimates of efforts or costs budgeted for performance obligations that have been fulfilled. – Compared efforts or costs incurred with Company's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract. - Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.

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Sr. No.	Key Audit Matter	Auditor's Response
	contract, efforts or costs incurred to-date and estimates of efforts or costs required to complete the remaining contract performance obligations over the term of the contracts. This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit effort to evaluate the reasonableness of the total estimated amount of revenue recognized on fixed-price contracts. Refer Notes 1.4 and 2.18 to the Standalone Financial Statements.	

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;

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making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on

March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 2.23 to the Standalone Financial Statements.

   ii. The Company has made provision as required under applicable law or accounting standards for material foreseeable losses. Refer Note 2.16 to the Standalone Financial Statements. The Company did not have any long-term derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee,

b.

security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 2.12.3 to the Standalone Financial Statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infosys Limited of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of **INFOSYS LIMITED** (the "Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

Deloitte
Haskins & Sells LLP

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infosys Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The Company has made investments in, Companies and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loan or stood guarantee or provided security to any other entity during the year. Hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of the statute	**Nature of dues**	**Forum where Dispute is Pending**	**Period to which the Amount Relates**	**Amount ₹ crore**
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY [1] 2016-17	- [4]
	Income Tax	Commissioner (Appeals) [5]	AY [1] 2010-11, AY [1] 2020-21 to AY [1] 2022-23	3,175
	Income Tax	Assessing Officer	AY [1] 2008-09 to AY [1] 2011-12, AY [1] 2013-14 to AY [1] 2016-17, AY [1] 2018-19 to AY [1] 2024-25	4,168
The Finance Act, 2016	Equalisation Levy	Assessing Officer	AY [1] 2021-22	- [4]
Customs Act, 1962	Duty of Custom	Specified Officer of Special Economic Zone	FY [1] 2008-09 to FY [1] 2011-12	5
Central Excise Act, 1944	Duty of Excise	Supreme Court [3]	FY [1] 2005-06 to FY [1] 2015-16	68
		Customs Excise and Service Tax Appellate Tribunal	FY [1] 2015-16	- [4]
Goods and Service Tax Act, 2017	Goods and Service Tax	Joint Commissioner (Appeals)	FY [1] 2017-18 to FY 2019-20, FY [1] 2021-22	2
		High Court of Karnataka	FY [1] 2017-18	2
Sales Tax Act and VAT Laws	Sales Tax	Joint Commissioner (Appeals) [3]	FY [1] 2006-07 to FY [1] 2010-11 and FY [1] 2014-15 to FY [1] 2016-17	21
	Sales Tax	High Court of Andhra Pradesh	FY [1] 2007-08	- [4]
Finance Act, 1994	Service Tax	Customs Excise and Service Tax Appellate Tribunal [2]	FY [1] 2004-05 to FY [1] 2017-18	317
Central Sales Tax Act, 1956	Central Sales Tax	Joint Commissioner (Appeals)	FY [1] 2016-17	-[4]
The Karnataka [Gram Swaraj and Panchayat Raj] Act, 1993	Panchayat Property Tax	High Court of Karnataka at Bengaluru	FY [1] 2017-18 to FY [1] 2020-21	32
Greater Hyderabad Municipal Corporation Act, 1955	Trade Licence Fee	Ministry for Information Technology & Municipal Administration & Urban Development	FY [1] 2021-22 to FY [1] 2022-23	3
Excise Tax Act, 2002	Goods and Services Tax/Harmonized Sales Tax	Canada Revenue Agency	FY [1] 2018-19, FY [1] 2019-20	11

k.

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹ crore
UK Finance Act 1998	Corporation Tax	Her Majesty's Revenue and Customs (HMRC) Tax Officer, United Kingdom[3]	FY [1] 2014-15 to FY [1] 2016-17	209

Footnotes:
[1] AY=Assessment Year; FY= Financial Year.
[2] Stay order has been granted against ₹60 crore disputed which has not been deposited.
[3] Stay order has been granted.
[4] Less than ₹ 1 crore.
[5] Stay order has been granted for AY 2020-21 and AY 2021-22 against ₹2,740 crore.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Companies Act, 2013.

In respect of ongoing projects, the Company has not transferred the unspent CSR amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act till the date of our report since the time period for such transfer, i.e., 30 days from the end of the financial year has not elapsed till the date of our report.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

INFOSYS LIMITED

Standalone Financial Statements under Indian Accounting Standards (Ind AS) for the year ended March 31, 2024

INFOSYS LIMITED

(In ₹ crore)

Balance Sheet as at	**Note No.**	**March 31, 2024**	**March 31, 2023**
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	10,813	11,656
Right-of-use assets	2.3	3,303	3,561
Capital work-in-progress	2.4	277	275
Goodwill	2.2	211	211
Other intangible assets		-	3
Financial assets			
Investments	2.5	23,352	23,686
Loans	2.6	34	39
Other financial assets	2.7	1,756	1,341
Deferred tax assets (net)	2.17	-	779
Income tax assets (net)	2.17	2,583	5,916
Other non-current assets	2.10	1,669	1,788
Total non - current assets		**43,998**	**49,255**
Current assets			
Financial assets			
Investments	2.5	11,307	4,476
Trade receivables	2.8	25,152	20,773
Cash and cash equivalents	2.9	8,191	6,534
Loans	2.6	208	291
Other financial assets	2.7	10,129	9,088
Income tax assets (net)	2.17	6,329	-
Other current assets	2.10	9,636	10,920
Total current assets		**70,952**	**52,082**
Total assets		**114,950**	**101,337**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.12	2,075	2,074
Other equity		79,101	65,671
Total equity		**81,176**	**67,745**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	2.3	3,088	3,553
Other financial liabilities	2.13	1,941	1,317
Deferred tax liabilities (net)	2.17	1,509	866
Other non-current liabilities	2.15	150	414
Total non - current liabilities		**6,688**	**6,150**
Current liabilities			
Financial liabilities			
Lease liabilities	2.3	678	713
Trade payables	2.14		
Total outstanding dues of micro enterprises and small enterprises		92	97
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,401	2,329
Other financial liabilities	2.13	11,808	12,697
Other current liabilities	2.15	7,681	7,609
Provisions	2.16	1,464	1,163
Income tax liabilities (net)		2,962	2,834
Total current liabilities		**27,086**	**27,442**
Total equity and liabilities		**114,950**	**101,337**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED

(In ₹ crore except equity share and per equity share data)

Statement of Profit and Loss for the	**Note No.**	**Year ended March 31,**	
		2024	**2023**
Revenue from operations	2.18	128,933	124,014
Other income, net	2.19	7,417	3,859
Total income		**136,350**	**127,873**
Expenses			
Employee benefit expenses	2.20	65,139	62,764
Cost of technical sub-contractors		18,638	19,096
Travel expenses		1,372	1,227
Cost of software packages and others	2.20	6,891	5,214
Communication expenses		489	502
Consultancy and professional charges		1,059	1,236
Depreciation and amortization expenses	2.1, 2.2.2, 2.3	2,944	2,753
Finance cost		277	157
Other expenses	2.20	3,588	3,281
Total expenses		**100,397**	**96,230**
Profit before tax		**35,953**	**31,643**
Tax expense:			
Current tax	2.17	7,306	8,167
Deferred tax	2.17	1,413	208
Profit for the year		**27,234**	**23,268**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset, net	2.17 & 2.21	128	(19)
Equity instruments through other comprehensive income, net	2.5 & 2.17	19	(6)
Items that will be reclassified subsequently to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net	2.11 & 2.17	11	(7)
Fair value changes on investments, net	2.5 & 2.17	129	(236)
Total other comprehensive income/ (loss), net of tax		**287**	**(268)**
Total comprehensive income for the year		**27,521**	**23,000**
Earnings per equity share			
Equity shares of par value ₹5/- each			
Basic (in ₹ per share)		65.62	55.48
Diluted (in ₹ per share)		65.56	55.42
Weighted average equity shares used in computing earnings per equity share			
Basic (in shares)	2.22	4,150,099,796	4,193,813,881
Diluted (in shares)	2.22	4,153,994,624	4,198,234,378

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED

Statement of Changes in Equity *(In ₹ crore)*

Particulars		Other Equity											
		Reserves & Surplus								Other comprehensive income			
		Capital reserve											
	Equity Share Capital	**Capital reserve**	**Other reserves [2]**	**Capital redemption reserve**	**Securities Premium**	**Retained earnings**	**General reserve**	**Share Options Outstanding Account**	**Special Economic Zone Re-investment reserve [1]**	**Equity Instruments through other comprehensive income**	**Effective portion of Cash flow hedges**	**Other items of other comprehensive income / (loss)**	**Total equity attributable to equity holders of the Company**
Balance as at April 1, 2022	**2,103**	**54**	**2,844**	**139**	**172**	**55,449**	**9**	**606**	**7,926**	**266**	**2**	**(264)**	**69,306**
Impact on adoption of amendment to Ind AS 37#	-	-	-	-	-	(9)	-	-	-	-	-	-	(9)
	2,103	**54**	**2,844**	**139**	**172**	**55,440**	**9**	**606**	**7,926**	**266**	**2**	**(264)**	**69,297**
Changes in equity for the year ended March 31, 2023													
Profit for the year	-	-	-	-	-	23,268	-	-	-	-	-	-	23,268
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	(19)	(19)
Equity instruments through other comprehensive income, net* (Refer to note 2.5 and 2.17)	-	-	-	-	-	-	-	-	-	(6)	-	-	(6)
Fair value changes on derivatives designated as cash flow hedge, net*(Refer to note 2.11)	-	-	-	-	-	-	-	-	-	-	(7)	-	(7)
Fair value changes on investments, net* (Refer to note 2.5 and 2.17)	-	-	-	-	-	-	-	-	-	-	-	(236)	(236)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**23,268**	**-**	**-**	**-**	**(6)**	**(7)**	**(255)**	**23,000**
Buyback of equity shares** (Refer to note 2.12)	(30)	-	-	-	(340)	(11,096)	-	-	-	-	-	-	(11,466)
Transaction cost relating to buyback*	-	-	-	-	(19)	(5)	-	-	-	-	-	-	(24)
Amount transferred to capital redemption reserve upon buyback	-	-	-	30	-	(21)	(9)	-	-	-	-	-	-
Transferred to Special Economic Zone Re-investment reserve	-	-	-	-	-	(3,125)	-	-	3,125	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	1,397	-	-	(1,397)	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.12)	-	-	-	-	291	-	-	(291)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	2	(2)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.12)	1	-	-	-	29	-	-	-	-	-	-	-	30
Employee stock compensation expense (Refer to note 2.12)	-	-	-	-	-	-	-	514	-	-	-	-	514
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	51	-	-	-	-	51
Reserves on common control transaction (Refer to note 2.5.1)	-	-	18	-	-	-	-	-	-	-	-	-	18
Dividends	-	-	-	-	-	(13,675)	-	-	-	-	-	-	(13,675)
Balance as at March 31, 2023	**2,074**	**54**	**2,862**	**169**	**133**	**52,183**	**2**	**878**	**9,654**	**260**	**(5)**	**(519)**	**67,745**

INFOSYS LIMITED

Statement of Changes in Equity (contd.) *(In ₹ crore)*

Particulars	Equity Share Capital	Other Equity – Reserves & Surplus – Capital reserve – Capital reserve	Other Equity – Reserves & Surplus – Capital reserve – Other reserves [(2)]	Other Equity – Reserves & Surplus – Capital redemption reserve	Other Equity – Reserves & Surplus – Securities Premium	Other Equity – Reserves & Surplus – Retained earnings	Other Equity – Reserves & Surplus – General reserve	Other Equity – Reserves & Surplus – Share Options Outstanding Account	Other Equity – Reserves & Surplus – Special Economic Zone Re-investment reserve [(1)]	Other Equity – Other comprehensive income – Equity Instruments through other comprehensive income	Other Equity – Other comprehensive income – Effective portion of Cash flow hedges	Other Equity – Other comprehensive income – Other items of other comprehensive income / (loss)	Total equity attributable to equity holders of the Company
Balance as at April 1, 2023	**2,074**	**54**	**2,862**	**169**	**133**	**52,183**	**2**	**878**	**9,654**	**260**	**(5)**	**(519)**	**67,745**
Changes in equity for the year ended March 31, 2024													
Profit for the year	-	-	-	-	-	27,234	-	-	-	-	-	-	27,234
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	128	128
Equity instruments through other comprehensive income, net* (Refer to note 2.5 and 2.17)	-	-	-	-	-	-	-	-	-	19	-	-	19
Fair value changes on derivatives designated as cash flow hedge, net*(Refer to note 2.11)	-	-	-	-	-	-	-	-	-	-	11	-	11
Fair value changes on investments, net* (Refer to note 2.5 and 2.17)	-	-	-	-	-	-	-	-	-	-	-	129	129
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**27,234**	**-**	**-**	**-**	**19**	**11**	**257**	**27,521**
Transferred to Special Economic Zone Re-investment reserve	-	-	-	-	-	(2,957)	-	-	2,957	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	824	-	-	(824)	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.12)	-	-	-	-	447	-	-	(447)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	160	(160)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.12)	1	-	-	-	-	-	-	-	-	-	-	-	1
Employee stock compensation expense (Refer to note 2.12)	-	-	-	-	-	-	-	639	-	-	-	-	639
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	3	-	-	-	-	3
Dividends	-	-	-	-	-	(14,733)	-	-	-	-	-	-	(14,733)
Balance as at March 31, 2024	**2,075**	**54**	**2,862**	**169**	**580**	**62,551**	**162**	**913**	**11,787**	**279**	**6**	**(262)**	**81,176**

**net of tax*

***Including tax on buyback of ₹2,166 crore for the year ended March 31, 2023.*

[#] *Impact on account of adoption of amendment to Ind AS 37 Provisions, Contingent Liabilities and Contingents Assets*

[(1)] *The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.*

[(2)] *Profit / loss on transfer of business between entities under common control taken to reserve.*

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Bengaluru
April 18, 2024

INFOSYS LIMITED

Statement of Cash Flows

Accounting Policy

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(In ₹ crore)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities:			
Profit for the year		27,234	23,268
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation and Amortization	2.1, 2.2.2, 2.3	2,944	2,753
Income tax expense	2.17	8,719	8,375
Impairment loss recognized / (reversed) under expected credit loss model		130	183
Finance cost		277	157
Interest and dividend income	2.19	(4,670)	(3,028)
Stock compensation expense	2.12	575	460
Provision for post sale client support		77	121
Exchange differences on translation of assets and liabilities, net		63	(116)
Interest receivable on income tax refund		(1,934)	-
Other adjustments		235	34
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(2,933)	(5,065)
Loans, other financial assets and other assets		(1,645)	(2,171)
Trade payables	2.14	67	(243)
Other financial liabilities, other liabilities and provisions		(117)	2,248
Cash generated from operations		**29,022**	**26,976**
Income taxes paid		(8,235)	(7,807)
Net cash generated by operating activities		**20,787**	**19,169**
Cash flow from investing activities:			
Expenditure on property, plant and equipment		(1,832)	(2,130)
Deposits placed with corporation		(688)	(634)
Redemption of deposits placed with corporation		522	482
Interest and dividend received		1,441	1,299
Dividend received from subsidiary		2,976	1,463
Loan given to subsidiaries		-	(427)
Loan repaid by subsidiaries		4	393
Investment in subsidiaries		(63)	(1,530)
Receipt / (payment) towards business transfer for entities under common control		35	19
Receipt / (payment) from entities under liquidation		80	-
Escrow and other deposits pertaining to Buyback		-	(483)
Redemption of Escrow and other deposits pertaining to Buyback		-	483
Other receipts		123	61
Payments to acquire investments			
Liquid mutual fund units		(57,606)	(62,952)
Target maturity fund units		-	(400)
Tax free bonds and government bonds		-	(14)
Commercial papers		(9,405)	(2,485)
Certificates of deposit		(7,011)	(8,909)
Government Securities		-	(1,370)
Non-convertible debentures		(1,526)	-
Others		(2)	(4)
Proceeds on sale of investments			
Tax free bonds and government bonds		150	213
Liquid mutual fund units		56,124	64,168
Non-convertible debentures		955	395
Certificates of deposit		6,962	9,454
Commercial papers		5,475	2,098
Government Securities		5	1,532
Others		20	99
Net cash (used in) / generated from investing activities		**(3,261)**	**821**

(In ₹ crore)

Particulars	Note No.	Year ended March 31,	
		2024	2023
Cash flow from financing activities:			
Buyback of equity shares including transaction costs and tax on buyback		-	(11,499)
Payment of lease liabilities	2.3	(850)	(694)
Shares issued on exercise of employee stock options		1	30
Other receipts		-	44
Other payments		(243)	(64)
Payment of dividends		(14,733)	(13,674)
Net cash used in financing activities		**(15,825)**	**(25,857)**
Net increase / (decrease) in cash and cash equivalents		1,701	(5,867)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(44)	131
Cash and cash equivalents at the beginning of the year	2.9	6,534	12,270
Cash and cash equivalents at the end of the year	2.9	**8,191**	**6,534**
Supplementary information:			
Restricted cash balance	2.9	44	46

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED

Overview and Notes to the Standalone Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Electronics City, Hosur Road, Bengaluru 560100, Karnataka, India. The company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited. The Company's American Depositary Shares (ADS) representing equity shares are listed on the New York Stock Exchange (NYSE).

The standalone financial statements are approved for issue by the Company's Board of Directors on April 18, 2024.

1.2 Basis of preparation of financial statements

These standalone financial statements are prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited condensed standalone interim financial statements have been discussed in the respective notes.

As the year to date figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year to date figures reported in this statement.

1.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note no. 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

1.4 Critical accounting estimates and judgments

a. Revenue recognition

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Fixed price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Company uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

b. Income taxes

The Company's two major tax jurisdictions are India and the United States, though the Company also files tax returns in other overseas jurisdictions.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. (Refer to note 2.17)

c. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer to note 2.1)

2. Notes to the Standalone Financial Statements

2.1 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method.

The estimated useful lives of assets are as follows:

Building[(1)]	22-25 years
Plant and machinery[(1)]	5 years
Office equipment	5 years
Computer equipment[(1)]	3-5 years
Furniture and fixtures[(1)]	5 years
Vehicles[(1)]	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

[(1)] *Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.*

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings[(1)(2)]	Plant and machinery[(2)]	Office Equipment[(2)]	Computer equipment[(2)]	Furniture and fixtures[(2)]	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2023	**1,429**	**10,445**	**3,144**	**1,314**	**7,235**	**2,129**	**968**	**45**	**26,709**
Additions	1	289	119	90	765	100	70	1	1,435
Additions through business transfer *(Refer to note 2.5)*	-	-	-	2	12	8	12	-	34
Deletions**	-	(55)	(49)	(36)	(633)	(77)	(87)	(1)	(938)
Gross carrying value as at March 31, 2024	**1,430**	**10,679**	**3,214**	**1,370**	**7,379**	**2,160**	**963**	**45**	**27,240**
Accumulated depreciation as at April 1, 2023	**-**	**(4,223)**	**(2,558)**	**(1,060)**	**(4,977)**	**(1,549)**	**(646)**	**(40)**	**(15,053)**
Depreciation	-	(407)	(223)	(114)	(1,144)	(230)	(171)	(3)	(2,292)
Accumulated depreciation on deletions**	-	55	49	35	624	70	84	1	918
Accumulated depreciation as at March 31, 2024	**-**	**(4,575)**	**(2,732)**	**(1,139)**	**(5,497)**	**(1,709)**	**(733)**	**(42)**	**(16,427)**
Carrying value as at April 1, 2023	**1,429**	**6,222**	**586**	**254**	**2,258**	**580**	**322**	**5**	**11,656**
Carrying value as at March 31, 2024	**1,430**	**6,104**	**482**	**231**	**1,882**	**451**	**230**	**3**	**10,813**

** During the Year ended March 31, 2024, certain assets which were not in use having gross book value of ₹646 crore (net book value: Nil) were retired.

The changes in the carrying value of property, plant and equipment for the Year ended March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings[(1)(2)]	Plant and machinery[(2)]	Office Equipment[(2)]	Computer equipment[(2)]	Furniture and fixtures[(2)]	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2022	**1,429**	**10,115**	**3,054**	**1,250**	**7,239**	**2,070**	**817**	**44**	**26,018**
Additions	2	330	264	106	1,267	341	165	2	2,477
Deletions*	(2)	-	(174)	(42)	(1,271)	(282)	(14)	(1)	(1,786)
Gross carrying value as at March 31, 2023	**1,429**	**10,445**	**3,144**	**1,314**	**7,235**	**2,129**	**968**	**45**	**26,709**
Accumulated depreciation as at April 1, 2022	**-**	**(3,834)**	**(2,494)**	**(993)**	**(5,163)**	**(1,614)**	**(499)**	**(37)**	**(14,634)**
Depreciation	-	(389)	(238)	(109)	(1,080)	(216)	(157)	(4)	(2,193)
Accumulated depreciation on deletions*	-	-	174	42	1,266	281	10	1	1,774
Accumulated depreciation as at March 31, 2023	**-**	**(4,223)**	**(2,558)**	**(1,060)**	**(4,977)**	**(1,549)**	**(646)**	**(40)**	**(15,053)**
Carrying value as at April 1, 2022	**1,429**	**6,281**	**560**	**257**	**2,076**	**456**	**318**	**7**	**11,384**
Carrying value as at March 31, 2023	**1,429**	**6,222**	**586**	**254**	**2,258**	**580**	**322**	**5**	**11,656**

*During the year ended March 31, 2023, certain assets which were not in use having gross book value of ₹1,598 crore (net book value: nil), were retired.

[(1)] *Buildings include ₹250/- being the value of five shares of ₹50/- each in Mittal Towers Premises Co-operative Society Limited.*

[(2)] *Includes certain assets provided on cancellable operating lease to subsidiaries.*

The aggregate depreciation has been included under depreciation and amortization expense in the statement of Profit and Loss.

Repairs and maintenance costs are recognized in the statement of Profit and Loss when incurred.

Tangible assets provided on operating lease to subsidiaries as at March 31, 2024 and March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Cost	Accumulated depreciation	Net book value
Land	32	-	32
	32	-	*32*
Buildings	333	138	195
	333	*132*	*201*
Plant and machinery	36	34	*2*
	28	*28*	-
Furniture and fixtures	29	25	4
	19	*18*	*1*
Computer Equipment	2	2	-
	-	-	-
Leasehold Improvement	40	24	*16*
	-	-	-
Office equipment	23	20	*3*
	16	*16*	-

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Aggregate depreciation charged on above assets	26	13

The rental income from subsidiary in current year is ` 78 crore and in last year it was ` 53 crore.

2.2 GOODWILL AND INTANGIBLE ASSETS

2.2.1 Goodwill

Following is a summary of changes in the carrying amount of goodwill:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Carrying value at the beginning	211	211
Carrying value at the end	**211**	**211**

The allocation of goodwill to operating segments as at March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Segment	As at	
	March 31, 2024	March 31, 2023
Financial services	64	64
Retail	34	34
Communication	28	28
Energy, Utilities, Resources and Services	27	27
Manufacturing	21	21
	174	**174**
Operating segments without significant goodwill	37	37
Total	**211**	**211**

2.2.2 Other Intangible Assets

Accounting Policy

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to prepare the asset for its intended use.

The changes in the carrying value of acquired intangible assets for the year ended March 31, 2024 are as follows

(In ₹ crore)

Particulars	Customer related	Software related	Trade name related	Others	Total
Gross carrying value as at April 1, 2023	**113**	**54**	**26**	**26**	**219**
Deletions	-	-	-	-	-
Gross carrying value as at March 31, 2024	**113**	**54**	**26**	**26**	**219**
Accumulated amortization as at April 1, 2023	**(113)**	**(51)**	**(26)**	**(26)**	**(216)**
Amortization expense	-	(3)	-	-	(3)
Accumulated amortization on deletions	-	-	-	-	-
Accumulated amortization as at March 31, 2024	**(113)**	**(54)**	**(26)**	**(26)**	**(219)**
Carrying value as at March 31, 2024	**-**	**-**	**-**	**-**	**-**
Carrying value as at April 1, 2023	**-**	**3**	**-**	**-**	**3**
Estimated Useful Life *(in years)*	7	2	5	5	
Estimated Remaining Useful Life *(in years)*	-	-	-	-	

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	Customer related	Software related	Trade name related	Others	Total
Gross carrying value as at April 1, 2022	**113**	**54**	**26**	**26**	**219**
Deletions	-	-	-	-	-
Gross carrying value as at March 31, 2023	**113**	**54**	**26**	**26**	**219**
Accumulated amortization as at April 1, 2022	**(104)**	**(31)**	**(26)**	**(26)**	**(187)**
Amortization expense	(9)	(20)	-	-	(29)
Accumulated amortization on deletions	-	-	-	-	-
Accumulated amortization as at March 31, 2023	**(113)**	**(51)**	**(26)**	**(26)**	**(216)**
Carrying value as at March 31, 2023	**-**	**3**	**-**	**-**	**3**
Carrying value as at April 1, 2022	**9**	**23**	**-**	**-**	**32**
Estimated Useful Life *(in years)*	7	2	5	5	
Estimated Remaining Useful Life *(in years)*	-	-	-	-	

The amortization expense has been included under depreciation and amortization expense in the Standalone Statement of Profit and Loss.

Research and Development Expenditure

Research and Development expense recognized in net profit in the statement of profit and loss for the year ended March 31, 2024 and March 31, 2023 is ₹695 crore and ₹639 crore, respectively.

2.3 LEASES

Accounting Policy

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and computers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Infosys's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at April 1, 2023	548	2,669	344	3,561
Additions*	-	336	420	756
Deletions	(10)	(169)	(92)	(271)
Impairment#	-	(88)	-	(88)
Depreciation	(4)	(482)	(169)	(655)
Balance as at March 31, 2024	**534**	**2,266**	**503**	**3,303**

** Net of adjustments on account of modifications and lease incentives*

 # included under other expenses. Refer note 2.20

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at April 1, 2022	552	2,621	138	3,311
Additions*	-	510	371	881
Deletions	-	(21)	(61)	(82)
Depreciation	(4)	(441)	(104)	(549)
Balance as at March 31, 2023	**548**	**2,669**	**344**	**3,561**

** Net of adjustments on account of modifications and lease incentives*

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current lease liabilities	678	713
Non-current lease liabilities	3,088	3,553
Total	**3,766**	**4,266**

The movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023 is as follows :

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Balance at the beginning	4,266	3,786
Additions	590	883
Finance cost accrued during the period	166	151
Deletions	(413)	(26)
Payment of lease liabilities	(852)	(706)
Translation Difference	9	178
Balance at the end	**3,766**	**4,266**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Less than one year	803	821
One to five years	2,735	2,547
More than five years	819	1,546
Total	**4,357**	**4,914**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹16 crore and ₹22 crore for the year ended March 31, 2024 and March 31, 2023.

The following is the movement in the net investment in sublease in ROU asset during the year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Balance at the beginning	**346**	**365**
Interest income accrued during the period	-	13
Deletions	(346)	
Lease receipts	-	(61)
Translation Difference	-	29
Balance at the end	**-**	**346**

Leases not yet commenced to which Company is committed is ₹20 crore for a lease term up to 7 years.

2.4 CAPITAL WORK -IN-PROGRESS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work-in-progress	277	275
Total Capital work-in-progress	**277**	**275**

The capital work-in-progress ageing schedule for the year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	243	22	1	11	277
	222	*21*	*12*	*20*	*275*
Total Capital work-in-progress	**243**	**22**	**1**	**11**	**277**
	222	*21*	*12*	*20*	*275*

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	To be completed in				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					
KL-SP-SDB1	-	-	-	-	-
	114	-	-	-	*114*
BN-SP-MET	-	-	-	-	-
	20	-	-	-	*20*
Total Capital work-in-progress	**-**	**-**	**-**	**-**	**-**
	134	-	-	-	*134*

2.5 INVESTMENTS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current investments		
Equity instruments of subsidiaries	9,150	9,078
Redeemable Preference shares of subsidiary	2,831	2,831
Preference securities and equity securities	206	196
Target maturity fund units	431	402
Others	84	82
Tax free bonds	1,731	1,742
Government bonds	14	14
Non-convertible debentures	2,216	2,490
Government Securities	6,689	6,851
Total non-current investments	**23,352**	**23,686**
Current investments		
Liquid mutual fund units	1,913	260
Commercial Papers	4,507	420
Certificates of deposit	2,945	2,765
Tax free bonds	-	150
Government Securities	204	5
Non-convertible debentures	1,738	876
Total current investments	**11,307**	**4,476**
Total carrying value	**34,659**	**28,162**

(In ₹ crore, except as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current investments		
Unquoted		
Investment carried at cost		
Investments in equity instruments of subsidiaries		
Infosys BPM Limited	662	662
33,828 (33,828) equity shares of ₹10,000/- each, fully paid up		
Infosys Technologies (China) Co. Limited	369	369
Infosys Technologies, S. de R.L. de C.V., Mexico	65	65
17,49,99,990 (17,49,99,990) equity shares of MXN 1 par value, fully paid up		
Infosys Technologies (Sweden) AB	76	76
1,000 (1,000) equity shares of SEK 100 par value, fully paid		
Infosys Technologies (Shanghai) Company Limited	1,010	1,010
Infosys Public Services, Inc.	99	99
3,50,00,000 (3,50,00,000) shares of USD 0.50 par value, fully paid		
Infosys Consulting Holding AG	1,323	1,323
23,350 (23,350) - Class A shares of CHF 1,000 each and		
26,460 (26,460) - Class B Shares of CHF 100 each, fully paid up		
Infosys Americas Inc.	-	1
Nil (10,000) shares of USD 10 per share, fully paid up		
EdgeVerve Systems Limited	1,312	1,312
1,31,18,40,000 (1,31,18,40,000) equity shares of ₹10/- each, fully paid up		
Infosys Nova Holdings LLC[#]	2,637	2,637
Infosys Singapore Pte Ltd	10	10
1,09,90,000 (1,09,90,000) shares of SGD 1.00 par value, fully paid		
Brilliant Basics Holding Limited	59	59
1,346 (1,346) shares of GBP 0.005 each, fully paid up		
Infosys Arabia Limited	2	2
70 (70) shares		
Skava Systems Private Limited	-	59
Nil (25,000) shares of ₹10/- each, fully paid up		
Panaya Inc.	582	582
2 (2) shares of USD 0.01 per share, fully paid up		
Infosys Chile SpA	7	7
100 (100) shares		
WongDoody, Inc.	380	380
100 (100) shares		
Infosys Luxembourg S.a r.l.	26	17
30,000 (20,000) shares		
Infosys Austria GmbH	-	-
80,000 (80,000) shares of EUR 1 par value, fully paid up		
Infosys Consulting Brazil	337	337
27,50,71,070 (27,50,71,070) shares of BRL 1 per share, fully paid up		
Infosys Consulting S.R.L. (Romania)	34	34
99,183 (99,183) shares of RON 100 per share, fully paid up		
Infosys Limited Bulgaria EOOD	2	2
4,58,000 (4,58,000) shares of BGN 1 per share, fully paid up		
Infosys Germany Holdings GmbH	2	2
25,000 (25,000) shares EUR 1 per share, fully paid up		
Infosys Green Forum	1	1
10,00,000 (10,00,000) shares ₹10 per share, fully paid up		
Infosys Automotive and Mobility GmbH	15	15
Infosys Turkey Bilgi Teknolojileri Limited Sirketi	48	7
1,508,060 (1,30,842) share Turkish Liras 100 (10,000) per share, fully paid up		
Infosys Consulting S.R.L. (Argentina)	2	2
2,94,500 (2,94,500) shares AR$ 100 per share, fully paid up		
Infosys Business Solutions LLC	8	8
10,000 (10,000) shares USD 100 per share, fully paid up		
Danske IT and Support Services India Private Limited	82	-
'3,27,788 (Nil) shared ₹ 10 per share fully paid up		
Investments in Redeemable Preference shares of subsidiary		
Infosys Singapore Pte Ltd	2,831	2,831
45,62,00,000 (45,62,00,000) shares of SGD 1 per share, fully paid up		
40,000,000 (40,000,000) shares of USD 1 per share, fully paid up		
	11,981	**11,909**

(In ₹ crore, except as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments carried at fair value through profit or loss		
Target maturity fund units	431	402
Others [1]	84	82
	515	**484**
Investments carried at fair value through other comprehensive income		
Preference securities	91	193
Equity securities	2	3
	93	**196**
Quoted		
Investments carried at amortized cost		
Tax free bonds	1,731	1,742
Government bonds	14	14
	1,745	**1,756**
Investments carried at fair value through other comprehensive income		
Non-convertible debentures	2,216	2,490
Equity Securities	113	-
Government Securities	6,689	6,851
	9,018	**9,341**
Total non-current investments	**23,352**	**23,686**
Current investments		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	1,913	260
	1,913	**260**
Investments carried at fair value through other comprehensive income		
Commercial Papers	4,507	420
Certificates of deposit	2,945	2,765
	7,452	**3,185**
Quoted		
Investments carried at amortized cost		
Tax free bonds	-	150
	-	**150**
Investments carried at fair value through other comprehensive income		
Government Securities	204	5
Non-convertible debentures	1,738	876
	1,942	**881**
Total current investments	**11,307**	**4,476**
Total investments	**34,659**	**28,162**
Aggregate amount of quoted investments	12,705	12,128
Market value of quoted investments (including interest accrued), current	1,942	1,050
Market value of quoted investments (including interest accrued), non-current	10,978	11,336
Aggregate amount of unquoted investments	21,954	16,034
# Aggregate amount of impairment in value of investments	94	94
Reduction in the fair value of assets held for sale	854	854
Investments carried at cost	11,981	11,909
Investments carried at amortized cost	1,745	1,906
Investments carried at fair value through other comprehensive income	18,505	13,603
Investments carried at fair value through profit or loss	2,428	744

[1] *Uncalled capital commitments outstanding as of March 31, 2024 and March 31, 2023 was ₹5 crore and ₹8 crore, respectively.*

Refer to note 2.11 for accounting policies on financial instruments.

Details of amounts recorded in other comprehensive income:

(In ₹ crore)

	Year ended March 31, 2024			Year ended March 31, 2023		
	Gross	**Tax**	**Net**	**Gross**	**Tax**	**Net**
Net Gain/(loss) on						
Non-convertible debentures	55	5	60	(92)	(1)	(93)
Government Securities	89	(20)	69	(150)	8	(142)
Certificate of deposits	-	-	-	(1)	-	(1)
Equity and preference securities	10	9	19	(7)	1	(6)

(In ₹ crore, except as otherwise stated)

Particulars	As at	
	March 31, 2024	March 31, 2023

Method of fair valuation:

(In ₹ crore)

Class of investment	Method	Fair value as at	
		March 31, 2024	March 31, 2023
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	1,913	260
Target maturity fund units - carried at fair value through profit or loss	Quoted price	431	402
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	1,959	2,134
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	3,954	3,366
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	6,893	6,856
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	4,507	420
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	2,945	2,765
Quoted Equity Securities - carried at fair value through other comprehensive income	Quoted price	113	-
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	93	196
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	84	82
Total		**22,892**	**16,481**

Note : Certain quoted investments are classified as Level 2 in the absence of active market for such investments.

2.5.1 Business transfer - Danske IT and Support Services India Private Limited

On June 26, 2023, the Board of Directors of Infosys authorized the Company to execute a Business Transfer Agreement (“BTA”) with Danske IT and Support Services India Private Limited ("DIT") to transfer the assets, liabilities and employees from DIT to the Company. The Purchase consideration is based on the adjusted net asset value as on the closing date i.e September 1, 2023. The details of the assets and liabilities transferred and the consideration receivable is as below:

(In ₹ crore)

Particulars	Total
Property plant and equipment	34
Net liabilities	(72)
Net consideration	**(38)**

Proposed acquisition

On January 11, 2024, Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India, for a consideration including earn-outs, and management incentives and retention bonuses totaling up to ₹280 crore (approximately $34 million) , subject to customary closing adjustments.

2.5.2 Details of Investments

The details of investments in preference, equity and other instruments at March 31, 2024 and March 31, 2023 are as follows:

(In ₹ crore, except as otherwise stated)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Preference Securities		
Airviz Inc.	-	-
2,89,695 (2,89,695) Series A Preferred Stock, fully paid up, par value USD 0.001 each		
Whoop Inc	60	53
1,10,59,340 (1,10,59,340) Series B Preferred Stock, fully paid up, par value USD 0.0001 each		
Nivetti Systems Private Limited	31	26
2,28,501 (2,28,501) Preferred Stock, fully paid up, par value ₹1/- each		
Ideaforge Technology Limited	-	114
Nil (5,402) Series A compulsorily convertible cumulative Preference shares of ₹10/- each, fully paid up		
Nil (1,787) Series B compulsorily convertible cumulative Preference shares of ₹10/- each, fully paid up		
Equity Instrument		
Merasport Technologies Private Limited	-	-
2,420 (2,420) equity shares at ₹ 8,052/- each, fully paid up, par value ₹10/- each		
Global Innovation and Technology Alliance	2	2
15,000 (15,000) equity shares at ₹1,000/- each, fully paid up, par value ₹1,000/- each		
Ideaforge Technology Limited	113	1
16,47,314 (22,600) equity shares at ₹10/-, fully paid up		
Others		
Stellaris Venture Partners India	84	82
Total	**290**	**278**

2.6 LOANS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non- Current		
Loans considered good - Unsecured		
Other Loans		
Loans to employees	34	39
	34	**39**
Loans credit impaired - Unsecured		
Other Loans		
Loans to employees	-	-
Less: Allowance for credit impairment	-	-
	-	-
Total non - current loans	**34**	**39**
Current		
Loans considered good - Unsecured		
Loans to subsidiaries	-	43
Other Loans		
Loans to employees	208	248
Total current loans	**208**	**291**
Total Loans	**242**	**330**

2.7 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Security deposits (1)	205	226
Net investment in Sublease of right of use asset (1)	-	298
Unbilled revenues (1)(5)#	1,366	686
Others(1) **	185	131
Total non-current other financial assets	**1,756**	**1,341**
Current		
Security deposits (1)	25	6
Restricted deposits (1)*	2,282	2,116
Unbilled revenues (1)(5)#	4,993	5,166
Interest accrued but not due (1)	476	441
Foreign currency forward and options contracts (2)(3)	81	79
Net investment in Sublease of right-of-use asset (1)	-	48
Others (1)(4) **	2,272	1,232
Total current other financial assets	**10,129**	**9,088**
Total other financial assets	**11,885**	**10,429**
(1) Financial assets carried at amortized cost	11,804	10,350
(2) Financial assets carried at fair value through other comprehensive income	23	32
(3) Financial assets carried at fair value through Profit or Loss	58	47
(4) *Includes dues from subsidiaries*	2,052	1,051
(5) *Includes dues from subsidiaries*	153	290

* Restricted deposits represent deposit with financial institutions to settle employee related obligations as and when they arise during the normal course of business.

**Primarily includes net investment in lease.

Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.

2.8 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current		
Trade Receivable considered good - Unsecured (1)	25,575	21,202
Less: Allowance for expected credit loss	423	429
Trade Receivable considered good - Unsecured	25,152	20,773
Trade Receivable - credit impaired - Unsecured	157	106
Less: Allowance for credit impairment	157	106
Trade Receivable - credit impaired - Unsecured	-	-
Total trade receivables (2)	**25,152**	**20,773**
(1) *Includes dues from subsidiaries*	259	611
(2) *Includes dues from companies where directors are interested*	-	-

Trade receivables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	18,724	6,175	219	394	62	1	25,575
	15,579	*5,542*	*4*	*66*	*4*	*7*	*21,202*
Undisputed Trade receivables – credit impaired	3	12	7	5	3	81	111
	9	*6*	*2*	*4*	*49*	*34*	*104*
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	1	21	22	1	1	46
	-	-	-	-	*2*	-	*2*
	18,727	6,188	247	421	66	83	25,732
	15,588	*5,548*	*6*	*70*	*55*	*41*	*21,308*
Less: Allowance for credit loss							580
							535
Total Trade Receivables							25,152
							20,773

2.9 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current and deposit accounts	8,191	4,864
Cash on hand	-	-
Others		
Deposits with financial institutions	-	1,670
Total Cash and cash equivalents	**8,191**	**6,534**
Balances with banks in unpaid dividend accounts	37	37
Deposit with more than 12 months maturity	-	700

Cash and cash equivalents as at March 31, 2024 and March 31, 2023 include restricted cash and bank balances of ₹44 crore and ₹46 crore, respectively.

The deposits maintained by the Company with banks and financial institutions comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

2.10 OTHER ASSETS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Capital advances	151	141
Advances other than capital advances		
Others		
Prepaid expenses	68	63
Defined benefit plan assets	9	9
Deferred contract cost		
Cost of obtaining a contract(3)	88	139
Cost of fulfillment	640	601
Other receivables	-	-
Unbilled revenues(2)	58	167
Withholding taxes and others	655	668
Total non-current other assets	**1,669**	**1,788**
Current		
Advances other than capital advances		
Payment to vendors for supply of goods	325	171
Others		
Prepaid expenses (1)	1,886	1,705
Unbilled revenues(2)	4,397	6,365
Deferred contract cost		
Cost of obtaining a contract(3)	154	400
Cost of fulfillment	266	109
Withholding taxes and others	2,593	2,047
Other receivables (1)	15	123
Total current other assets	**9,636**	**10,920**
Total other assets	**11,305**	**12,708**
(1) *Includes dues from subsidiaries*	155	198

(2) *Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.*

(3) *Includes technology assets taken over by the Company from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Company in accordance with Ind AS 115 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Company has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹58 crore and ₹114 crore, respectively. (Refer to note 2.13)*

Withholding taxes and others primarily consist of input tax credits and Cenvat/ VAT recoverable from Government of India.

2.11 FINANCIAL INSTRUMENTS

Accounting Policy

2.11.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.11.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss.

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

b. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for such contracts is generally a bank.

(i) Financial assets or financial liabilities, carried at fair value through profit or loss.

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

(ii) Cash flow hedge

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

2.11.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.11.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, option pricing model, market multiples, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to table 'Financial instruments by category' below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.11.5 Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in statement of profit and loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.9)	8,191	-	-	-	-	8,191	8,191
Investments (Refer to note 2.5)							
Preference securities, Equity securities and others	-	-	84	206	-	290	290
Tax free bonds and government bonds	1,745	-	-	-	-	1,745	1,959 [(1)]
Liquid mutual fund units	-	-	1,913	-	-	1,913	1,913
Target maturity fund units	-	-	431	-	-	431	431
Commercial Papers	-	-	-	-	4,507	4,507	4,507
Certificates of deposit	-	-	-	-	2,945	2,945	2,945
Non convertible debentures	-	-	-	-	3,954	3,954	3,954
Government Securities	-	-	-	-	6,893	6,893	6,893
Trade receivables (Refer to note 2.8)	25,152	-	-	-	-	25,152	25,152
Loans (Refer to note 2.6)	242	-	-	-	-	242	242
Other financial assets (Refer to note 2.7) [(3)]	11,804	-	58	-	23	11,885	11,801 [(2)]
Total	**47,134**	**-**	**2,486**	**206**	**18,322**	**68,148**	**68,278**
Liabilities:							
Trade payables (Refer to note 2.14)	2,493	-	-	-	-	2,493	2,493
Lease liabilities (Refer to note 2.3)	3,766	-	-	-	-	3,766	3,766
Other financial liabilities (Refer to note 2.13)	11,569	-	20	-	1	11,590	11,590
Total	**17,828**	**-**	**20**	**-**	**1**	**17,849**	**17,849**

(1) *On account of fair value changes including interest accrued*

(2) *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

(3) *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.9)	6,534	-	-	-	-	6,534	6,534
Investments (Refer to note 2.5)							
Preference securities, Equity securities and others	-	-	82	196	-	278	278
Tax free bonds and government bonds	1,906	-	-	-	-	1,906	2,134 [(1)]
Target maturity fund units	-	-	402	-	-	402	402
Liquid mutual fund units	-	-	260	-	-	260	260
Commercial Papers	-	-	-	-	420	420	420
Certificates of deposit	-	-	-	-	2,765	2,765	2,765
Non convertible debentures	-	-	-	-	3,366	3,366	3,366
Government Securities	-	-	-	-	6,856	6,856	6,856
Trade receivables (Refer to note 2.8)	20,773	-	-	-	-	20,773	20,773
Loans (Refer to note 2.6)	330	-	-	-	-	330	330
Other financial assets (Refer to note 2.7)[(3)]	10,350	-	47	-	32	10,429	10,345 [(2)]
Total	**39,893**	**-**	**791**	**196**	**13,439**	**54,319**	**54,463**
Liabilities:							
Trade payables (Refer to note 2.14)	2,426	-	-	-	-	2,426	2,426
Lease Liabilities (Refer to note 2.3)	4,266	-	-	-	-	4,266	4,266
Other financial liabilities (Refer to note 2.13)	11,989	-	42	-	14	12,045	12,045
Total	**18,681**	**-**	**42**	**-**	**14**	**18,737**	**18,737**

(1) *On account of fair value changes including interest accrued*

(2) *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

(3) *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

For trade receivables, trade payables, other assets and payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2024 is as follows:

(In ₹ crore)

Particulars	**As at March 31, 2024**	**Fair value measurement at end of the reporting period using**		
		Level 1	**Level 2**	**Level 3**
Assets				
Investments (Refer to note 2.5)				
Investments in tax free bonds	1,944	1,944	-	-
Investments in government bonds	15	15	-	-
Investments in liquid mutual fund units	1,913	1,913	-	-
Investments in target maturity fund units	431	431	-	-
Investments in certificates of deposit	2,945	-	2,945	-
Investments in commercial papers	4,507	-	4,507	-
Investments in non convertible debentures	3,954	3,697	257	-
Investments in government securities	6,893	6,820	73	-
Investments in equity securities	115	113	-	2
Investments in preference securities	91	-	-	91
Other investments	84	-	-	84
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts (Refer to note 2.7)	81	-	81	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts (Refer to note 2.13)	21	-	21	-

During the year ended March 31, 2024, tax free bonds and non-convertible debentures of ₹1986 crore were transferred from Level 2 to Level 1 of fair value hierarchy since these were valued based on quoted price. Further State govternment securities of ₹73 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2023 was as follows:

(In ₹ crore)

Particulars	**As at March 31, 2023**	**Fair value measurement at end of the reporting period using**		
		Level 1	**Level 2**	**Level 3**
Assets				
Investments (Refer to note 2.5)				
Investments in tax free bonds	2,120	1,331	789	-
Investments in target maturity fund units	402	402	-	-
Investments in government bonds	14	14	-	-
Investments in liquid mutual fund units	260	260	-	-
Investments in certificates of deposit	2,765	-	2,765	-
Investments in commercial papers	420	-	420	-
Investments in non convertible debentures	3,366	1,364	2,002	-
Investments in government securities	6,856	6,856	-	-
Investments in equity securities	3	-	-	3
Investments in preference securities	193	-	-	193
Other investments	82	-	-	82
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts (Refer to note 2.7)	79	-	79	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts (Refer note 2.13)	56	-	56	-

During the year ended March 31, 2023, tax free bonds and government securities of ₹383 crore were transferred from Level 2 to Level 1 of fair value hierarchy since these were valued based on quoted price. Further non-convertible debentures of ₹1,611 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

Majority of investments of the Company are fair valued based on Level 1 or Level 2 inputs. These investments primarily include investment in liquid mutual fund units, target maturity fund units, tax free bonds, certificates of deposit, commercial papers, treasury bills, government securities, non-convertible debentures, quoted bonds issued by government and quasi-government organizations. The Company invests after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and Deposit base of banks and financial institutions. These risks are monitored regularly as per Group's risk management program.

Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Market risk

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in the United States and elsewhere, and purchases from overseas suppliers in various foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company’s operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

The following table analyses the foreign currency risk from financial assets and liabilities as at March 31, 2024:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net financial assets	23,447	6,929	1,940	1,463	2,575	36,354
Net financial liabilities	(9,918)	(1,911)	(663)	(798)	(1,112)	(14,402)
Total	**13,529**	**5,018**	**1,277**	**665**	**1,463**	**21,952**

The following table analyses the foreign currency risk from financial assets and liabilities as at March 31, 2023:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net financial assets	18,436	5,442	1,612	1,765	2,278	29,533
Net financial liabilities	(10,017)	(1,898)	(682)	(926)	(1,082)	(14,605)
Total	**8,419**	**3,544**	**930**	**839**	**1,196**	**14,928**

Sensitivity analysis between Indian Rupee and U.S. dollars

Particulars	Year ended March 31,	
	2024	**2023**
Impact on the Company's incremental Operating Margins	0.46%	0.47%

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

The details in respect of outstanding foreign currency forward and option contracts are as follows :

Particulars	As at March 31, 2024		As at March 31, 2023	
	In million	**In ₹ crore**	**In million**	**In ₹ crore**
Derivatives designated as cash flow hedges				
Forward contracts				
In Euro	30	270	-	-
Option Contracts				
In Euro	236	2,121	325	2,907
In Australian dollars	106	573	140	770
In United Kingdom Pound Sterling	35	368	55	559
Other derivatives				
Forward contracts				
In U.S. dollars	1,223	10,203	1,486	12,209
In Euro	554	4,975	266	2,382
In Singapore dollars	171	1,046	45	278
In United Kingdom Pound Sterling	78	818	76	775
In Swiss Franc	16	150	-	-
In New Zealand dollars	30	149	30	154
In Danish Krone	100	121	-	-
In Norwegian Krone	130	100	100	79
In Canadian dollars	15	92	-	-
In Australian dollars	14	75	10	55
In Hungarian Forint	2,500	57	-	-
In Chinese Yuan	43	49	-	-
In South African rand	85	37	85	39
Option contracts				
In Australian dollars	20	111	30	165
In Euro	100	897	160	1,431
In United Kingdom Pound Sterling	-	-	15	153
In U.S. dollars	543	4,527	300	2,465
Total forwards and option contracts		**26,739**		**24,421**

The foreign exchange forward and option contracts mature within 12 months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date:

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one month	9,581	10,972
Later than one month and not later than three months	15,181	10,122
Later than three months and not later than one year	1,977	3,327
Total	**26,739**	**24,421**

During the year ended March 31, 2024 and March 31, 2023 the Company has designated certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance in cash flow hedge reserve as at March 31, 2024 are expected to occur and reclassified to statement of profit and loss within 3 months.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of its forecasted cash flows. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the Statement of Profit or Loss at the time of the hedge relationship rebalancing.

The following table provides the reconciliation of cash flow hedge reserve for the year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	**Year ended March 31,**	
	2024	**2023**
Gain / (Loss)		
Balance at the beginning of the year	(5)	2
Gain / (Loss) recognized in other comprehensive income during the year	8	90
Amount reclassified to profit and loss during the year	7	(99)
Tax impact on above	(4)	2
Balance at the end of the year	**6**	**(5)**

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows:

(In ₹ crore)

Particulars	**As at**			
	March 31, 2024		**March 31,**	
	Derivative financial asset	**Derivative financial liability**	**Derivative financial asset**	**Derivative financial liability**
Gross amount of recognized financial asset / liability	93	(33)	103	(80)
Amount set off	(12)	12	(24)	24
Net amount presented in Balance Sheet	**81**	**(21)**	**79**	**(56)**

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹25,152 crore and ₹20,773 crore as at March 31, 2024 and March 31, 2023, respectively and unbilled revenue amounting to ₹10,814 crore and ₹12,384 crore as at March 31, 2024 and March 31, 2023, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue from customers majorly located in the United States of America and Europe. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customers to which the Company grants credit terms in the normal course of business. The Company uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. This matrix takes into account credit reports and other related credit information to the extent available.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

The following table gives details in respect of percentage of revenues generated from top five customers and top ten customers:

(In %)

Particulars	**Year ended March 31,**	
	2024	**2023**
Revenue from top five customers	11.6	11.3
Revenue from top ten customers	18.9	19.6

Credit risk exposure

The Company's credit period generally ranges from 30-75 days.

The allowance for lifetime expected credit loss on customer balances recognized for the year ended March 31, 2024 and March 31, 2023 is ₹108 crore and ₹139 crore, respectively.

The movement in credit loss allowance on customer balance is as follows:

(In ₹ crore)

Particulars	**Year ended March 31,**	
	2024	**2023**
Balance at the beginning	699	673
Impairment loss recognized/ (reversed), net	108	139
Amounts written off	(93)	(145)
Translation differences	7	32
Balance at the end	**721**	**699**

The gross carrying amount of a financial asset is written off (either partially or in full) when there is no realistic prospect of recovery.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings as at the date of approval of these financial statements.

The investments of the Company primarily include investment in liquid mutual fund units, target maturity fund units, tax free bonds, certificates of deposit, commercial paper, treasury bills, government securities, non-convertible debentures, quoted bonds issued by government and quasi government organizations. The Company invests after considering counterparty risks based on multiple criteria including Tier I Capital, Capital Adequacy Ratio, credit rating, profitability, NPA levels and deposit base of banks and financial institutions. These risks are monitored regularly as per Group's risk management program.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2024, the Company had a working capital of ₹43,866 crore including cash and cash equivalents of ₹8,191 crore and current investments of ₹11,306 crore. As at March 31, 2023, the Company had a working capital of ₹24,640 crore including cash and cash equivalents of ₹6,534 crore and current investments of ₹4,476 crore.

As at March 31, 2024 and March 31, 2023, the outstanding compensated absences were ₹2,159 crore and ₹1,969 crore, respectively, which have been substantially funded. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2024:

(In ₹ crore)

Particulars	**Less than 1 year**	**1-2 years**	**2-4 years**	**4-7 years**	**Total**
Trade payables	2,493	-	-	-	2,493
Other financial liabilities on an undiscounted basis (Refer to note 2.13)	9,697	1,240	567	67	11,571

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023:

(In ₹ crore)

Particulars	**Less than 1 year**	**1-2 years**	**2-4 years**	**4-7 years**	**Total**
Trade payables	2,426	-	-	-	2,426
Other financial liabilities on an undiscounted basis (Refer to note 2.13)	10,752	965	264	13	11,994

2.12 EQUITY

Accounting policy

Ordinary Shares

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Description of reserves

Capital redemption reserve

In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve / retained earnings.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company.

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

Share options outstanding account

The Share options outstanding account is used to record the fair value of equity-settled share based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA (2) of the Income Tax Act, 1961.

Other components of equity

Other components of equity include remeasurement of net defined benefit liability / asset, equity instruments fair valued through other comprehensive income, changes on fair valuation of investments and changes in fair value of derivatives designated as cash flow hedges, net of taxes.

Cash flow hedge reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

2.12.1 EQUITY SHARE CAPITAL

(In ₹ crore, except as otherwise stated)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Authorized		
Equity shares, ₹5/- par value		
4,80,00,00,000 (4,80,00,00,000) equity shares	2,400	2,400
Issued, Subscribed and Paid-Up		
Equity shares, ₹5/- par value [1]	2,075	2,074
4,15,08,67,464 (4,14,85,60,044) equity shares fully paid-up		
	2,075	**2,074**

[1] *Refer to note 2.22 for details of basic and diluted shares*

Forfeited shares amounted to ₹1500/- (₹1,500/-)

The Company has only one class of shares referred to as equity shares having a par value of ₹5/-. Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depository Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

There are no voting, dividend or liquidation rights to the holders of options issued under the company's share option plans.

For details of shares reserved for issue under the employee stock option plan of the Company, refer to the note below.

In the period of five years immediately preceding March 31, 2024:

Buyback

In the period of five years immediately preceding March 31, 2024, the Company had purchased and extinguished a total of 214,100,951 fully paid-up equity shares of face value ₹5/- each from the stock exchange. The Company has only one class of equity shares.

Capital allocation policy

Effective from financial year 2025, the Company expects to continue the policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes

Buyback completed in February 2023

In line with the capital allocation policy, the Board, at its meeting held on October 13, 2022, approved the buyback of equity shares, from the open market route through the Indian stock exchanges, amounting to ₹9,300 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹1,850 per share (Maximum Buyback Price), subject to shareholders' approval by way of Postal Ballot.

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 3, 2022. The buyback was offered to all equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on December 7, 2022 and was completed on February 13, 2023. During this buyback period the Company had purchased and extinguished a total of 60,426,348 equity shares from the stock exchange at a volume weighted average buyback price of ₹1,539.06/- per equity share comprising 1.44% of the pre buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹9,300 crore (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of ₹30 crore equal to the nominal value of the shares bought back as an appropriation from general reserve and retained earnings.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of March 31, 2024, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

2.12.2 Shareholding of promoter

The details of the shares held by promoters as at March 31, 2024 are as follows:

Promoter name	No. of shares	% of total shares	% Change during the year
Sudha Gopalakrishnan	95,357,000	2.30%	-
Rohan Murty	60,812,892	1.47%	-
S. Gopalakrishnan	31,853,808	0.77%	(23.89%)
Nandan M. Nilekani	40,783,162	0.98%	-
Akshata Murty	38,957,096	0.94%	-
Asha Dinesh	38,579,304	0.93%	-
Sudha N. Murty	34,550,626	0.83%	-
Rohini Nilekani	34,335,092	0.83%	-
Dinesh Krishnaswamy	32,479,590	0.78%	-
Shreyas Shibulal	21,323,515	0.51%	(10.04%)
N. R. Narayana Murthy	15,145,638	0.36%	(9.01%)
Nihar Nilekani	12,677,752	0.31%	-
Janhavi Nilekani	8,589,721	0.21%	-
Kumari Shibulal	4,945,935	0.12%	(5.77%)
Deeksha Dinesh	7,646,684	0.18%	-
Divya Dinesh	7,646,684	0.18%	-
Meghana Gopalakrishnan	14,834,928	0.36%	206.83%
Shruti Shibulal	2,737,538	0.07%	-
S. D. Shibulal	5,208,673	0.13%	(10.42%)
Ekagrah Rohan Murty	1,500,000	0.04%	100.00%
Promoters Group			
Gaurav Manchanda	12,524,106	0.30%	(8.82%)
Milan Shibulal Manchanda	6,513,389	0.16%	(6.52%)
Nikita Shibulal Manchanda	6,513,389	0.16%	(6.52%)
Bhairavi Madhusudhan Shibulal	6,021,716	0.15%	(9.84%)
Shray Chandra	719,424	0.02%	-
Tanush Nilekani Chandra	3,356,017	0.08%	-

2.12.3 DIVIDEND

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:-

(in ₹)

Particulars	Year ended March 31,	
	2024	2023
Final dividend for fiscal 2022	-	16.00
Interim dividend for fiscal 2023	-	16.50
Final dividend for fiscal 2023	17.50	-
Interim dividend for fiscal 2024	18.00	-

During the year ended March 31, 2024, on account of the final dividend for fiscal 2023 and interim dividend for fiscal 2024, the Company has incurred a net cash outflow of ₹14,733 crore.

The Board of Directors in their meeting held on April 18, 2024 recommended a final dividend of ₹20/- per equity share for the financial year ended March 31, 2024 and a special dividend of ₹8/- per equity share. The payment is subject to the approval of shareholders in the AGM of the Company to be held on June 26, 2024 and if approved, would result in a net cash outflow of approximately ₹11,622 crore.

The details of shareholders holding more than 5% shares as at March 31, 2024 and March 31, 2023 are set out below:

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% held	Number of shares	% held
Deutsche Bank Trust Company Americas (Depository of ADR's - legal ownership)	44,23,91,411	10.66	50,57,90,851	12.19
Life Insurance Corporation of India	38,59,52,941	9.30	29,82,44,977	7.19

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2024 and March 31, 2023 is set out below:

(in ₹ crore, except as stated otherwise)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the period	4,14,85,60,044	2,074	4,20,67,38,641	2,103
Add: Shares issued on exercise of employee stock options	2,307,420	1	22,47,751	1
Less: Shares bought back	-	-	60,426,348	30
As at the end of the period	**4,15,08,67,464**	**2,075**	**4,14,85,60,044**	**2,074**

2.12.4 Employee Stock Option Plan (ESOP):

Accounting Policy

The Company recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

Infosys Expanded Stock Ownership Program 2019 (the 2019 Plan):

On June 22, 2019 pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 plan shall not exceed 5,00,00,000 equity shares. To implement the 2019 Plan, up to 4,50,00,000 equity shares may be issued by way of secondary acquisition of shares by Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

2015 Stock Incentive Compensation Plan (the 2015 Plan):

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Plan. The maximum number of shares under the 2015 plan shall not exceed 2,40,38,883 equity shares (this includes 1,12,23,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

The equity settled and cash settled RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NARC). The exercise price of the RSUs will be equal to the par value of the shares and the exercise price of the stock options would be the market price as on the date of grant.

Controlled trust holds 1,09,16,829 shares and 12,172,119 shares as at March 31, 2024 and March 31, 2023, respectively under the 2015 plan. Out of these shares, 200,000 equity shares each have been earmarked for welfare activities of the employees as at March 31, 2024 and March 31, 2023.

The following is the summary of grants during the year ended March 31, 2024 and March 31, 2023:

Particulars	2019 Plan		2015 Plan	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Equity settled RSUs				
Key Management Personnel (KMP)	141,171	210,643	498,730	367,479
Employees other than KMP	4,046,731	3,704,014	4,640,640	1,784,975
	4,187,902	**3,914,657**	**5,139,370**	**2,152,454**
Cash settled RSUs				
Key Management Personnel (KMP)	-	-	-	-
Employees other than KMP	-	-	176,990	92,400
	-	**-**	**176,990**	**92,400**
Total Grants	**4,187,902**	**3,914,657**	**5,316,360**	**2,244,854**

Notes on grants to KMP:

CEO & MD

Under the 2015 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2024. In accordance with such approval the following grants were made effective May 2, 2023.

- 2,72,026 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 15,656 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 39,140 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore . These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Further, in accordance with the employee agreement which has been approved by the shareholders, the CEO is eligible to receive an annual grant of RSUs of fair value ₹3 crore which will vest overtime in three equal annual installments upon the completion of each year of service from the respective grant date. Accordingly, annual time-based grant of 18,104 RSUs was made effective February 1, 2024 for fiscal 2024.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of March 31, 2024, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with Ind AS 102, Share based payments. The grant date for this purpose in accordance with Ind AS 102, Share based payments is July 1, 2022.

Under the 2019 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2024 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 78,281 performance based RSU's were granted effective May 2, 2023.

Other KMP

Under the 2015 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved 1,47,030 time based RSUs and 6,774 performance based RSUs to other KMP under the 2015 plan. Time based RSUs will vest over three to four years and performance based RSUs will vest over three years based on certain performance targets.

Under the 2019 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved performance based grants of 62,890 RSUs to other KMPs under the 2019 plan. These RSUs will vest over three years based on achievement of certain performance targets.

The break-up of employee stock compensation expense is as follows:

(in ₹ crore)

Particulars	Year ended March 31,	
	2024	**2023**
Granted to:		
KMP	68	49
Employees other than KMP	507	411
Total [1]	**575**	**460**
[1] *Cash settled stock compensation expense included in the above*	5	1

The activity in the 2015 and 2019 Plan for equity-settled share based payment transactions during the year ended March 31, 2024 and March 31, 2023 is set out as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Shares arising out of options	**Weighted average exercise price (₹)**	**Shares arising out of options**	**Weighted average exercise price (₹)**
2015 Plan: RSUs				
Outstanding at the beginning	54,08,018	5.00	62,32,975	4.82
Granted	51,39,370	5.00	21,52,454	5.00
Exercised	18,15,025	5.00	21,05,904	4.50
Forfeited and expired	656,305	5.00	8,71,507	4.93
Outstanding at the end	**80,76,058**	**5.00**	**54,08,018**	**5.00**
Exercisable at the end	8,31,050	4.98	7,87,976	4.97
2015 Plan: Employee Stock Options (ESOPs)				
Outstanding at the beginning	134,030	529	700,844	557
Granted	-	-	-	-
Exercised	51,980	499	566,814	596
Forfeited and expired	-	-	-	-
Outstanding at the end	**82,050**	**551**	**1,34,030**	**529**
Exercisable at the end	82,050	551	1,34,030	529
2019 Plan: RSUs				
Outstanding at the beginning	72,22,038	5.00	49,58,938	5.00
Granted	41,87,902	5.00	39,14,657	5.00
Exercised	16,95,705	5.00	11,28,626	5.00
Forfeited and expired	16,90,380	5.00	5,22,931	5.00
Outstanding at the end	**80,23,855**	**5.00**	**72,22,038**	**5.00**
Exercisable at the end	8,14,798	5.00	13,52,150	5.00

The weighted average share price of option exercised is set out as follows:

(in ₹)

Particulars	2019 Plan		2015 Plan	
	Year ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Weighted average share price of options exercised	1,352	1,485	1,414	1,515

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2024 is as follows:

Range of exercise prices per share (₹)	2019 plan - Options outstanding			2015 plan - Options outstanding		
	No. of shares arising out of options	**Weighted average remaining contractual life**	**Weighted average exercise price (₹)**	**No. of shares arising out of options**	**Weighted average remaining contractual life**	**Weighted average exercise price (₹)**
0 - 5 (RSU)	8,023,855	1.42	5.00	8,076,058	1.77	5.00
450 - 640 (ESOP)	-	-	-	82,050	1.10	551

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2023 was as follows:

Range of exercise prices per share (₹)	2019 plan - Options outstanding			2015 plan - Options outstanding		
	No. of shares arising out of options	**Weighted average remaining contractual life**	**Weighted average exercise price (₹)**	**No. of shares arising out of options**	**Weighted average remaining contractual life**	**Weighted average exercise price (₹)**
0 - 5 (RSU)	7,222,038	1.33	5.00	5,408,018	1.49	5.00
450 - 630 (ESOP)	-	-	-	134,030	1.77	529

As at March 31, 2024 and March 31, 2023, 2,91,795 and 2,24,924 cash settled options were outstanding respectively. The carrying value of liability towards cash settled share based payments was ₹13 crore and ₹4 crore as at March 31, 2024 and March 31, 2023 respectively.

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance-based options and Monte Carlo simulation model is used for TSR based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options. Correlation coefficient is calculated between each peer entity and the indices as a whole or between each entity in the peer group.

The fair value of each equity settled award is estimated on the date of grant using the following assumptions:

Particulars	For options granted in			
	Fiscal 2024-Equity Shares-RSU	Fiscal 2024-ADS-RSU	Fiscal 2023-Equity Shares-RSU	Fiscal 2023-ADS-RSU
Weighted average share price (₹) / ($ ADS)	1,588	19.19	1,525	18.08
Exercise price (₹) / ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	23-31	25-33	23-32	27-34
Expected life of the option (years)	1-4	1-4	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	7	4-5	5-7	2-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,317	16.27	1,210	13.69

The expected life of the RSU/ESOP is estimated based on the vesting term and contractual term of the RSU/ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2.13 OTHER FINANCIAL LIABILITIES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Others		
Compensated absences	81	76
Accrued compensation to employees [(1)]	7	5
Accrued expenses [(1)]	1,779	1,184
Other payables [(1)(6)]	74	52
Total non-current other financial liabilities	**1,941**	**1,317**
Current		
Unpaid dividends [(1)]	37	37
Others		
Accrued compensation to employees [(1)]	3,336	3,072
Accrued expenses [(1)(4)]	5,134	4,430
Capital creditors [(1)]	269	652
Compensated absences	2,078	1,893
Other payables [(1)(5)(6)]	933	2,557
Foreign currency forward and options contracts [(2)(3)]	21	56
Total current other financial liabilities	**11,808**	**12,697**
Total other financial liabilities	**13,749**	**14,014**
[(1)] *Financial liability carried at amortized cost*	11,569	11,989
[(2)] *Financial liability carried at fair value through profit or loss*	20	42
[(3)] *Financial liability carried at fair value through other comprehensive income*	1	14
[(4)] *Includes dues to subsidiaries*	29	30
[(5)] *Includes dues to subsidiaries*	405	422

[(6)] *Deferred contract cost (Refer to note 2.10) Includes technology assets taken over by the Company from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Company in accordance with Ind AS 115 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Company has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹58 crore and ₹114 crore, respectively.*

Accrued expenses primarily relate to cost of technical sub-contractors, telecommunication charges, legal and professional charges, brand building expenses, overseas travel expenses, office maintenance and cost of third party software and hardware.

2.14 TRADE PAYABLES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Outstanding dues of micro enterprises and small enterprises	92	97
Outstanding dues of creditors other than micro enterprises and small enterprises[(1)]	2,401	2,329
Total trade payables	**2,493**	**2,426**
[(1)] *Includes dues to subsidiaries*	*778*	*653*

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Amount remaining unpaid :		
Principal	92	97
Interest	-	-
Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	6	33
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

Trade payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars		**Outstanding for following periods from due date of payment**				
	Not Due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Outstanding dues to MSME	92	-	-	-	-	92
	97	-	-	-	-	97
Others	2,039	362	-	-	-	2,401
	1,943	*386*	-	-	-	*2,329*
Total trade payables	2,131	362	-	-	-	2,493
	2,040	***386***	-	-	-	***2,426***

Relationship with struck off companies

(In ₹ crore)

Name of Struck off Company	**Nature of transactions**	**Transactions during the year March 31, 2024**	**Balance outstanding as at March 31, 2024**	**Relationship with the Struck off company**
		-	-	

There are no transactions with struck off companies for the year ending March 31, 2024

2.15 OTHER LIABILITIES

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Non-current		
Accrued defined benefit liability	123	412
Others	27	2
Total non - current other liabilities	**150**	**414**
Current		
Accrued defined benefit liability	2	2
Unearned revenue	5,698	5,491
Others		
Withholding taxes and others	1,974	2,088
Others	7	28
Total current other liabilities	**7,681**	**7,609**
Total other liabilities	**7,831**	**8,023**

2.16 PROVISIONS

Accounting Policy

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

a. Post-sales client support

The Company provides its clients with a fixed-period post sales support on its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded in the Statement of Profit and Loss. The Company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Provision for post-sales client support and other provisions

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Current		
Others		
Post-sales client support and other provisions	1,464	1,163
Total provisions	**1,464**	**1,163**

The movement in the provision for post-sales client support is as follows : *(In ₹ crore)*

Particulars	Year ended March 31, 2024
Balance at the beginning	**1,163**
Provision recognized/(reversed)	689
Provision utilized	(396)
Translation difference	8
Balance at the end	**1,464**

Provision for post sales client support and other provisions majorly represents costs associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

2.17 INCOME TAXES

Accounting Policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

The Company offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

Income tax expense in the statement of Profit and Loss comprises:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	**2023**
Current taxes	7,306	8,167
Deferred taxes	1,413	208
Income tax expense	**8,719**	**8,375**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	**2023**
Profit before income taxes	35,953	31,643
Enacted tax rates in India	34.94%	34.94%
Computed expected tax expense	12,564	11,057
Tax effect due to non-taxable income for Indian tax purposes	(3,009)	(2,916)
Overseas taxes	1,081	1,028
Tax provision (reversals)	(913)	(116)
Effect of exempt non-operating income	(1,086)	(563)
Effect of non-deductible expenses	135	144
Effect of differential tax rates	(189)	-
Others	136	(259)
Income tax expense	**8,719**	**8,375**

The applicable Indian corporate statutory tax rate for the year ended March 31, 2024 and March 31, 2023 is 34.94% .

Income tax expense for the year ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹913 crore and ₹116 crore, respectively. These reversals pertaining to prior periods is primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

During the year ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of ₹1,933 crore was recognised and provision for income tax aggregating ₹525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹ 1,628 crore has been reduced from contingent liabilities.

The foreign tax expense is due to income taxes payable overseas, principally in the United States. In India, the Company has benefited from certain income tax incentives that the Government of India had provided for export of software and services from the units registered under the Special Economic Zones Act (SEZs), 2005. SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for further five years. Up to 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone re-investment Reserve out of the profit for the eligible SEZ units and utilization of such reserve by the Company for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961. (Refer to Special Economic Zone Re-investment reserve under Note 2.12 Equity).

Deferred income tax for the year ended March 31, 2024 and March 31, 2023 substantially relates to origination and reversal of temporary differences.

Infosys is subject to a 15% Branch Profit Tax (BPT) in the U.S. to the extent its U.S. branch's net profit during the year is greater than the increase in the net assets of the U.S. branch during the year, computed in accordance with the Internal Revenue Code. As at March 31, 2024, Infosys' U.S. branch net assets amounted to approximately ₹7,844 crore. As at March 31, 2024, the Company has a deferred tax liability for branch profit tax of ₹269 crore (net of credits), as the Company estimates that these branch profits are expected to be distributed in the foreseeable future.

Deferred income tax liabilities have not been recognized on temporary differences amounting to ₹10,776 crore and ₹10,948 crore as at March 31, 2024 and March 31, 2023, respectively, associated with investments in subsidiaries and branches as the Company is able to control the timing of reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. The Company majorly intends to repatriate earnings from subsidiaries and branches only to the extent these can be distributed in a tax free manner.

Deferred income tax assets have not been recognized on accumulated losses of ₹1,358 crore each as at March 31, 2024 and March 31, 2023, respectively as it is probable that future taxable profit will not be available against which the unused tax losses can be utilized in the foreseeable future. Majority of the accumulated losses as at March 31, 2023 will expire between financial years 2028 to 2030.

The details of income tax assets and income tax liabilities as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Income tax assets	8,912	5,916
Current income tax liabilities	2,962	2,834
Net current income tax assets/(liabilities) at the end	**5,950**	**3,082**

The gross movement in the current income tax assets/ (liabilities) for the year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Net current income tax assets/(liabilities) at the beginning	**3,082**	**3,406**
Income tax paid	8,235	7,807
Interest on income tax refund	1,934	-
Current income tax expense	(7,306)	(8,167)
Income tax benefit arising on exercise of stock options	3	51
Income tax on other comprehensive income	2	(22)
Tax impact on buyback expenses	-	9
Impact on account of Ind AS 37 adoption	-	(2)
Net current income tax assets/ (liabilities) at the end	**5,950**	**3,082**

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2024 is as follows:

(In ₹ crore)

Particulars	Carrying value as of April 1, 2023	Changes through profit and loss	Changes through OCI	Impact on account of Ind AS 37 adoption	Translation difference	Carrying value as of March 31, 2024
Deferred income tax assets/(liabilities)						
Property, plant and equipment	211	69	-	-	-	280
Lease liabilities	199	(26)	-	-	-	173
Trade receivables	211	(30)	-	-	-	181
Compensated absences	501	41	-	-	-	542
Post sales client support	188	(169)	-	-	-	19
Derivative financial instruments	-	(7)	(4)	-	-	(11)
Credits related to branch profits	718	84	-	-	9	811
Intangibles through business transfer	2	(1)	-	-	-	1
Branch profit tax	(866)	(202)	-	-	(12)	(1,080)
SEZ reinvestment reserve	(1,329)	(610)	-	-	-	(1,939)
Interest receivable on income tax refund	-	(487)	-	-	-	(487)
Others	78	(75)	(4)	-	2	1
Total deferred income tax assets/(liabilities)	**(87)**	**(1,413)**	**(8)**	**-**	**(1)**	**(1,509)**

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Carrying value as of April 1, 2022	Changes through profit and loss	Changes through OCI	Impact on account of Ind AS 37 adoption	Translation difference	Carrying value as of March 31, 2023
Deferred income tax assets/(liabilities)						
Property, plant and equipment	189	22	-	-	-	211
Lease liabilities	163	36	-	-	-	199
Trade receivables	169	42	-	-	-	211
Compensated absences	466	35	-	-	-	501
Post sales client support	118	68	-	2	-	188
Derivative financial instruments	(24)	22	2	-	-	-
Credits related to branch profits	676	(13)	-	-	55	718
Intangibles through business transfer	(4)	6	-	-	-	2
Branch profit tax	(834)	35	-	-	(67)	(866)
SEZ reinvestment reserve	(830)	(499)	-	-	-	(1,329)
Others	40	38	-	-	-	78
Total deferred income tax assets/(liabilities)	**129**	**(208)**	**2**	**2**	**(12)**	**(87)**

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Deferred income tax assets after set off	-	779
Deferred income tax liabilities after set off	(1,509)	(866)

In assessing the reliability of deferred income tax assets, the management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The Company's Advanced Pricing Arrangement (APA) with the Internal Revenue Service (IRS) for US branch income tax expired in March 2021. The Company has applied for renewal of APA and currently the US taxable income is based on the Company's best estimate determined based on the expected value method.

2.18 REVENUE FROM OPERATIONS

Accounting Policy

The Company derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Company's core and digital offerings (together called as "software related services"). Contracts with customers are either on a time-and-material, unit of work, fixed-price or on a fixed-timeframe basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing, by the parties, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company's contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue on time-and-material and unit of work based contracts, are recognized as the related services are performed. Fixed price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The billing schedules agreed with customers include periodic performance based billing and / or milestone based progress billings. Revenues in excess of billing are classified as unbilled revenue while billing in excess of revenues are classified as contract liabilities (which we refer to as "unearned revenues").

In arrangements for software development and related services and maintenance services, by applying the revenue recognition criteria for each distinct performance obligation, the arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Certain cloud and infrastructure services contracts include multiple elements which may be subject to other specific accounting guidance, such as leasing guidance. These contracts are accounted in accordance with such specific accounting guidance. In such arrangements where the Company is able to determine that hardware and services are distinct performance obligations, it allocates the consideration to these performance obligations on a relative standalone selling price basis. In the absence of standalone selling price, the Company uses the expected cost-plus margin approach in estimating the standalone selling price. When such arrangements are considered as a single performance obligation, revenue is recognized over the period and measure of progress is determined based on promise in the contract.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services (ATS). When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two distinct separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the Company uses the expected cost plus margin approach in estimating the standalone selling price. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably on a straight line basis over the period in which the services are rendered.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

A contract modification is a change in the scope or price or both of a contract that is approved by the parties to the contract. A contract modification that results in the addition of distinct performance obligations are accounted for either as a separate contract if the additional services are priced at the standalone selling price or as a termination of the existing contract and creation of a new contract if they are not priced at the standalone selling price. If the modification does not result in a distinct performance obligation, it is accounted for as part of the existing contract on a cumulative catch-up basis.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Company expects to recover them.

Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to expenses over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Revenue from operations for the year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	**Year ended March 31,**	
	2024	**2023**
Revenue from software services	128,637	123,755
Revenue from products and platforms	296	259
Total revenue from operations	**128,933**	**124,014**

Products & platforms

The Company derives revenues from the sale of products and platforms including Infosys Applied AI which applies next-generation AI and machine learning.

The percentage of revenue from fixed-price contracts for the Year ended March 31, 2024 and March 31, 2023 is 56% and 55%, respectively.

Trade receivables and Contract Balances

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Company's Balance Sheet. Amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., monthly or quarterly) or upon achievement of contractual milestones.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore unbilled revenues for other fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

During the year ended March 31, 2024 and March 31, 2023 , the company recognized revenue of ₹4,189 crore and ₹4,391 crore arising from opening unearned revenue as of April 1, 2023 and April 1, 2022 respectively.

During the year ended March 31, 2024 and March 31, 2023, ₹6,396 crore and ₹5,378 crore of unbilled revenue pertaining to other fixed price and fixed time frame contracts as of April 1, 2023 and April 1, 2022, respectively has been reclassified to Trade receivables upon billing to customers on completion of milestones.

Remaining performance obligation disclosure

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material and unit of work-based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency fluctuations.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2024, other than those meeting the exclusion criteria mentioned above, is ₹80,334 crore. Out of this, the Company expects to recognize revenue of around 53.7% within the next one year and the remaining thereafter. The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2023 is ₹70,680 crore. The contracts can generally be terminated by the customers and typically includes an enforceable termination penalty payable by them. Generally, customers have not terminated contracts without cause.

2.19 OTHER INCOME, NET

2.19.1 Other income

Accounting Policy

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

2.19.2 Foreign currency

Accounting Policy

Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to crore; one crore equals ten million).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Statement of Profit and Loss and reported within exchange gains/(losses) on translation of assets and liabilities, net, except when deferred in Other Comprehensive Income as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Other Comprehensive Income, net of taxes includes translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments and measured at fair value through other comprehensive income (FVOCI).

Government grant

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in the net profit in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the net profit in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

Other income for the year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Interest income on financial assets carried at amortized cost		
Tax free bonds and government bonds	131	148
Deposit with Bank and others	665	567
Interest income on financial assets carried at fair value through other comprehensive income		
Non-convertible debentures, commercial papers, certificates of deposit and government securities	898	850
Income on investments carried at fair value through other comprehensive income	-	1
Income on investments carried at fair value through profit or loss		
Gain / (loss) on liquid mutual funds and other investments	224	142
Interest on income tax refund	1,936	-
Dividend received from subsidiary	2,976	1,463
Exchange gains/(losses) on foreign currency forward and options contracts	111	(531)
Exchange gains/(losses) on translation of other assets and liabilities	214	960
Miscellaneous income, net	262	259
Total other income	**7,417**	**3,859**

2.20 EXPENSES

(In ₹ crore)

Particulars	Year ended March 31, 2024	2023
Employee benefit expenses		
Salaries including bonus	62,383	60,194
Contribution to provident and other funds	1,972	1,914
Share based payments to employees (Refer to note 2.12)	575	460
Staff welfare	209	196
	65,139	**62,764**
Cost of software packages and others		
For own use	1,635	1,454
Third party items bought for service delivery to clients	5,256	3,760
	6,891	**5,214**
Other expenses		
Power and fuel	172	155
Brand and Marketing	851	756
Short-term leases	16	22
Rates and taxes	248	217
Repairs and Maintenance	953	922
Consumables	23	23
Insurance	172	140
Provision for post-sales client support and others	77	121
Commission to non-whole time directors	16	15
Impairment loss recognized / (reversed) under expected credit loss model	130	183
Auditor's remuneration		
Statutory audit fees	8	7
Tax matters	-	-
Other services	-	-
Contributions towards Corporate Social Responsibility	492	437
Others	430	283
	3,588	**3,281**

2.21 EMPLOYEE BENEFITS

Accounting Policy

2.21.1 Gratuity and Pensions

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible Indian employees of Infosys. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company contributes Gratuity liabilities to the Infosys Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The Company operates defined benefit pension plan in certain overseas jurisdictions, in accordance with the local laws. These plans are managed by third party fund managers. The plans provide for periodic payouts after retirement and/or a lumpsum payment as set out in rules of each fund and includes death and disability benefits. The defined benefit plans require contributions which are based on a percentage of salary that varies depending on the age of the respective employees.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an external actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market risk.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

2.21.2 Provident fund

Eligible employees of Infosys receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Infosys Limited Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

2.21.3 Superannuation

Certain employees of Infosys are participants in a defined contribution plan. The Company has no further obligations to the Plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India.

2.21.4 Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an external actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

a. Gratuity and Pension

The following table sets out the details of the defined benefit retirement plans and the amounts recognized in the standalone financial statements as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	**Gratuity**		**Pension**	
	As at March 31,		**As at March 31,**	
	2024	**2023**	**2024**	**2023**
Change in benefit obligations				
Benefit obligations at the beginning	1,524	1,467	591	610
Service cost	280	249	30	23
Interest expense	104	88	11	3
Past service cost - plan amendments	-	1	(28)	-
Transfer	32	3	-	-
Remeasurements - Actuarial (gains)/ losses	22	(65)	18	(76)
Employee contribution	-	-	23	18
Benefits paid	(132)	(233)	29	(45)
Translation difference	-	14	12	58
Benefit obligations at the end	**1,830**	**1,524**	**686**	**591**
Change in plan assets				
Fair value of plan assets at the beginning	1,516	1,477	537	534
Interest income	110	91	10	2
Transfer	3	4	-	-
Remeasurements- Return on plan assets excluding amounts included in interest income	15	20	11	(46)
Employee contribution	-	-	23	18
Employer contribution	303	155	29	22
Benefits paid	(130)	(231)	29	(45)
Translation difference	-	-	11	52
Fair value of plan assets at the end	**1,817**	**1,516**	**650**	**537**
Funded status	**(13)**	**(8)**	**(36)**	**(54)**
Defined benefit plan asset *(Refer note 2.10)*	9	9	-	-
Defined benefit plan liability	(22)	(17)	(36)	(54)

The amount for the year ended March 31, 2024 and March 31, 2023 recognized in the Statement of Profit and Loss under employee benefit expense are as follows:

(In ₹ crore)

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Service cost	280	249	30	23
Net interest on the net defined benefit liability/asset	(6)	(3)	1	1
Plan amendments	-	1	(28)	-
Net cost	274	247	3	24

The amount for the year ended March 31, 2024 and March 31, 2023 recognized in the statement of other comprehensive income are as follows:

(In ₹ crore)

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Remeasurements of the net defined benefit liability/ (asset)				
Actuarial (gains) / losses	22	(65)	18	(76)
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(15)	(20)	(11)	46
	7	**(85)**	**7**	**(30)**

Break up of actuarial (gains)/losses for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
(Gain)/loss from change in demographic assumptions	-	-	-	-
(Gain)/loss from change in financial assumptions	9	(54)	16	(82)
(Gain) / loss from change in experience assumptions	13	(11)	2	6
	22	**(65)**	**18**	**(76)**

The weighted-average assumptions used to determine benefit obligations as at March 31, 2024 and March 31, 2023 are set out below:

Particulars	Gratuity		Pension	
	As at March 31,		As at March 31,	
	2024	2023	2024	2023
Discount Rate [1]	7%	7.1%	1.5%-3.4%	1.8%- 3.4%
Weighted average rate of increase in compensation levels [2]	6%	6%	1%-3%	1%-3%
Weighted average duration of defined benefit obligation [3]	5.8 years	5.9 years	12 years	12 years

The weighted-average assumptions used to determine net periodic benefit cost for the year ended March 31, 2024 and March 31, 2023 are set out below:

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Discount rate	7.1%	6.5%	1.8%-3.2%	0.4%- 1.25%
Weighted average rate of increase in compensation levels	6%	6%	1%-3%	1%-3%

[1]For domestic defined benefit plan in India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. For most of our overseas defined benefit plan, given that the market for high quality corporate bonds is not developed, the Government bond rate adjusted for corporate spreads is used.

[2]The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends, inflation in respective markets and management's estimate of future salary increases.

[3]Attrition rate considered is the management's estimate based on the past long-term trend of employee turnover in the Company. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of post-employment benefit obligation.

For domestic defined benefit plan in India, assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India. For overseas defined benefit plan, the assumptions regarding future mortality experience are set with regard to the latest statistics in life expectancy, plan experience and other relevant data.

The Company assesses all the above assumptions with its projected long-term plans of growth and prevalent industry standards.

The Company contributes all ascertained liabilities towards gratuity to the Infosys Limited Employees' Gratuity Fund Trust. Trustees administer contributions made to the trust. The plan assets of the overseas defined benefit plan have been primarily invested in insurer managed funds and the asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations applicable to pension funds and the insurer managers. The insurers' investment are diversified and provide for guaranteed interest rates arrangements.

Actual return on assets (including remeasurement) of the gratuity plan for the year ended March 31, 2024 and March 31, 2023 were ₹125 crore and ₹111 crore, respectively and for the pension plan were ₹21 crore and (₹44) crore, respectively.

The contributions for gratuity are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law. The table below sets out the details of major plan assets into various categories as at March 31, 2024 and March 31, 2023:

Particulars	Pension	
	As at March 31,	
	2024	2023
Equity	34%	34%
Bonds	32%	32%
Real Estate/Property	26%	26%
Cash and Cash Equivalents	1%	1%
Other	7%	7%

These defined benefit plans expose the Company to actuarial risk which are set out below:
Interest rate risk: The present value of the defined benefit plan liability is generally calculated using a discount rate determined by reference to government bond yields and in certain overseas jurisdictions, it is calculated in reference to government bond yield adjusted for a corporate spread. If bond yields fall, the defined benefit obligation will tend to increase.

Life expectancy and investment risk: The pension fund offers the choice between a lifelong pension and a cash lump sum upon retirement. The pension fund has defined rates for converting the lump sum to a pension and there is the risk that the members live longer than implied by these conversion rates and that the pension assets don't achieve the investment return implied by these conversion rates.

Asset volatility: A proportion of the pension fund is held in equities, which is expected to outperform corporate bonds in the long term but give exposure to volatility and risk in the short term. The pension fund board of insurer is responsible for the investment strategy and equity allocation is justified given the long-term investment horizon of the pension fund and the objective to provide a reasonable long term return on members' account balances.

The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :

(in ₹ crore)

Impact from	As at March 31, 2024	
	Gratuity	Pension
	1% point increase / decrease	0.5% point increase / decrease
Discount Rate	102	28
Weighted average rate of increase in compensation level	93	4

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation, keeping all other actuarial assumptions constant. In practice, this is not probable, and changes in some of the assumptions may be correlated.

The Company expects to contribute ₹300 crore to gratuity and ₹ 27 crore to pension during the fiscal 2025.

Maturity profile of defined benefit obligation:

(In ₹ crore)

	Gratuity	Pension
Within 1 year	244	43
1-2 year	250	44
2-3 year	284	44
3-4 year	365	45
4-5 year	396	45
5-10 years	1,963	217

b. Superannuation

The Company contributed ₹493 crore and ₹468 crore to the Superannuation trust during the year ended March 31, 2024 and March 31, 2023 respectively and the same has been recognized in the Statement of Profit and Loss account under the head employee benefit expense.

c. Provident fund

Infosys has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India.

The following tables set out the funded status of the defined benefit provident fund plan of Infosys limited and the amounts recognized in the Company's financial statements as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at March 31,	
	2024	2023
Change in benefit obligations		
Benefit obligations at the beginning	10,527	9,304
Service cost	880	814
Employee contribution	1,652	1,689
Interest expense	764	625
Actuarial (gains) / loss	96	(82)
Benefits paid	(2,040)	(1,823)
Benefit obligations at the end	**11,879**	**10,527**
Change in plan assets		
Fair value of plan assets at the beginning	10,184	9,058
Interest income	740	609
Remeasurements- Return on plan assets excluding amounts included in interest income	234	(186)
Employer contribution	1,042	837
Employee contribution	1,652	1,689
Benefits paid	(2,040)	(1,823)
Fair value of plan assets at the end	**11,812**	**10,184**
Net liability	(67)	(343)

Amount for the year ended March 31, 2024 and March 31, 2023 recognized in the statement of other comprehensive income:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Service cost	880	814
Net interest on the net defined benefit liability / asset	24	16
Net providend fund cost	**904**	**830**

Amount for the year ended March 31, 2024 and March 31, 2023 recognized in the statement of other comprehensive income:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial (gains) / losses	96	(82)
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(234)	186
	(138)	**104**

The assumptions used in determining the present value obligation of the defined benefit plan under the Deterministic Approach are as follows:

Particulars	As at March 31,	
	2024	2023
Government of India (GOI) bond yield [(1)]	7.00%	7.10%
Expected rate of return on plan assets	8.20%	8.15%
Remaining term to maturity of portfolio	6 years	6 years
Expected guaranteed interest rate	8.25%	8.15%

[(1)] In India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of the post- employment benefit obligations.

The breakup of the plan assets into various categories as at March 31, 2024 and March 31, 2023 is as follows:

Particulars	As at March 31,	
	2024	2023
Central and State government bonds	60%	60%
Public sector undertakings and Private sector bonds	30%	33%
Others	10%	7%

The asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations.

The actuarial valuation of PF liability exposes the Company to interest rate risk. The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

As at March 31, 2024 the defined benefit obligation would be affected by approximately ₹66 crore and ₹110 crore on account of a 0.25% increase / decrease in the expected rate of return on plan assets.

The Company contributed ₹1100 crore and ₹1,053 crore to the provident fund during the year ended March 31, 2024 and March 31, 2023, respectively. The same has been recognized in the net profit in the statement of profit and loss under the head employee benefit expense.

The provident plans are applicable only to employees drawing a salary in Indian rupees.

Employee benefits cost include:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Salaries and bonus[(1)]	63,274	60,973
Defined contribution plans	493	468
Defined benefit plans	1,372	1,323
	65,139	**62,764**

(1) Includes employee stock compensation expense of ₹575 cror e and ₹460 crore for the year ended March 31, 2024 and March 31, 2023, respectively (Refer to note 2.12).

2.22 RECONCILIATION OF BASIC AND DILUTED SHARES USED IN COMPUTING EARNINGS PER EQUITY SHARE

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	**Year ended March 31,**	
	2024	**2023**
Basic earnings per equity share - weighted average number of equity shares outstanding	4,15,00,99,796	4,19,38,13,881
Effect of dilutive common equivalent shares - share options outstanding	38,94,828	44,20,497
Diluted earnings per equity share - weighted average number of equity shares and common equivalent shares outstanding	**4,15,39,94,624**	**4,19,82,34,378**

For the years ended March 31, 2024 and March 31, 2023, there were 47,395 and 271 options to purchase equity shares which had an anti-dilutive effect.

2.23 CONTINGENT LIABILITIES AND COMMITMENTS

Accounting Policy

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Contingent liabilities:		
Claims against the Company, not acknowledged as debts(1)	2,649	4,316
[Amount paid to statutory authorities ₹8,283 crore (₹6,115 crore)]		
Commitments:		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)(2)	688	824
Other Commitments*	5	8

** Uncalled capital pertaining to investments*

(1) As at March 31, 2024 and March 31, 2023, claims against the Company not acknowledged as debts in respect of income tax matters amounted to ₹2,260 crore and ₹3,953 crore, respectively.

The claims against the Company primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of issues of disallowance of expenditure towards software being held as capital in nature, payments made to Associated Enterprises held as liable for withholding of taxes, among others. These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company financial position and results of operations

Amount paid to statutory authorities against the tax claims amounted to ₹8,273 crore and ₹6,105 crore as at March 31, 2024 and March 31, 2023, respectively.

(2) Capital contracts primarily comprises of commitments for infrastructure facilities and computer equipments.

Legal Proceedings

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management reasonably expects that such ordinary course legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Company's results of operations or financial condition.

2.24 RELATED PARTY TRANSACTIONS

List of related parties

		Holdings as at	
Name of subsidiaries	**Country**	**March 31, 2024**	**March 31, 2023**
Infosys Technologies (China) Co. Limited (Infosys China)(1)	China	100%	100%
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)(1)	Mexico	100%	100%
Infosys Technologies (Sweden) AB (Infosys Sweden)(1)	Sweden	100%	100%
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)(1)	China	100%	100%
EdgeVerve Systems Limited (EdgeVerve)(1)	India	100%	100%
Infosys Austria GmbH(1)	Austria	100%	100%
Skava Systems Private Limited (Skava Systems)(1)(22)	India	100%	100%
Infosys Chile SpA(1)	Chile	100%	100%
Infosys Arabia Limited(2)(22)	Saudi Arabia	70%	70%
Infosys Consulting Ltda.(1)	Brazil	100%	100%
Infosys Luxembourg S.a.r.l(1)	Luxembourg	100%	100%
Infosys Americas Inc. (Infosys Americas)(1)(30)	U.S.	-	100%
Infosys Consulting S.R.L.(1)(19)	Argentina	100%	100%
Infosys Consulting S.R.L.(1)	Romania	100%	100%
Infosys Limited Bulgaria EOOD(1)	Bulgaria	100%	100%
Infosys Turkey Bilgi Teknolojileri Limited Sirketi(1)	Turkey	100%	100%
Infosys Germany Holding Gmbh(1)	Germany	100%	100%
Infosys Automotive and Mobility GmbH & Co. KG(1)	Germany	100%	100%
Infosys Green Forum(1)	India	100%	100%
Infosys Business Solutions LLC(1)	Qatar	100%	100%
WongDoody Inc. (1)	U.S.	100%	100%
Danske IT and Support Services India Private Limited ("Danske IT") (1)(32)	India	100%	-
Infosys Public Services, Inc. USA (Infosys Public Services)(1)	U.S.	100%	100%
Infosys Public Services Canada Inc. (12)(23)	Canada	100%	100%
Infosys BPM Limited(1)	India	100%	100%
Infosys BPM UK Limited(3)	U.K.	100%	100%

Infosys (Czech Republic) Limited s.r.o.[3]	Czech Republic	100%	100%
Infosys Poland Sp z.o.o[3]	Poland	100%	100%
Infosys McCamish Systems LLC[3]	U.S.	100%	100%
Portland Group Pty Ltd[3]	Australia	100%	100%
Infosys BPO Americas LLC.[3]	U.S.	100%	100%
Infosys BPM Canada Inc [3][31][36]	Canada	-	-
Panaya Inc. (Panaya)[1]	U.S.	100%	100%
Panaya Ltd.[4]	Israel	100%	100%
Panaya Germany GmbH [4][27]	Germany	100%	100%
Brilliant Basics Holdings Limited (Brilliant Basics)[1][22]	U.K.	100%	100%
Brilliant Basics Limited [5][22]	U.K.	100%	100%
Infosys Consulting Holding AG [1]	Switzerland	100%	100%
Infosys Management Consulting Pty Limited[6]	Australia	100%	100%
Infosys Consulting AG[6]	Switzerland	100%	100%
Infosys Consulting GmbH[6]	Germany	100%	100%
Infosys Consulting SAS[6]	France	100%	100%
Infy Consulting B.V.[6]	The Netherlands	100%	100%
Infosys Consulting (Belgium) NV[6]	Belgium	100%	100%
Infy Consulting Company Ltd[6]	U.K.	100%	100%
GuideVision s.r.o.[7]	Czech Republic	100%	100%
GuideVision Deutschland GmbH[8]	Germany	100%	100%
GuideVision Suomi Oy[8]	Finland	100%	100%
GuideVision Magyarország Kft[8]	Hungary	100%	100%
GuideVision Polska Sp. z.o.o[8]	Poland	100%	100%
GuideVision UK Ltd[8][22]	U.K.	100%	100%
Infosys Nova Holdings LLC. (Infosys Nova)[1]	U.S.	100%	100%
Outbox systems Inc. dba Simplus (US)[9]	U.S.	100%	100%
Simplus ANZ Pty Ltd.[10]	Australia	100%	100%
Simplus Australia Pty Ltd[11]	Australia	100%	100%
Simplus Philippines, Inc.[10]	Philippines	100%	100%
Kaleidoscope Animations, Inc.[9]	U.S.	100%	100%
Kaleidoscope Prototyping LLC[18][34]	U.S.	-	100%
Blue Acorn iCi Inc (formerly Beringer Commerce Inc)[9]	U.S.	100%	100%
Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)[1]	Singapore	100%	100%
Infosys Financial Services GmbH. (formerly Panaya GmbH) [13][29]	Germany	100%	100%
Infosys South Africa (Pty) Ltd[13]	South Africa	100%	100%
Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.)[13]	Malaysia	100%	100%
Infosys Middle East FZ LLC [13]	Dubai	100%	100%
Infosys Norway [13][28]	Norway	100%	100%
Infosys Compaz Pte. Ltd [14]	Singapore	60%	60%
HIPUS Co., Ltd[14]	Japan	81%	81%
Fluido Oy [13]	Finland	100%	100%
Fluido Sweden AB [15]	Sweden	100%	100%
Fluido Norway A/S[15]	Norway	100%	100%
Fluido Denmark A/S[15]	Denmark	100%	100%
Fluido Slovakia s.r.o[15]	Slovakia	100%	100%
Infosys Fluido UK, Ltd.[15]	U.K.	100%	100%
Infosys Fluido Ireland, Ltd.[16]	Ireland	100%	100%
Stater N.V.[14]	The Netherlands	75%	75%
Stater Nederland B.V.[17]	The Netherlands	75%	75%
Stater XXL B.V.[17]	The Netherlands	75%	75%
HypoCasso B.V.[17]	The Netherlands	75%	75%
Stater Participations B.V.[35]	The Netherlands	-	75%
Stater Belgium N.V./S.A.[17][35]	Belgium	75%	75%
Stater Gmbh[17]	Germany	75%	75%
Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall"))[13]	Germany	100%	100%
Wongdoody Gmbh (formerly known as oddity GmbH) [20]	Germany	100%	100%
WongDoody (Shanghai) Co. Limited (formerly known as oddity (Shanghai) Co., Ltd.) [21]	China	100%	100%
WongDoody limited (Taipei) (formerly known as oddity Limited (Taipei)) [21]	Taiwan	100%	100%
oddity space GmbH [20][33]	Germany	-	100%
oddity jungle GmbH [20][33]	Germany	-	100%
oddity code GmbH [20][33]	Germany	-	100%
WongDoody d.o.o (formerly known as oddity code d.o.o) [21][33]	Serbia	100%	100%
oddity waves GmbH [20][33]	Germany	-	100%
oddity group services GmbH [20][33]	Germany	-	100%
BASE life science A/S [13][24]	Denmark	100%	100%
BASE life science AG [25]	Switzerland	100%	100%
BASE life science GmbH [25]	Germany	100%	100%
BASE life science S.A.S [25]	France	100%	100%
BASE life science Ltd. [25]	U.K.	100%	100%
BASE life science S.r.l. [25]	Italy	100%	100%
Innovisor Inc.[25]	U.S.	100%	100%
BASE life science Inc.[25]	U.S.	100%	100%
BASE life science S.L.[25][26]	Spain	100%	100%

[1] Wholly-owned subsidiary of Infosys Limited

[2] Majority owned and controlled subsidiary of Infosys Limited

[3] Wholly-owned subsidiary of Infosys BPM Limited

[4] Wholly-owned subsidiary of Panaya Inc.

[5] Wholly-owned subsidiary of Brilliant Basics Holding Limited.

[6] Wholly-owned subsidiary of Infosys Consulting Holding AG

[7]Wholly-owned subsidiary of Infy Consulting Company Limited
[8]Wholly-owned subsidiary of GuideVision s.r.o.
[9] Wholly-owned subsidiary of Infosys Nova Holdings LLC
[10] Wholly-owned subsidiary of Outbox systems Inc. dba Simplus (US)
[11] Wholly-owned subsidiary of Simplus ANZ Pty Ltd
[12]Wholly-owned subsidiary of Infosys Public Services, Inc.
[13] Wholly-owned subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)
[14]Majority owned and controlled subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)
[15]Wholly-owned subsidiary of Fluido Oy
[16]Wholly-owned subsidiary of Infosys Fluido UK, Ltd.
[17]Wholly-owned subsidiary of Stater N.V
[18] Wholly-owned subsidiary of Kaleidoscope Animations, Inc.

[19] Infosys Consulting S.R.L. (Argentina) (formerly a wholly-owned subsidiary of Infosys Consulting Holding AG) became the majority owned and controlled subsidiary of Infosys Limited with effect from April 1, 2022

[20] On April 20, 2022, Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall")) (a wholly owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.)) acquired 100% of voting interests in oddity space GmbH, oddity jungle GmbH, oddity waves GmbH, oddity group services GmbH, oddity code GmbH and Wongdoody Gmbh (formerly known as oddity GmbH)

[21] Wholly-owned subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH)
[22] Under liquidation
[23] Incorporated on July 8, 2022
[24] On September 1, 2022, Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.) (a Wholly-owned subsidiary of Infosys Limited) acquired 100% of voting interests in BASE life science A/S.
[25] Wholly-owned subsidiary of BASE life science A/S
[26] Incorporated on September 6, 2022
[27] Incorporated effective December 15, 2022
[28] Incorporated effective September 22, 2022.

[29] Infosys Financial Services GmbH. (formerly Panaya GmbH) became a wholly-owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.) with effect from February 23, 2023.
[30] Liquidated effective July 14, 2023
[31] Incorporated on August 11, 2023

[32] On September 1, 2023 Infosys Ltd. acquired 100% of voting interests in Danske IT and Support Services India Private Limited ("Danske IT"). Danske IT renamed as Idunn Information Technology Private Limited from April 1, 2024.
[33] On September 29, 2023, oddity space GmbH, oddity waves GmbH, oddity jungle GmbH, oddity group services GmbH and oddity code GmbH merged into WongDoody GmbH and oddity code d.o.o which was formerly a subsidiary of oddity code Gmbh has become a subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH).
[34] Kaleidoscope Prototyping LLC, a Wholly-owned subsidiary of Kaleidoscope Animations is liquidated effective November 1, 2023
[35] On November 24, 2023 Stater Participations B.V (Wholly-owned subsidiary of Stater N.V) merged with Stater N.V and Stater Belgium N.V./S.A which was formerly a wholly owned subsidiary of Stater Participations B.V. became a wholly owned subsidiary of Stater N.V.
[36] On March 15, 2024 Infosys BPM Canada Inc., a Wholly-owned subsidiary of Infosys BPM Limited got dissolved.

Infosys has provided guarantee for performance of certain contracts entered into by its subsidiaries.

List of other related party

Particulars	Country	Nature of relationship
Infosys Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys Limited
Infosys Limited Employees' Provident Fund Trust	India	Post-employment benefit plan of Infosys Limited
Infosys Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys Limited
Infosys Employees Welfare Trust	India	Controlled trust
Infosys Employee Benefits Trust	India	Controlled trust
Infosys Science Foundation	India	Controlled trust
Infosys Expanded Stock Ownership Trust	India	Controlled trust
Infosys Foundation	India	Trust jointly controlled by KMP

Refer to note 2.21 for information on transactions with post-employment benefit plans mentioned above.

List of key management personnel

Whole-time directors

Salil Parekh , Chief Executive Officer and Managing Director

Non-whole-time directors

Nandan M. Nilekani
D. Sundaram (appointed as lead independent director effective March 23, 2023)
Kiran Mazumdar-Shaw (retired as lead independent director effective March 22, 2023)
Micheal Gibbs
Uri Levine (retired as independent director effective April 19, 2023)
Bobby Parikh
Chitra Nayak
Govind Iyer (appointed as an independent director effective January 12, 2023)
Helene Auriol Potier (appointed as independent director effective May 26, 2023)
Nitin Paranjpe (appointed as an additional and independent director effective January 1, 2024)

Executive Officers

Inderpreet Sawhney, Group General Counsel and Chief Compliance Officer
Jayesh Sanghrajka (appointed as Chief Financial Officer effective April 1, 2024)
Nilanjan Roy (resigned as Chief Financial Officer of the Company effective March 31, 2024)
Shaji Mathew (appointed as Group Head - Human Resources effective March 22, 2023)
Krishnamurthy Shankar (retired as Group Head - Human Resources effective March 21, 2023)
Mohit Joshi (resigned as President effective March 11, 2023 and was on leave till June 9, 2023 which was his last date with the company)
Ravi Kumar S (resigned as President effective October 11, 2022)

Company Secretary

A. G. S. Manikantha

The details of amounts due to or due from related parties as at March 31, 2024 and March 31, 2023 are as follows:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Trade receivables		
BASE life science A/S	3	1
BASE life science AG	2	-
Infosys China	2	1
Infosys Mexico	3	2
Infosys BPM Limited	15	10
Infy Consulting Company Limited	12	11
Infosys Public Services	55	90
Infosys Public Services Canada Inc.	10	-
Infosys Sweden	7	6
Fluido Oy	3	1
Simplus Australia Pty Ltd	1	1
Infosys McCamish Systems LLC	45	66
Panaya Ltd	2	2
Infosys Compaz Pte Ltd	55	61
Stater Nederland B.V.	1	7
Outbox systems Inc. dba Simplus (US)	-	1
Infosys Luxembourg S.a.r.l	25	47
Infosys Chile SPA	4	1
Infosys South Africa (Pty) Ltd	-	5
HIPUS Co., Ltd	1	-
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	3	-
Infosys Automotive and Mobility GmbH & Co. KG	-	283
Infosys Middle East FZ LLC	10	15
	259	**611**
Loans		
Infosys Turkey Bilgi Teknolojileri Limited Sirketi [(1)]	-	43
	-	**43**
Prepaid expense and other assets		
Panaya Ltd	151	193
GuideVision, s.r.o.	1	1
Infosys Green Forum	3	4
	155	**198**
Other financial assets		
Infosys BPM Limited	19	13
Infosys Consulting GmbH	5	3
Infosys China	31	20
Infosys Shanghai	6	4
Infy Consulting Company Limited	31	12
Infosys Management Consulting Pty Ltd	2	1
Infosys Consulting AG	6	3
Infosys Consulting Ltda	1	1
Infy Consulting B.V.	3	2
Fluido Oy	1	1
Panaya Ltd	-	1
Infosys McCamish Systems LLC	68	32
Infosys Singapore Pte. Ltd	1	1
Infosys Automotive and Mobility GmbH & Co. KG	1,815	925
Infosys Poland Sp. Z.o.o	7	3
Fluido Denmark A/S	2	1
Infosys Consulting S.R.L. (Romania)	3	1
Infosys Consulting (Belgium) NV	4	3
WongDoody, Inc	6	3
Infosys Public Services	9	6
Simplus Philippines, Inc.	1	1
Outbox systems Inc. dba Simplus (US)	2	1
Infosys Luxembourg S.a.r.l	2	2
Infosys Business Solutions LLC	2	1
Infosys Compaz PTE Ltd	1	1
Kaleidoscope Animations, Inc.	2	1
Portland Group Pty Ltd	2	1
GuideVision, s.r.o.	2	1
Infosys (Czech Republic) Limited s.r.o.	1	1
Danske IT	4	-
WongDoody GmbH (formerly known as oddity GmbH)	1	-
Blue Acorn iCi Inc	2	-
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	2	-
Infosys Austria GMBH	2	-
Infosys Consulting S.R.L. (Argentina)	1	-
BASE life science A/S	1	-
Infosys Public Services Canada Inc.	1	-
Infosys Norway	1	-
Infosys Sweden	-	1
Infosys Middle East FZ LLC	1	1
HIPUS Co., Ltd	1	1
Edgeverve	-	2
	2,052	**1,051**
Unbilled revenues		
EdgeVerve	101	107
Infosys Consulting Ltda	-	4
Portland Group Pty Ltd	-	2
Infosys Austria GmbH	-	2
Infy Consulting Company Limited	-	5
Infosys Consulting S.R.L.(Romania)	1	2
Infosys Sweden	-	1
Infosys China	-	10
Infosys Turkey Bilgi Teknolojileri Limited Sirketi	-	3
Infosys Singapore Pte Limited	-	6
Infosys McCamish Systems LLC	45	137

Infosys Mexico	-	3
Infosys Poland sp. z o o	1	2
Stater Nederland B.V.	5	6
	153	**290**
Trade payables		
Infosys China	17	15
Infosys BPM Limited	135	136
Infosys (Czech Republic) Limited s.r.o.	33	26
Infosys Mexico	54	24
Infosys Sweden	98	57
Infosys Shanghai	14	13
Infosys Management Consulting Pty Ltd	29	19
Infosys Singapore Pte. Ltd.	15	15
Infy Consulting Company Limited	165	149
Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.)	-	5
Panaya Ltd	5	14
Infosys Public Services	1	1
Portland Group Pty Ltd	3	28
Infosys Chile SpA	3	4
Infosys Compaz Pte Ltd	2	2
Infosys Middle East FZ LLC	3	2
Infosys Poland Sp. Z.o.o	34	24
Infosys Consulting S.R.L. (Romania)	25	19
Fluido Oy	6	6
oddity jungle GmbH	-	1
Fluido Sweden AB	5	6
Edgeverve	2	1
WongDoody, Inc	63	3
Fluido Denmark A/S	1	2
Infosys Fluido UK Ltd	5	3
BASE life science AG	1	-
BASE life science GmbH	1	-
BASE life science Ltd.	2	-
Wongdoody D.O.O	1	-
WongDoody GmbH (formerly known as oddity GmbH)	2	-
BASE life science S.L.	1	-
Global Enterprise International (Malaysia) Sdn. Bhd.	13	-
Infosys Business Solutions LLC	3	-
Infosys South Africa (Pty) Ltd	4	-
Infosys Norway	6	-
Infosys McCamish Systems LLC	1	-
Infosys Automotive and Mobility GmbH & Co. KG	-	61
Infosys Limited Bulgaria EOOD	6	4
oddity Limited(Taipei)	1	1
Infosys Consulting Ltda	17	11
BASE life science A/S	1	1
	778	**653**
Other financial liabilities		
Infosys BPM Limited	44	31
Infosys Consulting AG	-	1
Infosys Mexico	2	1
Infosys China	7	6
Infosys Shanghai	5	3
Infosys Norway	1	-
GuideVision Suomi Oy	-	1
Outbox systems Inc. dba Simplus (US)	27	33
GuideVision, s.r.o.	5	8
Simplus Australia Pty Ltd	9	7
Simplus Philippines, Inc.	4	3
GuideVision Polska SP. Z O.O.	1	1
Kaleidoscope Animations, Inc.	46	6
WongDoody, Inc	-	82
Infosys Public Services	5	10
GuideVision Magyarország Kft.	1	1
Infosys Consulting Ltda	1	-
Infosys Consulting AG	2	-
Infosys Austria GmbH	-	-
Infosys Singapore Pte Limited	-	1
Infosys Automotive and Mobility GmbH & Co. KG	162	155
Danske IT	16	-
EdgeVerve	-	-
Infy Consulting Company Limited	14	-
Infosys South Africa (Pty) Ltd	1	-
Infosys Sweden	4	-
Infosys Compaz PTE Ltd	1	-
Infosys McCamish Systems LLC	2	-
Infosys Green Forum	5	6
Infosys Consulting (Belgium) NV	4	4
Blue Acorn iCi Inc	35	46
GuideVision Deutschland GmbH	-	1
Infosys Middle East FZ LLC	1	1
Infosys Luxembourg S.a.r.l	-	8
Infosys (Czech Republic) Limited s.r.o.	-	6
	405	**422**
Accrued expenses		
Infosys BPM Limited	29	30
	29	**30**

(In ₹ crore)

Particulars	**Maximum amount outstanding during the Year ended March 31,**	
	2024	**2023**
Loans and advances in the nature of loans given to subsidiaries		
Infosys Singapore Pte Ltd.	-	397
Infosys Turkey Bilgi Teknolojileri Limited Sirketi	57	43

The details of the related parties transactions entered into by the Company for the year ended March 31, 2024 and March 31, 2023 are as follows:

Particulars		*(In ₹ crore)* Year ended March 31,	
		2024	2023
Capital transactions:			
Financing transactions			
Equity			
	Infosys Business Solutions LLC	-	8
	Infosys Consulting S.R.L (Argentina)	-	2
	Infosys Turkey Bilgi Teknolojileri Limited Sirketi (1)	41	7
	Infosys America Inc.	(1)	-
	Skava Systems	(59)	-
	Infosys Luxembourg S.a.r.l	9	-
	Danske IT	82	-
		72	**17**
Preference share			
	Infosys Singapore Pte Ltd	-	1,513
		-	**1513**
Loans given			
	Infosys Singapore Pte Ltd.	-	**389**
	Infosys Turkey Bilgi Teknolojileri Limited Sirketi	-	**38**
		-	**427**
Loans repaid			
	Infosys Turkey Bilgi Teknolojileri Limited Sirketi	4	-
	Infosys Singapore Pte Ltd.	-	**393**
		4	**393**
Revenue transactions:			
Purchase of services			
	Infosys China	198	183
	Infosys Management Consulting Pty Ltd	297	211
	Infy Consulting Company Limited	1,914	1,608
	Infosys Singapore Pte. Ltd.	173	161
	Portland Group Pty Ltd	33	92
	Infosys (Czech Republic) Limited s.r.o.	360	294
	Infosys BPM Limited	2,162	2,101
	Infosys Sweden	99	56
	Infosys Shanghai	179	149
	Infosys Mexico	304	239
	Infosys Public Services	6	6
	Panaya Ltd	152	144
	Infosys Poland Sp. Z.o.o	287	209
	Infosys Consulting S.R.L. (Romania)	278	244
	Infosys Compaz Pte Ltd	19	25
	Infosys Consulting Ltda	173	116
	BASE life science A/S	12	2
	Kaleidoscope Animations, Inc.	151	50
	Infosys Chile SpA	40	34
	Infosys Middle East FZ LLC	50	51
	Fluido Oy	70	69
	Fluido Sweden AB	55	58
	Fluido Denmark A/S	14	25
	Infosys McCamish Systems LLC	9	10
	GuideVision, s.r.o.	93	67
	GuideVision Polska SP. Z O.O.	9	8
	Simplus Australia Pty Ltd	109	67
	Simplus Philippines, Inc.	44	26
	Outbox systems Inc. dba Simplus (US)	372	272
	Infosys Fluido UK Ltd	57	39
	Blue Acorn iCi Inc	461	384
	GuideVision Deutschland GmbH	5	3
	GuideVision Suomi Oy	5	7
	GuideVision Magyarország Kft.	12	13
	Infosys Limited Bulgaria EOOD	65	37
	WongDoody, Inc	765	759
	Infosys Luxembourg S.a.r.l	3	8
	Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.)	165	19
	oddity space GmbH	2	4
	oddity code d.o.o	6	1
	oddity jungle GmbH	1	1
	oddity Limited(Taipei)	4	1
	Fluido Norway A/S	2	1
	Infosys Consulting S.R.L. (Argentina)	2	1
	Infosys South Africa (Pty) Ltd	29	-
	Infosys Business Solutions LLC	3	-
	WongDoody GmbH (formerly known as oddity GmbH)	6	-
	oddity code GmbH	1	-
	BASE life science AG	17	-
	BASE life science Ltd.	2	-
	BASE life science GmbH	1	-
	BASE life science SL	1	-
	Infosys Norway	15	-
	Danske IT	16	-
	EdgeVerve	19	20
		9,327	**7,875**
Purchase of shared services including facilities and personnel			

	Infosys BPM Limited	7	36
	WongDoody, Inc	11	63
	WongDoody limited Taipei	1	-
	Infosys Green Forum	36	36
	Infosys China	-	1
	Infosys (Czech Republic) Limited s.r.o.	4	6
	Infosys Mexico	4	4
	Outbox systems Inc. dba Simplus (US)	7	2
	Infosys Consulting AG	2	3
	Infosys Automotive and Mobility GmbH & Co.KG	6	8
	Portland Group Pty Ltd	1	-
	WongDoody GmbH (formerly known as oddity GmbH)	2	-
	oddity Jungle GmbH	1	-
		82	**159**
Interest income			
	Infosys Turkey Bilgi Teknolojileri Limited Sirketi	2	2
	Infosys Singapore Pte. Ltd.	-	3
		2	**5**
Guarantee income			
	Infosys Singapore Pte. Ltd.	1	1
		1	**1**
Dividend income			
	Edgeverve	1,089	276
	Infosys BPM Limited	1,887	1,187
		2,976	**1,463**
Sale of services			
	Infosys China	13	24
	Infosys Mexico	30	22
	Infy Consulting Company Limited	74	53
	Infosys BPM Limited	112	113
	Fluido Oy	2	-
	Infosys Luxembourg S.a.r.l	146	140
	Infosys Middle East FZ LLC	26	26
	Infosys McCamish Systems LLC	401	458
	Infosys Sweden	91	70
	Infosys Shanghai	1	4
	EdgeVerve	961	822
	Infosys Public Services	696	778
	Outbox System,Inc. dba Simplus	-	1
	Infosys Compaz Pte Ltd	176	141
	Infosys Consulting Ltda	1	3
	Simplus Australia Pty Ltd	5	4
	Infosys Chile SpA	9	8
	Infosys Automotive and Mobility GmbH & Co. KG	1	70
	Blue Acorn iCi Inc	2	3
	Portland Group Pty Ltd	-	1
	Infosys Consulting S.R.L.(Romania)	-	1
	Infosys Singapore Pte. Ltd.	1	-
	BASE life science A/S	8	1
	Infosys Poland Sp. Z.o.o	-	2
	Infosys Business Solutions LLC	1	1
	Infosys South Africa (Pty) Ltd	1	5
	HIPUS Co., Ltd	1	-
	BASE life science AG	4	-
	Infosys Public Services Canada Inc.	46	-
	Stater Nederland B.V.	74	45
		2,883	**2,796**
Sale of shared services including facilities and personnel			
	EdgeVerve	25	28
	Panaya Ltd	8	7
	Infy Consulting Company Limited	17	12
	Infosys Public Services, Inc.	2	3
	Infosys Public Services Canada Inc.	1	-
	Infosys McCamish System LLC	27	25
	Infosys China	12	7
	Infosys Luxembourg S.a.r.l	4	4
	Infosys Shanghai	1	1
	Portland Group Pty. Limited	2	1
	Infosys Poland Sp. z.o.o.	4	1
	WongDoody, Inc.	2	2
	Wongdoody GmbH	1	-
	Fluido Oy	1	1
	Outbox systems Inc. dba Simplus (US)	1	2
	Infosys BPO Americas LLC	1	1
	Infosys Consulting AG	2	1
	Infy Consulting B.V.	3	2
	Infosys Consulting SAS	1	1
	Infosys Consulting GmbH	2	1
	HIPUS Co. Limited	1	1
	Kaleidoscope Animations, Inc	1	1
	Blue Acorn iCi Inc.	1	1

	Infosys Automotive and Mobility GmbH & Co.KG [2]	880	778
	Infosys Business Solutions LLC	-	1
	Infosys Green Forum	5	6
	Infosys BPM Limited [3]	107	88
	Infosys Management Consulting Pty Ltd	2	-
	Infosys Sweden	1	-
	Infosys Mexico	2	-
	Infosys (Czech Republic) Limited s.r.o.	2	-
	Infosys Compaz PTE Ltd	1	-
	Infosys Consulting Ltda	3	-
	Infosys Austria GMBH	1	-
	Infosys Consulting S.R.L. (Romania)	3	-
	Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	2	-
		1,129	**976**
Any other transaction			
	Infosys Foundation	369	321
		369	321

[(1)] *Includes loan conversion by way of issuing equity shares*

[(2)] *Includes amounts netted off against respective expenses*

[(3)] *Includes sale of fixed assets of ₹6 crore for FY 2024 and ₹2 crore for FY 2023.*

Refer to Note 2.5.1 for business transfer with wholly owned subsidiaries

The Company's related party transactions during the year ended March 31, 2024 and March 31, 2023 and outstanding balances as at March 31, 2024 and March 31, 2023 are with its subsidiaries with whom the Company generally enters into transactions which are at arms length and in the ordinary course of business.

Transactions with key management personnel

The table below describes the compensation to key management personnel which comprise directors and executive officers:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Salaries and other short term employee benefits to whole-time directors and executive officers[(1)(2)]	110	111
Commission and other benefits to non-executive / independent directors	17	16
Total	**127**	**127**

[(1)] *Total employee stock compensation expense for the year ended March 31, 2024 and March 31, 2023, includes a charge of ₹68 crore and ₹49 crore respectively, towards key management personnel.(Refer to note 2.12)*

[(2)] *Does not include post-employment benefits and other long-term benefits based on actuarial valuation as these are done for the Company as a whole.*

2.25 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(In ₹ crore)

Particulars		As at	
		March 31, 2024	March 31, 2023
i)	Amount required to be spent by the company during the year	492	437
ii)	Amount of expenditure incurred	453	392
iii)	Shortfall at the end of the year*	39	45
iv)	Total of previous years shortfall	7	9
v)	Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
vi)	Nature of CSR activities	Promoting education, promoting gender equality by empowering women, healthcare, , environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects	
vii)	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard[(1)]	369	321
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

[(1)]For the year ending March 31, 2024, the Company has made contributions to Infosys foundation to fulfil its corporate social responsibilities. Infosys Foundation supports programs in the areas of education, rural development, healthcare, arts and culture, and destitute care.

*The unspent amount will be transferred to unspent CSR account within 30 days from the end of the financial year, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.

2.26 SEGMENT REPORTING

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

2.27 Ratios

The ratios for the years ended March 31, 2024 and March 31, 2023 are as follows:

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance
Current Ratio	Current assets	Current liabilities	2.6	1.9	38.0% #
Debt – Equity Ratio	Total Debt (represents lease liabilities) (1)	Shareholder's Equity	0.0	0.1	-1.7%
Debt Service Coverage Ratio	Earnings available for debt service(2)	Debt Service(3)	36.4	37.7	(3.5%)
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	36.6%	34.0%	2.6%
Trade receivables turnover ratio	Revenue	Average Trade Receivable	5.6	6.2	-10.0%
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	12.7	11.7	8.9%
Net capital turnover ratio	Revenue	Working Capital	2.9	5.0	-41.6% *
Net profit ratio	Net Profit	Revenue	21.1%	18.8%	2.4%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed(4)	42.0%	43.8%	(1.8%)
Return on Investment(ROI)					
Unquoted	Income generated from investments	Time weighted average investments	8.5%	5.7%	2.8%
Quoted	Income generated from investments	Time weighted average investments	7.2%	3.6%	3.6%

(1) *Debt represents only lease liabilities*

(2) *Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.*

(3) *Lease payments for the current year*

(4) *Tangible net worth + deferred tax liabilities + Lease Liabilities*

* Working capital increase higher than the increase in revenue.

Current ratio has increased due to increase in current assets higher than decrease in current liabilities.

2.28 FUNCTION-WISE CLASSIFICATION OF STATEMENT OF PROFIT AND LOSS

(In ₹ crore)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	2.18	128,933	124,014
Cost of sales		89,032	85,762
Gross Profit		**39,901**	**38,252**
Operating expenses			
Selling and marketing expenses		5,668	5,018
General and administration expenses		5,420	5,293
Total operating expenses		11,088	10,311
Operating profit		**28,813**	**27,941**
Interest expense		277	157
Other income, net	2.19	7,417	3,859
Profit before tax		**35,953**	**31,643**
Tax expense:			
Current tax	2.17	7,306	8,167
Deferred tax	2.17	1,413	208
Profit for the year		**27,234**	**23,268**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset, net		128	(19)
Equity instruments through other comprehensive income, net	2.5 & 2.17	19	(6)
Items that will be reclassified subsequently to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net	2.11 & 2.17	11	(7)
Fair value changes on investments, net	2.5	129	(236)
Total other comprehensive income/(loss), net of tax		**287**	**(268)**
Total comprehensive income for the year		**27,521**	**23,000**

for and on behalf of the Board of Directors of Infosys Limited

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Bengaluru
April 18, 2024

Deloitte Haskins & Sells LLP

Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru-560 001
Karnataka, India

Tel: +91 80 6188 6000
Fax: +91 80 6188 6011

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

Report on the Audit of the Interim Condensed Standalone Financial Statements

Opinion

We have audited the accompanying interim condensed standalone financial statements of **INFOSYS LIMITED** (the "Company"), which comprise the Condensed Balance Sheet as at March 31, 2024, the Condensed Statement of Profit and Loss (including Other Comprehensive Income) for the three months and year ended on that date, the Condensed Statement of Changes in Equity and the Condensed Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "interim condensed standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim condensed standalone financial statements give a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 its profit and total comprehensive income for the three months and year ended on that date, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the interim condensed standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Condensed Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the interim condensed standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the interim condensed standalone financial statements.

Responsibilities of Management and Those Charged with Governance for the Interim Condensed Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed standalone financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS 34 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim condensed standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the interim condensed standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim Condensed Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim condensed standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim condensed standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the interim condensed standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim condensed standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the interim condensed standalone financial statements, including the disclosures, and whether the interim condensed standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim condensed standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the interim condensed standalone financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

INFOSYS LIMITED

Condensed Standalone Financial Statements under Indian Accounting Standards (Ind AS) for the three months and year ended March 31, 2024

Index **Page No.**

INFOSYS LIMITED

(In ₹ crore)

Condensed Balance Sheet as at	Note No.	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	10,813	11,656
Right-of-use assets	2.3	3,303	3,561
Capital work-in-progress		277	275
Goodwill	2.2	211	211
Other intangible assets		-	3
Financial assets			
Investments	2.4	23,352	23,686
Loans	2.5	34	39
Other financial assets	2.6	1,756	1,341
Deferred tax assets (net)	2.16	-	779
Income tax assets (net)	2.16	2,583	5,916
Other non-current assets	2.9	1,669	1,788
Total non - current assets		**43,998**	**49,255**
Current assets			
Financial assets			
Investments	2.4	11,307	4,476
Trade receivables	2.7	25,152	20,773
Cash and cash equivalents	2.8	8,191	6,534
Loans	2.5	208	291
Other financial assets	2.6	10,129	9,088
Income tax assets (net)	2.16	6,329	-
Other current assets	2.9	9,636	10,920
Total current assets		**70,952**	**52,082**
Total assets		**114,950**	**101,337**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.11	2,075	2,074
Other equity		79,101	65,671
Total equity		**81,176**	**67,745**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	2.3	3,088	3,553
Other financial liabilities	2.12	1,941	1,317
Deferred tax liabilities (net)		1,509	866
Other non-current liabilities	2.14	150	414
Total non - current liabilities		**6,688**	**6,150**
Current liabilities			
Financial liabilities			
Lease liabilities	2.3	678	713
Trade payables	2.13		
Total outstanding dues of micro enterprises and small enterprises		92	97
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,401	2,329
Other financial liabilities	2.12	11,808	12,697
Other current liabilities	2.14	7,681	7,609
Provisions	2.15	1,464	1,163
Income tax liabilities (net)		2,962	2,834
Total current liabilities		**27,086**	**27,442**
Total equity and liabilities		**114,950**	**101,337**

The accompanying notes form an integral part of the interim condensed standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No:

117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

(In ₹ crore except equity share and per equity share data)

Condensed Statement of Profit and Loss for the	Note No.	Three months ended March 31,		Year ended March 31,	
		2024	2023	2024	2023
Revenue from operations	2.17	32,001	30,531	128,933	124,014
Other income, net	2.18	3,483	766	7,417	3,859
Total income		**35,484**	**31,297**	**136,350**	**127,873**
Expenses					
Employee benefit expenses	2.19	16,047	15,581	65,139	62,764
Cost of technical sub-contractors		4,648	4,551	18,638	19,096
Travel expenses		371	335	1,372	1,227
Cost of software packages and others	2.19	2,098	875	6,891	5,214
Communication expenses		109	117	489	502
Consultancy and professional charges		287	261	1,059	1,236
Depreciation and amortization expenses		722	714	2,944	2,753
Finance cost		62	43	277	157
Other expenses	2.19	726	863	3,588	3,281
Total expenses		**25,070**	**23,340**	**100,397**	**96,230**
Profit before tax		**10,414**	**7,957**	**35,953**	**31,643**
Tax expense:					
Current tax	2.16	830	1,906	7,306	8,167
Deferred tax	2.16	1,104	147	1,413	208
Profit for the period		**8,480**	**5,904**	**27,234**	**23,268**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		36	10	128	(19)
Equity instruments through other comprehensive income, net		(12)	(14)	19	(6)
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		28	36	11	(7)
Fair value changes on investments, net		34	38	129	(236)
Total other comprehensive income/ (loss), net of tax		**86**	**70**	**287**	**(268)**
Total comprehensive income for the period		**8,566**	**5,974**	**27,521**	**23,000**
Earnings per equity share					
Equity shares of par value ₹5/- each					
Basic (in ₹ per share)		20.43	14.20	65.62	55.48
Diluted (in ₹ per share)		20.41	14.19	65.56	55.42
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.20	4,150,556,748	4,156,430,034	4,150,099,796	4,193,813,881
Diluted (in shares)	2.20	4,154,351,655	4,160,203,417	4,153,994,624	4,198,234,378

The accompanying notes form an integral part of the interim condensed standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED

Condensed Statement of Changes in Equity *(In ₹ crore)*

Particulars	Equity Share Capital	Other Equity											Total equity attributable to equity holders of the Company
		Reserves & Surplus								Other comprehensive income			
		Capital reserve		Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve (1)	Equity Instruments through other comprehensive income	Effective portion of Cash flow hedges	Other items of other comprehensive income / (loss)	
		Capital reserve	Other reserves (2)										
Balance as at April 1, 2022	**2,103**	**54**	**2,844**	**139**	**172**	**55,449**	**9**	**606**	**7,926**	**266**	**2**	**(264)**	**69,306**
Impact on adoption of amendment to Ind AS 37#	-	-	-	-	-	(9)	-	-	-	-	-	-	(9)
	2,103	**54**	**2,844**	**139**	**172**	**55,440**	**9**	**606**	**7,926**	**266**	**2**	**(264)**	**69,297**
Changes in equity for the period ended March 31, 2023													
Profit for the period	-	-	-	-	-	23,268	-	-	-	-	-	-	23,268
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	(19)	(19)
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	-	-	(6)	-	-	(6)
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	-	-	-	(7)	-	(7)
Fair value changes on investments, net*	-	-	-	-	-	-	-	-	-	-	-	(236)	(236)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**23,268**	**-**	**-**	**-**	**(6)**	**(7)**	**(255)**	**23,000**
Transferred to Special Economic Zone Re-investment reserve	-	-	-	-	-	(3,125)	-	-	3,125	-	-	-	-
Buyback of equity shares**	(30)	-	-	-	(340)	(11,096)	-	-	-	-	-	-	(11,466)
Transaction cost relating to buyback*	-	-	-	-	(19)	(5)	-	-	-	-	-	-	(24)
Amount transferred to capital redemption reserve upon buyback	-	-	-	30	-	(21)	(9)	-	-	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	1,397	-	-	(1,397)	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.11)	-	-	-	-	291	-	-	(291)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	2	(2)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.11)	1	-	-	-	29	-	-	-	-	-	-	-	30
Employee stock compensation expense (Refer to note 2.11)	-	-	-	-	-	-	-	514	-	-	-	-	514
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	51	-	-	-	-	51
Reserves on common control transaction	-	-	18	-	-	-	-	-	-	-	-	-	18
Dividends	-	-	-	-	-	(13,675)	-	-	-	-	-	-	(13,675)
Balance as at March 31, 2023	**2,074**	**54**	**2,862**	**169**	**133**	**52,183**	**2**	**878**	**9,654**	**260**	**(5)**	**(519)**	**67,745**

INFOSYS LIMITED

Condensed Statement of Changes in Equity (contd.)

(In ₹ crore)

Particulars	Equity Share Capital	Other Equity											Total equity attributable to equity holders of the Company
		Reserves & Surplus								Other comprehensive income			
		Capital reserve		Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve [1]	Equity Instruments through other comprehensive income	Effective portion of Cash flow hedges	Other items of other comprehensive income / (loss)	
		Capital reserve	Other reserves [2]										
Balance as at April 1, 2023	**2,074**	**54**	**2,862**	**169**	**133**	**52,183**	**2**	**878**	**9,654**	**260**	**(5)**	**(519)**	**67,745**
Changes in equity for the period ended March 31, 2024													
Profit for the period	-	-	-	-	-	27,234	-	-	-	-	-	-	27,234
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	128	128
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	-	-	19	-	-	19
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	-	-	-	11	-	11
Fair value changes on investments, net*	-	-	-	-	-	-	-	-	-	-	-	129	129
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**27,234**	**-**	**-**	**-**	**19**	**11**	**257**	**27,521**
Transferred to Special Economic Zone Re-investment reserve	-	-	-	-	-	(2,957)	-	-	2,957	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	824	-	-	(824)	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.11)	-	-	-	-	447	-	-	(447)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	160	(160)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.11)	1	-	-	-	-	-	-	-	-	-	-	-	1
Employee stock compensation expense (Refer to note 2.11)	-	-	-	-	-	-	-	639	-	-	-	-	639
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	3	-	-	-	-	3
Dividends	-	-	-	-	-	(14,733)	-	-	-	-	-	-	(14,733)
Balance as at March 31, 2024	**2,075**	**54**	**2,862**	**169**	**580**	**62,551**	**162**	**913**	**11,787**	**279**	**6**	**(262)**	**81,176**

**net of tax*

***Including tax on buyback of ₹2,166 crore for the year ended March 31, 2023.*

[#] *Impact on account of adoption of amendment to Ind AS 37 Provisions, Contingent Liabilities and Contingents Assets*

[1] *The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.*

[2] *Profit / loss on transfer of business between entities under common control taken to reserve.*

The accompanying notes form an integral part of the interim condensed standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
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Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED

Condensed Statement of Cash Flows

Accounting Policy

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(In ₹ crore)

Particulars	Note No.	Year ended March 31,	
		2024	2023
Cash flow from operating activities:			
Profit for the period		27,234	23,268
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation and Amortization		2,944	2,753
Income tax expense	2.16	8,719	8,375
Impairment loss recognized / (reversed) under expected credit loss model		130	183
Finance cost		277	157
Interest and dividend income		(4,670)	(3,028)
Stock compensation expense		575	460
Provision for post sale client support		77	121
Exchange differences on translation of assets and liabilities, net		63	(116)
Interest receivable on income tax refund		(1,934)	-
Other adjustments		235	34
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(2,933)	(5,065)
Loans, other financial assets and other assets		(1,645)	(2,171)
Trade payables		67	(243)
Other financial liabilities, other liabilities and provisions		(117)	2,248
Cash generated from operations		**29,022**	**26,976**
Income taxes paid		(8,235)	(7,807)
Net cash generated by operating activities		**20,787**	**19,169**
Cash flow from investing activities:			
Expenditure on property, plant and equipment		(1,832)	(2,130)
Deposits placed with corporation		(688)	(634)
Redemption of deposits placed with corporation		522	482
Interest and dividend received		1,441	1,299
Dividend received from subsidiary		2,976	1,463
Loan given to subsidiaries		-	(427)
Loan repaid by subsidiaries		4	393
Investment in subsidiaries		(63)	(1,530)
Receipt / (payment) towards business transfer for entities under common control		35	19
Receipt / (payment) from entities under liquidation		80	-
Escrow and other deposits pertaining to Buyback		-	(483)
Redemption of Escrow and other deposits pertaining to Buyback		-	483
Other receipts		123	61
Payments to acquire investments			
Liquid mutual fund units		(57,606)	(62,952)
Target maturity fund units		-	(400)
Tax free bonds and government bonds		-	(14)
Commercial papers		(9,405)	(2,485)
Certificates of deposit		(7,011)	(8,909)
Government Securities		-	(1,370)
Non-convertible debentures		(1,526)	-
Other investments		(2)	(4)
Proceeds on sale of investments			
Tax free bonds and government bonds		150	213
Liquid mutual fund units		56,124	64,168
Non-convertible debentures		955	395
Certificates of deposit		6,962	9,454
Commercial papers		5,475	2,098
Government Securities		5	1,532
Other investments		20	99
Net cash (used in) / generated from investing activities		**(3,261)**	**821**

(In ₹ crore)

Particulars	Note No.	Year ended March 31,	
		2024	2023
Cash flow from financing activities:			
Buyback of equity shares including transaction costs and tax on buyback		-	(11,499)
Payment of lease liabilities		(850)	(694)
Shares issued on exercise of employee stock options		1	30
Other receipts		-	44
Other payments		(243)	(64)
Payment of dividends		(14,733)	(13,674)
Net cash used in financing activities		**(15,825)**	**(25,857)**
Net increase / (decrease) in cash and cash equivalents		1,701	(5,867)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(44)	131
Cash and cash equivalents at the beginning of the period	2.8	6,534	12,270
Cash and cash equivalents at the end of the period	2.8	**8,191**	**6,534**
Supplementary information:			
Restricted cash balance	2.8	44	46

The accompanying notes form an integral part of the interim condensed standalone financial statements.

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No:
117366W/W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED

Overview and Notes to the Interim Condensed Standalone Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Electronics City, Hosur Road, Bengaluru 560100, Karnataka, India. The company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited. The Company’s American Depositary Shares (ADS) representing equity shares are listed on the New York Stock Exchange (NYSE).

The interim condensed standalone financial statements are approved for issue by the Company's Board of Directors on .

1.2 Basis of preparation of financial statements

These interim condensed standalone financial statements are prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). Accordingly, these interim condensed standalone financial statements do not include all the information required for a complete set of financial statements. These interim condensed standalone financial statements should be read in conjunction with the standalone financial statements and related notes included in the Company’s Annual Report for the year ended March 31, 2023. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited condensed standalone interim financial statements have been discussed in the respective notes.

As the quarter and year to date figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year to date figures reported in this statement.

1.3 Use of estimates and judgments

The preparation of the interim condensed standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the interim condensed standalone financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note no. 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the interim condensed standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the interim condensed standalone financial statements.

1.4 Critical accounting estimates and judgments

a. Revenue recognition

The Company’s contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgement.

Fixed price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Company’s costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Company uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

b. Income taxes

The Company's two major tax jurisdictions are India and the United States, though the Company also files tax returns in other overseas jurisdictions.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. (Refer to note 2.16).

c. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer to note 2.1).

2. Notes to the Interim Condensed Standalone Financial Statements

2.1 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method.

The estimated useful lives of assets are as follows:

Building[(1)]	22-25 years
Plant and machinery[(1)]	5 years
Office equipment	5 years
Computer equipment[(1)]	3-5 years
Furniture and fixtures[(1)]	5 years
Vehicles[(1)]	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

[(1)] *Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.*

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the condensed Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the condensed Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings[(1)(2)]	Plant and machinery[(2)]	Office Equipment[(2)]	Computer equipment[(2)]	Furniture and fixtures[(2)]	Leasehold Improvements	Vehicles	Total
Gross carrying value as at January 1, 2024	**1,430**	**10,403**	**3,154**	**1,354**	**7,240**	**2,141**	**977**	**45**	**26,744**
Additions	-	276	76	29	298	48	16	-	743
Deletions**	-	-	(16)	(13)	(159)	(29)	(30)	-	(247)
Gross carrying value as at March 31, 2024	**1,430**	**10,679**	**3,214**	**1,370**	**7,379**	**2,160**	**963**	**45**	**27,240**
Accumulated depreciation as at January 1, 2024	**-**	**(4,475)**	**(2,694)**	**(1,123)**	**(5,373)**	**(1,680)**	**(722)**	**(42)**	**(16,109)**
Depreciation	-	(100)	(54)	(28)	(277)	(53)	(39)	-	(551)
Accumulated depreciation on deletions**	-	-	16	12	153	24	28	-	233
Accumulated depreciation as at March 31, 2024	**-**	**(4,575)**	**(2,732)**	**(1,139)**	**(5,497)**	**(1,709)**	**(733)**	**(42)**	**(16,427)**
Carrying value as at January 1, 2024	**1,430**	**5,928**	**460**	**231**	**1,867**	**461**	**255**	**3**	**10,635**
Carrying value as at March 31, 2024	**1,430**	**6,104**	**482**	**231**	**1,882**	**451**	**230**	**3**	**10,813**

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings[(1)(2)]	Plant and machinery[(2)]	Office Equipment[(2)]	Computer equipment[(2)]	Furniture and fixtures[(2)]	Leasehold Improvements	Vehicles	Total
Gross carrying value as at January 1, 2023	**1,429**	**10,423**	**3,209**	**1,296**	**7,562**	**2,249**	**898**	**44**	**27,110**
Additions	2	22	103	46	441	157	84	1	856
Deletions*	(2)	-	(168)	(28)	(768)	(277)	(14)	-	(1,257)
Gross carrying value as at March 31, 2023	**1,429**	**10,445**	**3,144**	**1,314**	**7,235**	**2,129**	**968**	**45**	**26,709**
Accumulated depreciation as at January 1, 2023	**-**	**(4,126)**	**(2,667)**	**(1,060)**	**(5,452)**	**(1,767)**	**(616)**	**(39)**	**(15,727)**
Depreciation	-	(97)	(59)	(28)	(288)	(58)	(40)	(1)	(571)
Accumulated depreciation on deletions*	-	-	168	28	763	276	10	-	1,245
Accumulated depreciation as at March 31, 2023	**-**	**(4,223)**	**(2,558)**	**(1,060)**	**(4,977)**	**(1,549)**	**(646)**	**(40)**	**(15,053)**
Carrying value as at January 1, 2023	**1,429**	**6,297**	**542**	**236**	**2,110**	**482**	**282**	**5**	**11,383**
Carrying value as at March 31, 2023	**1,429**	**6,222**	**586**	**254**	**2,258**	**580**	**322**	**5**	**11,656**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings(1)(2)	Plant and machinery(2)	Office Equipment(2)	Computer equipment(2)	Furniture and fixtures(2)	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2023	**1,429**	**10,445**	**3,144**	**1,314**	**7,235**	**2,129**	**968**	**45**	**26,709**
Additions	1	289	119	90	765	100	70	1	1,435
Additions through business transfer *(Refer to note 2.4)*	-	-	-	2	12	8	12	-	34
Deletions**	-	(55)	(49)	(36)	(633)	(77)	(87)	(1)	(938)
Gross carrying value as at March 31, 2024	**1,430**	**10,679**	**3,214**	**1,370**	**7,379**	**2,160**	**963**	**45**	**27,240**
Accumulated depreciation as at April 1, 2023	**-**	**(4,223)**	**(2,558)**	**(1,060)**	**(4,977)**	**(1,549)**	**(646)**	**(40)**	**(15,053)**
Depreciation	-	(407)	(223)	(114)	(1,144)	(230)	(171)	(3)	(2,292)
Accumulated depreciation on deletions**	-	55	49	35	624	70	84	1	918
Accumulated depreciation as at March 31, 2024	**-**	**(4,575)**	**(2,732)**	**(1,139)**	**(5,497)**	**(1,709)**	**(733)**	**(42)**	**(16,427)**
Carrying value as at April 1, 2023	**1,429**	**6,222**	**586**	**254**	**2,258**	**580**	**322**	**5**	**11,656**
Carrying value as at March 31, 2024	**1,430**	**6,104**	**482**	**231**	**1,882**	**451**	**230**	**3**	**10,813**

** During the three months and year ended March 31, 2024, certain assets which were not in use having gross book value of ₹156 crore (net book value: Nil) and ₹646 crore (net book value: Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings(1)(2)	Plant and machinery(2)	Office Equipment(2)	Computer equipment(2)	Furniture and fixtures(2)	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2022	**1,429**	**10,115**	**3,054**	**1,250**	**7,239**	**2,070**	**817**	**44**	**26,018**
Additions	2	330	264	106	1,267	341	165	2	2,477
Deletions*	(2)	-	(174)	(42)	(1,271)	(282)	(14)	(1)	(1,786)
Gross carrying value as at March 31, 2023	**1,429**	**10,445**	**3,144**	**1,314**	**7,235**	**2,129**	**968**	**45**	**26,709**
Accumulated depreciation as at April 1, 2022	**-**	**(3,834)**	**(2,494)**	**(993)**	**(5,163)**	**(1,614)**	**(499)**	**(37)**	**(14,634)**
Depreciation	-	(389)	(238)	(109)	(1,080)	(216)	(157)	(4)	(2,193)
Accumulated depreciation on deletions*	-	-	174	42	1,266	281	10	1	1,774
Accumulated depreciation as at March 31, 2023	**-**	**(4,223)**	**(2,558)**	**(1,060)**	**(4,977)**	**(1,549)**	**(646)**	**(40)**	**(15,053)**
Carrying value as at April 1, 2022	**1,429**	**6,281**	**560**	**257**	**2,076**	**456**	**318**	**7**	**11,384**
Carrying value as at March 31, 2023	**1,429**	**6,222**	**586**	**254**	**2,258**	**580**	**322**	**5**	**11,656**

*During each of the three months and year ended March 31, 2023, certain assets which were not in use having gross book value of ₹1,197 crore (net book value: nil) and ₹1,598 crore (net book value: nil), respectively were retired.

(1) *Buildings include ₹250/- being the value of five shares of ₹50/- each in Mittal Towers Premises Co-operative Society Limited.*

(2) *Includes certain assets provided on cancellable operating lease to subsidiaries.*

The aggregate depreciation has been included under depreciation and amortization expense in the statement of Profit and Loss.

Repairs and maintenance costs are recognized in the statement of Profit and Loss when incurred.

2.2 GOODWILL AND INTANGIBLE ASSETS

2.2.1 Goodwill

Following is a summary of changes in the carrying amount of goodwill:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Carrying value at the beginning	211	211
Carrying value at the end	**211**	**211**

2.2.2 Other Intangible Assets

Accounting Policy

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to prepare the asset for its intended use.

2.3 LEASES

Accounting Policy

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and computers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Infosys's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at January 1, 2024	535	2,435	517	3,487
Additions*	-	45	49	94
Deletions	-	(91)	(16)	(107)
Depreciation	(1)	(123)	(47)	(171)
Balance as at March 31, 2024	**534**	**2,266**	**503**	**3,303**

** Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2023:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at January 1, 2023	549	2,700	289	3,538
Additions*	-	99	105	204
Deletions	-	(18)	(11)	(29)
Depreciation	(1)	(112)	(39)	(152)
Balance as at March 31, 2023	**548**	**2,669**	**344**	**3,561**

** Net of adjustments on account of modifications and lease incentives*

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at April 1, 2023	548	2,669	344	3,561
Additions*	-	336	420	756
Deletions	(10)	(169)	(92)	(271)
Impairment#	-	(88)	-	(88)
Depreciation	(4)	(482)	(169)	(655)
Balance as at March 31, 2024	**534**	**2,266**	**503**	**3,303**

** Net of adjustments on account of modifications and lease incentives*

 # included under other expenses. Refer note 2.19

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at April 1, 2022	552	2,621	138	3,311
Additions*	-	510	371	881
Deletions	-	(21)	(61)	(82)
Depreciation	(4)	(441)	(104)	(549)
Balance as at March 31, 2023	**548**	**2,669**	**344**	**3,561**

** Net of adjustments on account of modifications and lease incentives*

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the interim condensed statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current lease liabilities	678	713
Non-current lease liabilities	3,088	3,553
Total	**3,766**	**4,266**

2.4 INVESTMENTS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current investments		
Equity instruments of subsidiaries	9,150	9,078
Redeemable Preference shares of subsidiary	2,831	2,831
Preference securities and equity securities	206	196
Target maturity fund units	431	402
Others	84	82
Tax free bonds	1,731	1,742
Government bonds	14	14
Non-convertible debentures	2,216	2,490
Government Securities	6,689	6,851
Total non-current investments	**23,352**	**23,686**
Current investments		
Liquid mutual fund units	1,913	260
Commercial Papers	4,507	420
Certificates of deposit	2,945	2,765
Tax free bonds	-	150
Government Securities	204	5
Non-convertible debentures	1,738	876
Total current investments	**11,307**	**4,476**
Total carrying value	**34,659**	**28,162**

(In ₹ crore, except as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current investments		
Unquoted		
Investment carried at cost		
Investments in equity instruments of subsidiaries		
Infosys BPM Limited	662	662
33,828 (33,828) equity shares of ₹10,000/- each, fully paid up		
Infosys Technologies (China) Co. Limited	369	369
Infosys Technologies, S. de R.L. de C.V., Mexico	65	65
17,49,99,990 (17,49,99,990) equity shares of MXN 1 par value, fully paid up		
Infosys Technologies (Sweden) AB	76	76
1,000 (1,000) equity shares of SEK 100 par value, fully paid		
Infosys Technologies (Shanghai) Company Limited	1,010	1,010
Infosys Public Services, Inc.	99	99
3,50,00,000 (3,50,00,000) shares of USD 0.50 par value, fully paid		
Infosys Consulting Holding AG	1,323	1,323
23,350 (23,350) - Class A shares of CHF 1,000 each and		
26,460 (26,460) - Class B Shares of CHF 100 each, fully paid up		
Infosys Americas Inc.	-	1
Nil (10,000) shares of USD 10 per share, fully paid up		
EdgeVerve Systems Limited	1,312	1,312
1,31,18,40,000 (1,31,18,40,000) equity shares of ₹10/- each, fully paid up		
Infosys Nova Holdings LLC[#]	2,637	2,637
Infosys Singapore Pte Ltd	10	10
1,09,90,000 (1,09,90,000) shares of SGD 1.00 par value, fully paid		
Brilliant Basics Holding Limited	59	59
1,346 (1,346) shares of GBP 0.005 each, fully paid up		
Infosys Arabia Limited	2	2
70 (70) shares		
Skava Systems Private Limited	-	59
'Nil (25,000) shares of ₹10/- each, fully paid up		
Panaya Inc.	582	582
2 (2) shares of USD 0.01 per share, fully paid up		
Infosys Chile SpA	7	7
100 (100) shares		
WongDoody, Inc.	380	380
100 (100) shares		
Infosys Luxembourg S.a r.l.	26	17
30,000 (20,000) shares		
Infosys Austria GmbH	-	-
80,000 (80,000) shares of EUR 1 par value, fully paid up		
Infosys Consulting Brazil	337	337
27,50,71,070 (27,50,71,070) shares of BRL 1 per share, fully paid up		
Infosys Consulting S.R.L. (Romania)	34	34
99,183 (99,183) shares of RON 100 per share, fully paid up		
Infosys Limited Bulgaria EOOD	2	2
4,58,000 (4,58,000) shares of BGN 1 per share, fully paid up		
Infosys Germany Holdings GmbH	2	2
25,000 (25,000) shares EUR 1 per share, fully paid up		
Infosys Green Forum	1	1
10,00,000 (10,00,000) shares ₹10 per share, fully paid up		
Infosys Automotive and Mobility GmbH	15	15
Infosys Turkey Bilgi Teknolojileri Limited Sirketi	48	7
1,508,060 (1,30,842) share Turkish Liras 100 (10,000) per share, fully paid up		
Infosys Consulting S.R.L. (Argentina)	2	2
2,94,500 (2,94,500) shares AR$ 100 per share, fully paid up		
Infosys Business Solutions LLC	8	8
10,000 (10,000) shares USD 100 per share, fully paid up		
Danske IT and Support Services India Private Limited	82	-
3,27,788 (Nil) shared ₹ 10 per share fully paid up		
Investments in Redeemable Preference shares of subsidiary		
Infosys Singapore Pte Ltd	2,831	2,831
45,62,00,000 (45,62,00,000) shares of SGD 1 per share, fully paid up		
40,000,000 (40,000,000) shares of USD 1 per share, fully paid up		
	11,981	**11,909**

(In ₹ crore, except as otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments carried at fair value through profit or loss		
Target maturity fund units	431	402
Others [1]	84	82
	515	**484**
Investments carried at fair value through other comprehensive income		
Preference securities	91	193
Equity securities	2	3
	93	**196**
Quoted		
Investments carried at amortized cost		
Tax free bonds	1,731	1,742
Government bonds	14	14
	1,745	**1,756**
Investments carried at fair value through other comprehensive income		
Non-convertible debentures	2,216	2,490
Equity Securities	113	-
Government Securities	6,689	6,851
	9,018	**9,341**
Total non-current investments	**23,352**	**23,686**
Current investments		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	1,913	260
	1,913	**260**
Investments carried at fair value through other comprehensive income		
Commercial Papers	4,507	420
Certificates of deposit	2,945	2,765
	7,452	**3,185**
Quoted		
Investments carried at amortized cost		
Tax free bonds	-	150
	-	**150**
Investments carried at fair value through other comprehensive income		
Government Securities	204	5
Non-convertible debentures	1,738	876
	1,942	**881**
Total current investments	**11,307**	**4,476**
Total investments	**34,659**	**28,162**
Aggregate amount of quoted investments	12,705	12,128
Market value of quoted investments (including interest accrued), current	1,942	1,050
Market value of quoted investments (including interest accrued), non-current	10,978	11,336
Aggregate amount of unquoted investments	21,954	16,034
# Aggregate amount of impairment in value of investments	94	94
Reduction in the fair value of assets held for sale	854	854
Investments carried at cost	11,981	11,909
Investments carried at amortized cost	1,745	1,906
Investments carried at fair value through other comprehensive income	18,505	13,603
Investments carried at fair value through profit or loss	2,428	744

[1] *Uncalled capital commitments outstanding as of March 31, 2024 and March 31, 2023 was ₹5 crore and ₹8 crore, respectively.*

Refer to note 2.10 for accounting policies on financial instruments.

Method of fair valuation:

(In ₹ crore)

Class of investment	Method	Fair value as at March 31, 2024	Fair value as at March 31, 2023
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	1,913	260
Target maturity fund units - carried at fair value through profit or loss	Quoted price	431	402
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	1,959	2,134
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	3,954	3,366
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	6,893	6,856
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	4,507	420
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	2,945	2,765
Quoted equity securities - carried at fair value through other comprehensive income	Quoted price	113	-
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	93	196
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	84	82
Total		**22,892**	**16,481**

Note : Certain quoted investments are classified as Level 2 in the absence of active market for such investments.

Business transfer - Danske IT and Support Services India Private Limited

On June 26, 2023, the Board of Directors of Infosys authorized the Company to execute a Business Transfer Agreement (“BTA”) with Danske IT and Support Services India Private Limited ("DIT") to transfer the assets, liabilities and employees from DIT to the Company. The Purchase consideration is based on the adjusted net asset value as on the closing date i.e September 1, 2023. The details of the assets and liabilities transferred and the consideration receivable is as below:

(In ₹ crore)

Particulars	Total
Property plant and equipment	34
Net liabilities	(72)
Net consideration	(38)

Proposed acquisition

On January 11, 2024, Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India, for a consideration including earn-outs, and management incentives and retention bonuses totalling up to ₹280 crore (approximately $34 million) , subject to customary closing adjustments.

2.5 LOANS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non- Current		
Loans considered good - Unsecured		
Other Loans		
Loans to employees	34	39
	34	**39**
Loans credit impaired - Unsecured		
Other Loans		
Loans to employees	-	-
Less: Allowance for credit impairment	-	-
	-	-
Total non - current loans	**34**	**39**
Current		
Loans considered good - Unsecured		
Loans to subsidiaries	-	43
Other Loans		
Loans to employees	208	248
Total current loans	**208**	**291**
Total Loans	**242**	**330**

2.6 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Security deposits [(1)]	205	226
Net investment in Sublease of right of use asset [(1)]	-	298
Unbilled revenues [(1)(5)#]	1,366	686
Others[(1)]**	185	131
Total non-current other financial assets	**1,756**	**1,341**
Current		
Security deposits [(1)]	25	6
Restricted deposits [(1)*]	2,282	2,116
Unbilled revenues [(1)(5)#]	4,993	5,166
Interest accrued but not due [(1)]	476	441
Foreign currency forward and options contracts [(2)(3)]	81	79
Net investment in Sublease of right-of-use asset [(1)]	-	48
Others [(1)(4)]**	2,272	1,232
Total current other financial assets	**10,129**	**9,088**
Total other financial assets	**11,885**	**10,429**
[(1)] Financial assets carried at amortized cost	11,804	10,350
[(2)] Financial assets carried at fair value through other comprehensive income	23	32
[(3)] Financial assets carried at fair value through Profit or Loss	58	47
[(4)] *Includes dues from subsidiaries*	2,052	1,051
[(5)] *Includes dues from subsidiaries*	153	290

* Restricted deposits represent deposit with financial institutions to settle employee related obligations as and when they arise during the normal course of business.

[#] Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.

** Primarily includes net investment in lease.

2.7 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current		
Trade Receivable considered good - Unsecured [(1)]	25,575	21,202
Less: Allowance for expected credit loss	423	429
Trade Receivable considered good - Unsecured	25,152	20,773
Trade Receivable - credit impaired - Unsecured	157	106
Less: Allowance for credit impairment	157	106
Trade Receivable - credit impaired - Unsecured	-	-
Total trade receivables [(2)]	**25,152**	**20,773**
[(1)] *Includes dues from subsidiaries*	259	611
[(2)] *Includes dues from companies where directors are interested*	-	-

2.8 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Balances with banks		
In current and deposit accounts	8,191	4,864
Cash on hand	-	-
Others		
Deposits with financial institutions	-	1,670
Total Cash and cash equivalents	**8,191**	**6,534**
Balances with banks in unpaid dividend accounts	37	37
Deposit with more than 12 months maturity	-	700

Cash and cash equivalents as at March 31, 2024 and March 31, 2023 include restricted cash and bank balances of ₹44 crore and ₹46 crore, respectively.

The deposits maintained by the Company with banks and financial institutions comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

2.9 OTHER ASSETS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Capital advances	151	141
Advances other than capital advances		
Others		
Prepaid expenses	68	63
Defined benefit plan assets	9	9
Deferred contract cost		
Cost of obtaining a contract[3]	88	139
Cost of fulfillment	640	601
Other receivables	-	-
Unbilled revenues[2]	58	167
Withholding taxes and others	655	668
Total non-current other assets	**1,669**	**1,788**
Current		
Advances other than capital advances		
Payment to vendors for supply of goods	325	171
Others		
Prepaid expenses [1]	1,886	1,705
Unbilled revenues[2]	4,397	6,365
Deferred contract cost		
Cost of obtaining a contract [3]	154	400
Cost of fulfillment	266	109
Withholding taxes and others	2,593	2,047
Other receivables [1]	15	123
Total current other assets	**9,636**	**10,920**
Total other assets	**11,305**	**12,708**
[1] *Includes dues from subsidiaries*	155	198

[2] *Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.*

[3] *Includes technology assets taken over by the Company from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Company in accordance with Ind AS 15 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Comapany has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹58 crore and ₹114 crore, respectively. (Refer to note 2.12)*

Withholding taxes and others primarily consist of input tax credits and Cenvat/ VAT recoverable from Government of India.

2.10 FINANCIAL INSTRUMENTS

Accounting Policy

2.10.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.10.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss.

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

b. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for such contracts is generally a bank.

(i) Financial assets or financial liabilities, carried at fair value through profit or loss.

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

(ii) Cash flow hedge

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the condensed Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

2.10.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.10.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, option pricing model, market multiples, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to table 'Financial instruments by category' below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.10.5 Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in statement of profit and loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.8)	8,191	-	-	-	-	8,191	8,191
Investments (Refer to note 2.4)							
Preference securities, Equity securities and others	-	-	84	206	-	290	290
Tax free bonds and government bonds	1,745	-	-	-	-	1,745	1,959 [1]
Liquid mutual fund units	-	-	1,913	-	-	1,913	1,913
Target maturity fund units	-	-	431	-	-	431	431
Commercial Papers	-	-	-	-	4,507	4,507	4,507
Certificates of deposit	-	-	-	-	2,945	2,945	2,945
Non convertible debentures	-	-	-	-	3,954	3,954	3,954
Government Securities	-	-	-	-	6,893	6,893	6,893
Trade receivables (Refer to note 2.7)	25,152	-	-	-	-	25,152	25,152
Loans (Refer to note 2.5)	242	-	-	-	-	242	242
Other financial assets (Refer to note 2.6) [3]	11,804	-	58	-	23	11,885	11,801 [2]
Total	**47,134**	**-**	**2,486**	**206**	**18,322**	**68,148**	**68,278**
Liabilities:							
Trade payables (Refer to note 2.13)	2,493	-	-	-	-	2,493	2,493
Lease liabilities (Refer to note 2.3)	3,766	-	-	-	-	3,766	3,766
Other financial liabilities (Refer to note 2.12)	11,569	-	20	-	1	11,590	11,590
Total	**17,828**	**-**	**20**	**-**	**1**	**17,849**	**17,849**

[1] *On account of fair value changes including interest accrued*

[2] *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

[3] *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.8)	6,534	-	-	-	-	6,534	6,534
Investments (Refer to note 2.4)							
Preference securities, Equity securities and others	-	-	82	196	-	278	278
Tax free bonds and government bonds	1,906	-	-	-	-	1,906	2,134 [1]
Target maturity fund units	-	-	402	-	-	402	402
Liquid mutual fund units	-	-	260	-	-	260	260
Commercial Papers	-	-	-	-	420	420	420
Certificates of deposit	-	-	-	-	2,765	2,765	2,765
Non convertible debentures	-	-	-	-	3,366	3,366	3,366
Government Securities	-	-	-	-	6,856	6,856	6,856
Trade receivables (Refer to note 2.7)	20,773	-	-	-	-	20,773	20,773
Loans (Refer to note 2.5)	330	-	-	-	-	330	330
Other financial assets (Refer to note 2.6)[3]	10,350	-	47	-	32	10,429	10,345 [2]
Total	**39,893**	**-**	**791**	**196**	**13,439**	**54,319**	**54,463**
Liabilities:							
Trade payables (Refer to note 2.13)	2,426	-	-	-	-	2,426	2,426
Lease Liabilities (Refer to note 2.3)	4,266	-	-	-	-	4,266	4,266
Other financial liabilities (Refer to note 2.12)	11,989	-	42	-	14	12,045	12,045
Total	**18,681**	**-**	**42**	**-**	**14**	**18,737**	**18,737**

[1] *On account of fair value changes including interest accrued*

[2] *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

[3] *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

For trade receivables, trade payables, other assets and payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2024 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2024	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments (Refer to note 2.4)				
Investments in tax free bonds	1,944	1,944	-	-
Investments in government bonds	15	15	-	-
Investments in liquid mutual fund units	1,913	1,913	-	-
Investments in target maturity fund units	431	431	-	-
Investments in certificates of deposit	2,945	-	2,945	-
Investments in commercial papers	4,507	-	4,507	-
Investments in non convertible debentures	3,954	3,697	257	-
Investments in government securities	6,893	6,820	73	-
Investments in equity securities	115	113	-	2
Investments in preference securities	91	-	-	91
Other investments	84	-	-	84
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts (Refer to note 2.6)	81	-	81	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts (Refer to note 2.12)	21	-	21	-

During the year ended March 31, 2024, tax free bonds and non-convertible debentures of ₹1,986 crore were transferred from Level 2 to Level 1 of fair value hierarchy since these were valued based on quoted price. Further government securities of ₹73 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2023 was as follows:

(In ₹ crore)

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments (Refer to note 2.4)				
Investments in tax free bonds	2,120	1,331	789	-
Investments in target maturity fund units	402	402	-	-
Investments in government bonds	14	14	-	-
Investments in liquid mutual fund units	260	260	-	-
Investments in certificates of deposit	2,765	-	2,765	-
Investments in commercial papers	420	-	420	-
Investments in non convertible debentures	3,366	1,364	2,002	-
Investments in government securities	6,856	6,856	-	-
Investments in equity securities	3	-	-	3
Investments in preference securities	193	-	-	193
Other investments	82	-	-	82
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts (Refer to note 2.6)	79	-	79	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts (Refer note 2.12)	56	-	56	-

During the year ended March 31, 2023, tax free bonds and government securities of ₹383 crore were transferred from Level 2 to Level 1 of fair value hierarchy since these were valued based on quoted price. Further non-convertible debentures of ₹1,611 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

Majority of investments of the Company are fair valued based on Level 1 or Level 2 inputs. These investments primarily include investment in liquid mutual fund units, target maturity fund units, tax free bonds, certificates of deposit, commercial papers, treasury bills, government securities, non-convertible debentures, quoted bonds issued by government and quasi-government organizations. The Company invests after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and Deposit base of banks and financial institutions. These risks are monitored regularly as per Company's risk management program.

2.11 EQUITY

Accounting policy

Ordinary Shares

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Description of reserves

Capital redemption reserve

In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve / retained earnings.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company.

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

Share options outstanding account

The Share options outstanding account is used to record the fair value of equity-settled share based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA (2) of the Income Tax Act, 1961.

Other components of equity

Other components of equity include remeasurement of net defined benefit liability / asset, equity instruments fair valued through other comprehensive income, changes on fair valuation of investments and changes in fair value of derivatives designated as cash flow hedges, net of taxes.

Cash flow hedge reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

2.11.1 EQUITY SHARE CAPITAL

(In ₹ crore, except as otherwise stated)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Authorized		
Equity shares, ₹5/- par value		
4,80,00,00,000 (4,80,00,00,000) equity shares	2,400	2,400
Issued, Subscribed and Paid-Up		
Equity shares, ₹5/- par value [(1)]	2,075	2,074
4,15,08,67,464 (4,14,85,60,044) equity shares fully paid-up		
	2,075	**2,074**

[(1)] *Refer to note 2.20 for details of basic and diluted shares*

Forfeited shares amounted to ₹1,500/- (₹1,500/-)

The Company has only one class of shares referred to as equity shares having a par value of ₹5/-. Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depository Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

There are no voting, dividend or liquidation rights to the holders of options issued under the company's share option plans.

For details of shares reserved for issue under the employee stock option plan of the Company, refer to the note below.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2024 and March 31, 2023 is set out below:

(in ₹ crore, except as stated otherwise)

Particulars	**As at March 31, 2024**		**As at March 31, 2023**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
As at the beginning of the period	**4,14,85,60,044**	**2,074**	**4,20,67,38,641**	**2,103**
Add: Shares issued on exercise of employee stock options	2,307,420	1	2,247,751	1
Less: Shares bought back	-	-	60,426,348	30
As at the end of the period	**4,15,08,67,464**	**2,075**	**4,14,85,60,044**	**2,074**

Capital allocation policy

Effective from financial year 2025, the Company expects to continue the policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes

Buyback completed in February 2023

In line with the capital allocation policy, the Board, at its meeting held on October 13, 2022, approved the buyback of equity shares, from the open market route through the Indian stock exchanges, amounting to ₹9,300 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹1,850 per share (Maximum Buyback Price), subject to shareholders' approval by way of Postal Ballot.

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 3, 2022. The buyback was offered to all equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on December 7, 2022 and was completed on February 13, 2023. During this buyback period the Company had purchased and extinguished a total of 60,426,348 equity shares from the stock exchange at a volume weighted average buyback price of ₹1,539.06/- per equity share comprising 1.44% of the pre buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹9,300 crore (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of ₹30 crore equal to the nominal value of the shares bought back as an appropriation from general reserve and retained earnings.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of March 31, 2024, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

2.11.2 DIVIDEND

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:-

(in ₹)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Final dividend for fiscal 2022	-	-	-	16.00
Interim dividend for fiscal 2023	-	-	-	16.50
Final dividend for fiscal 2023	-	-	17.50	-
Interim dividend for fiscal 2024	-	-	18.00	-

During the year ended March 31, 2024, on account of the final dividend for fiscal 2023 and interim dividend for fiscal 2024, the Company has incurred a net cash outflow of ₹14,733 crore.

The Board of Directors in their meeting held on April 18, 2024 recommended a final dividend of ₹20/- per equity share for the financial year ended March 31, 2024 and a special dividend of ₹8/- per equity share. The payment is subject to the approval of shareholders in the AGM of the Company to be held on June 26, 2024 and if approved, would result in a net cash outflow of approximately ₹11,622 crore.

2.11.3 Employee Stock Option Plan (ESOP):

Accounting Policy

The Company recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

Infosys Expanded Stock Ownership Program 2019 (the 2019 Plan):

On June 22, 2019 pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 plan shall not exceed 5,00,00,000 equity shares. To implement the 2019 Plan, up to 4,50,00,000 equity shares may be issued by way of secondary acquisition of shares by Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

2015 Stock Incentive Compensation Plan (the 2015 Plan):

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Plan. The maximum number of shares under the 2015 plan shall not exceed 2,40,38,883 equity shares (this includes 1,12,23,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

The equity settled and cash settled RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NARC). The exercise price of the RSUs will be equal to the par value of the shares and the exercise price of the stock options would be the market price as on the date of grant.

Controlled trust holds 10,916,829 shares and 12,172,119 shares as at March 31, 2024 and March 31, 2023, respectively under the 2015 plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at March 31, 2024 and March 31, 2023.

The following is the summary of grants made during the three months and year ended March 31, 2024 and March 31, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity settled RSUs								
Key Management Personnel (KMP)	26,900	33,750	141,171	210,643	77,094	80,154	498,730	367,479
Employees other than KMP	3,582,471	3,329,240	4,046,731	3,704,014	3,442,700	1,736,925	4,640,640	1,784,975
	3,609,371	**3,362,990**	**4,187,902**	**3,914,657**	**3,519,794**	**1,817,079**	**5,139,370**	**2,152,454**
Cash settled RSUs								
Key Management Personnel (KMP)	-	-	-	-	-	-	-	-
Employees other than KMP	-	-	-	-	169,040	92,400	176,990	92,400
	-	**-**	**-**	**-**	**169,040**	**92,400**	**176,990**	**92,400**
Total Grants	**3,609,371**	**3,362,990**	**4,187,902**	**3,914,657**	**3,688,834**	**1,909,479**	**5,316,360**	**2,244,854**

Notes on grants to KMP:

CEO & MD

Under the 2015 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2024. In accordance with such approval the following grants were made effective May 2, 2023.

- 2,72,026 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 15,656 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 39,140 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore . These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Further, in accordance with the employee agreement which has been approved by the shareholders, the CEO is eligible to receive an annual grant of RSUs of fair value ₹3 crore which will vest overtime in three equal annual installments upon the completion of each year of service from the respective grant date. Accordingly, annual time-based grant of 18,104 RSUs was made effective February 1, 2024 for fiscal 2024.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of March 31, 2024, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with Ind AS 102, Share based payment. The grant date for this purpose in accordance with Ind AS 102, Share based payment is July 1, 2022.

Under the 2019 plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2024 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 78,281 performance based RSU's were granted effective May 2, 2023.

Other KMP

Under the 2015 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved 1,47,030 time based RSUs and 6,774 performance based RSUs to other KMP under the 2015 plan. Time based RSUs will vest over three to four years and performance based RSUs will vest over three years based on certain performance targets.

Under the 2019 plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved performance based grants of 62,890 RSUs to other KMPs under the 2019 plan. These RSUs will vest over three years based on achievement of certain performance targets.

The break-up of employee stock compensation expense is as follows:

(in ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Granted to:				
KMP	17	8	68	49
Employees other than KMP	181	109	507	411
Total [1]	**198**	**117**	**575**	**460**
[1] *Cash settled stock compensation expense included in the above*	2	1	5	1

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance-based options and Monte Carlo simulation model is used for TSR based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options. Correlation coefficient is calculated between each peer entity and the indices as a whole or between each entity in the peer group.

The fair value of each equity settled award is estimated on the date of grant using the following assumptions:

Particulars	For options granted in			
	Fiscal 2024-Equity Shares-RSU	Fiscal 2024-ADR-RSU	Fiscal 2023-Equity Shares-RSU	Fiscal 2023-ADS-RSU
Weighted average share price (₹) / ($ ADS)	1,588	19.19	1,525	18.08
Exercise price (₹) / ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	23-31	25-33	23-32	27-34
Expected life of the option (years)	1-4	1-4	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	7	4-5	5-7	2-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,317	16.27	1,210	13.69

The expected life of the RSU/ESOP is estimated based on the vesting term and contractual term of the RSU/ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2.12 OTHER FINANCIAL LIABILITIES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Others		
Compensated absences	81	76
Accrued compensation to employees [1]	7	5
Accrued expenses [1]	1,779	1,184
Other payables [1][6]	74	52
Total non-current other financial liabilities	**1,941**	**1,317**
Current		
Unpaid dividends [1]	37	37
Others		
Accrued compensation to employees [1]	3,336	3,072
Accrued expenses [1][4]	5,134	4,430
Capital creditors [1]	269	652
Compensated absences	2,078	1,893
Other payables [1][5][6]	933	2,557
Foreign currency forward and options contracts [2][3]	21	56
Total current other financial liabilities	**11,808**	**12,697**
Total other financial liabilities	**13,749**	**14,014**
[1] *Financial liability carried at amortized cost*	11,569	11,989
[2] *Financial liability carried at fair value through profit or loss*	20	42
[3] *Financial liability carried at fair value through other comprehensive income*	1	14
[4] *Includes dues to subsidiaries*	29	30
[5] *Includes dues to subsidiaries*	405	422

[6] *Deferred contract cost (Refer to note 2.9) includes technology assets taken over by the Company from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Company in accordance with Ind AS 15 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Comapany has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹58 crore and ₹114 crore, respectively.*

Accrued expenses primarily relate to cost of technical sub-contractors, telecommunication charges, legal and professional charges, brand building expenses, overseas travel expenses, office maintenance and cost of third party software and hardware.

2.13 TRADE PAYABLES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Outstanding dues of micro enterprises and small enterprises	92	97
Outstanding dues of creditors other than micro enterprises and small enterprises[1]	2,401	2,329
Total trade payables	**2,493**	**2,426**
[1] *Includes dues to subsidiaries*	*778*	*653*

2.14 OTHER LIABILITIES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Accrued defined benefit liability	123	412
Others	27	2
Total non - current other liabilities	**150**	**414**
Current		
Accrued defined benefit liability	2	2
Unearned revenue	5,698	5,491
Others		
Withholding taxes and others	1,974	2,088
Others	7	28
Total current other liabilities	**7,681**	**7,609**
Total other liabilities	**7,831**	**8,023**

2.15 PROVISIONS

Accounting Policy

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

a. Post-sales client support

The Company provides its clients with a fixed-period post sales support on its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded in the Statement of Profit and Loss. The Company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Provision for post-sales client support and other provisions

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Current		
Others		
Post-sales client support and other provisions	1,464	1,163
Total provisions	**1,464**	**1,163**

Provision for post sales client support and other provisions majorly represents costs associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

2.16 INCOME TAXES

Accounting Policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

The Company offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

Income tax expense in the statement of Profit and Loss comprises:

(In ₹ crore)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Current taxes	830	1,906	7,306	8,167
Deferred taxes	1,104	147	1,413	208
Income tax expense	**1,934**	**2,053**	**8,719**	**8,375**

Income tax expense for the three months ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹832 crore and ₹51 crore, respectively. Income tax expense for the year ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹913 crore and ₹116 crore, respectively. These reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

During the quarter ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of ₹1,933 crore was recognised and provision for income tax aggregating ₹ 525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹ 1,628 crore has been reduced from contingent liabilities.

Deferred income tax for the three months and year ended March 31, 2024 and March 31, 2023 substantially relates to origination and reversal of temporary differences.

The Company's Advanced Pricing Arrangement (APA) with the Internal Revenue Service (IRS) for US branch income tax expired in March 2021. The Company has applied for renewal of APA and currently the US taxable income is based on the Company's best estimate determined based on the expected value method.

2.17 REVENUE FROM OPERATIONS

Accounting Policy

The Company derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Company's core and digital offerings (together called as "software related services"). Contracts with customers are either on a time-and-material, unit of work, fixed-price or on a fixed-timeframe basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing, by the parties, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company's contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue on time-and-material and unit of work based contracts, are recognized as the related services are performed. Fixed price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The billing schedules agreed with customers include periodic performance based billing and / or milestone based progress billings. Revenues in excess of billing are classified as unbilled revenue while billing in excess of revenues are classified as contract liabilities (which we refer to as "unearned revenues").

In arrangements for software development and related services and maintenance services, by applying the revenue recognition criteria for each distinct performance obligation, the arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Certain cloud and infrastructure services contracts include multiple elements which may be subject to other specific accounting guidance, such as leasing guidance. These contracts are accounted in accordance with such specific accounting guidance. In such arrangements where the Company is able to determine that hardware and services are distinct performance obligations, it allocates the consideration to these performance obligations on a relative standalone selling price basis. In the absence of standalone selling price, the Company uses the expected cost-plus margin approach in estimating the standalone selling price. When such arrangements are considered as a single performance obligation, revenue is recognized over the period and measure of progress is determined based on promise in the contract.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services (ATS). When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two distinct separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the Company uses the expected cost plus margin approach in estimating the standalone selling price. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably on a straight line basis over the period in which the services are rendered.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

A contract modification is a change in the scope or price or both of a contract that is approved by the parties to the contract. A contract modification that results in the addition of distinct performance obligations are accounted for either as a separate contract if the additional services are priced at the standalone selling price or as a termination of the existing contract and creation of a new contract if they are not priced at the standalone selling price. If the modification does not result in a distinct performance obligation, it is accounted for as part of the existing contract on a cumulative catch-up basis.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Company expects to recover them.

Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to expenses over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Revenue from operations for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Revenue from software services	31,940	30,444	128,637	123,755
Revenue from products and platforms	61	87	296	259
Total revenue from operations	**32,001**	**30,531**	**128,933**	**124,014**

Products & platforms

The Company derives revenues from the sale of products and platforms including Infosys Applied AI which applies next-generation AI and machine learning.

The percentage of revenue from fixed-price contracts for the three months ended March 31, 2024 and March 31, 2023 is 57% and 55%, respectively. The percentage of revenue from fixed-price contracts for the year ended March 31, 2024 and March 31, 2023 is 56% and 55%, respectively.

Trade receivables and Contract Balances

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Company's Balance Sheet. Amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., monthly or quarterly) or upon achievement of contractual milestones.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore unbilled revenues for other fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

2.18 OTHER INCOME, NET

2.18.1 Other income

Accounting Policy

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

2.18.2 Foreign currency

Accounting Policy

Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to crore; one crore equals ten million).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Statement of Profit and Loss and reported within exchange gains/(losses) on translation of assets and liabilities, net, except when deferred in Other Comprehensive Income as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Other Comprehensive Income, net of taxes includes translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments and measured at fair value through other comprehensive income (FVOCI).

Government grant

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in the net profit in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the net profit in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

Other income for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Interest income on financial assets carried at amortized cost				
Tax free bonds and government bonds	30	35	131	148
Deposit with Bank and others	160	116	665	567
Interest income on financial assets carried at fair value through other comprehensive income				
Non-convertible debentures, commercial papers, certificates of deposit and government securities	297	200	898	850
Income on investments carried at fair value through other comprehensive income	-	-	-	1
Income on investments carried at fair value through profit or loss				
Gain / (loss) on liquid mutual funds and other investments	64	36	224	142
Interest income on income tax refund	1,934	-	1,936	-
Dividend received from subsidiary	858	275	2,976	1,463
Exchange gains/(losses) on foreign currency forward and options contracts	214	142	111	(531)
Exchange gains/(losses) on translation of other assets and liabilities	(126)	(113)	214	960
Miscellaneous income, net	52	75	262	259
Total other income	**3,483**	**766**	**7,417**	**3,859**

2.19 EXPENSES

Accounting Policy

2.19.1 Gratuity and Pension

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible Indian employees of Infosys. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company contributes Gratuity liabilities to the Infosys Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The Company operates defined benefit pension plan in certain overseas jurisdictions, in accordance with the local laws. These plans are managed by third party fund managers. The plans provide for periodic payouts after retirement and / or for a lumpsum payment as set out in rules of each fund and includes death and disability benefits. The defined benefit plans require contributions which are based on a percentage of salary that varies depending on the age of the respective employees.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an external actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market risk.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Statement of Profit and Loss.

2.19.2 Provident fund

Eligible employees of Infosys receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Infosys Limited Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government of India. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

2.19.3 Superannuation

Certain employees of Infosys are participants in a defined contribution plan. The Company has no further obligations to the Plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India.

2.19.4 Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an external actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(In ₹ crore)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Employee benefit expenses				
Salaries including bonus	15,349	14,945	62,383	60,194
Contribution to provident and other funds	470	489	1,972	1,914
Share based payments to employees (Refer to note 2.11)	198	117	575	460
Staff welfare	30	30	209	196
	16,047	**15,581**	**65,139**	**62,764**
Cost of software packages and others				
For own use	420	373	1,635	1,454
Third party items bought for service delivery to clients	1,678	502	5,256	3,760
	2,098	**875**	**6,891**	**5,214**
Other expenses				
Power and fuel	42	42	172	155
Brand and Marketing	250	230	851	756
Rates and taxes	60	61	248	217
Repairs and Maintenance	234	252	953	922
Consumables	5	5	23	23
Insurance	44	34	172	140
Provision for post-sales client support and others	(128)	(80)	77	121
Commission to non-whole time directors	5	4	16	15
Impairment loss recognized / (reversed) under expected credit loss model	(64)	70	130	183
Auditor's remuneration				
Statutory audit fees	3	2	8	7
Tax matters	-	-	-	-
Other services	-	-	-	-
Contributions towards Corporate Social Responsibility	177	147	492	437
Others	98	96	446	305
	726	**863**	**3,588**	**3,281**

2.20 BASIC AND DILUTED SHARES USED IN COMPUTING EARNINGS PER EQUITY SHARE

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.21 CONTINGENT LIABILITIES AND COMMITMENTS

Accounting Policy

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Contingent liabilities:		
Claims against the Company, not acknowledged as debts(1)	2,649	4,316
[Amount paid to statutory authorities ₹8,283 crore (₹6,115 crore)]		
Commitments:		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)(2)	688	824
Other Commitments*	5	8

** Uncalled capital pertaining to investments*

(1) As at March 31, 2024 and March 31, 2023, claims against the Company not acknowledged as debts in respect of income tax matters amounted to ₹2,260 crore and ₹3,953 crore, respectively.

The claims against the Company primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of issues of disallowance of expenditure towards software being held as capital in nature, payments made to Associated Enterprises held as liable for withholding of taxes, among others. These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company financial position and results of operations.

Amount paid to statutory authorities against the tax claims amounted to ₹8,273 crore and ₹6,105 crore as at March 31, 2024 and March 31, 2023, respectively.

(2) Capital contracts primarily comprises of commitments for infrastructure facilities and computer equipments.

Legal Proceedings

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management reasonably expects that such ordinary course legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Company's results of operations or financial condition.

2.22 RELATED PARTY TRANSACTIONS

Refer to the Company's Annual Report for the year ended March 31, 2023 for the full names and other details of the Company's subsidiaries and controlled trusts.

Changes in Subsidiaries

During the year ended March 31, 2024, the following are the changes in the subsidiaries:

- Infosys Americas Inc., (Infosys Americas) a Wholly-owned subsidiary of Infosys Limited is liquidated effective July 14, 2023.
- oddity GmbH renamed as WongDoody GmbH.
- On September 29, 2023, oddity space GmbH, oddity waves GmbH, oddity jungle GmbH, oddity group services GmbH and oddity code GmbH merged into WongDoody GmbH and oddity code d.o.o which was formerly a subsidiary of oddity code Gmbh has become a subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH).
- On September 1, 2023 Infosys Ltd. acquired 100% of voting interests in Danske IT and Support Services India Private Limited ("Danske IT"). Danske IT renamed as Idunn Information Technology Private Limited from April 1, 2024.
- Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM Limited was incorporated on August 11, 2023.
- Kaleidoscope Prototyping LLC, a Wholly-owned subsidiary of Kaleidoscope Animations is liquidated effective November 1, 2023.
- oddity Code d.o.o renamed as WongDoody d.o.o
- On November 24, 2023 Stater Participations B.V (Wholly-owned subsidiary of Stater N.V) merged with Stater N.V and Stater Belgium N.V./S.A which was formerly a wholly owned subsidiary of Stater Participations B.V. became a wholly owned subsidiary of Stater N.V.
- On March 15, 2024, Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM Limited was dissolved.
- oddity Limited (Taipei) renamed as WongDoody limited (Taipei) and oddity (Shanghai) Co., Ltd. renamed as WongDoody (Shanghai) Co. Limited.

The Company's related party transactions during the three months and year ended March 31, 2024 and March 31, 2023 and outstanding balances as at March 31, 2024 and March 31, 2023 are with its subsidiaries with whom the Company generally enters into transactions which are at arms length and in the ordinary course of business.

Change in key management personnel

The following are the changes in the key management personnel:

Non-whole-time Directors

- Uri Levine (retired as independent director effective April 19, 2023)
- Helene Auriol Potier (appointed as independent director effective May 26, 2023)
- Nitin Paranjpe (appointed as an additional and independent director effective January 1, 2024)

Executive Officers:

- Mohit Joshi (resigned as President effective March 11, 2023 and was on leave till June 9, 2023 which was his last date with the company)
- Nilanjan Roy (resigned as Chief Financial Officer of the Company effective March 31, 2024)
- Jayesh Sanghrajka (appointed as Chief Financial Officer effective April 1, 2024)

Transactions with key management personnel

The table below describes the compensation to key management personnel which comprise directors and executive officers:

(In ₹ crore)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Salaries and other short term employee benefits to whole-time directors and executive officers[(1)(2)]	30	25	113	111
Commission and other benefits to non-executive / independent directors	5	4	17	16
Total	**35**	**29**	**130**	**127**

[(1)] *Total employee stock compensation expense for the three months ended March 31, 2024 and March 31, 2023 includes a charge of ₹17 crore and 8 crore, respectively, towards key management personnel. For the year ended March 31, 2024 and March 31, 2023, includes a charge of ₹68 crore and ₹49 crore respectively, towards key management personnel. (Refer to note 2.11).*

[(2)] *Does not include post-employment benefits and other long-term benefits based on actuarial valuation as these are done for the Company as a whole.*

2.23 SEGMENT REPORTING

The Company publishes this financial statement along with the interim condensed consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the interim condensed consolidated financial statements.

for and on behalf of the Board of Directors of Infosys Limited

D. Sundaram *Lead Independent Director*	Salil Parekh *Chief Executive Officer and Managing Director*	Bobby Parikh *Director*
Bengaluru April 18, 2024	Jayesh Sanghrajka *Chief Financial Officer*	A.G.S. Manikantha *Company Secretary*

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INFOSYS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **INFOSYS LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

As described in note 2.24.2 to the Consolidated Financial Statements, certain costs relating to possible damages or claims relating to a cybersecurity incident in a subsidiary are indeterminable as at the date of this report because of reasons stated in the note. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition** The Group's contracts with customers include contracts with multiple products and services. The group derives revenues from IT services comprising software development and related services, maintenance, consulting and package implementation, licensing of software products and platforms across the Group's core and digital offerings and business process management services. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement. In certain integrated services arrangements, contracts with customers include subcontractor services or third-party vendor equipment or software. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before it is transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the products or service and therefore, is acting as a principal or an agent. Fixed price maintenance revenue is recognized ratably either on (1) a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from the services rendered to the customer and	Principal Audit Procedures Performed included the following: Our audit procedures related to the (1) identification of distinct performance obligations, (2) determination of whether the Group is acting as a principal or agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method included the following, among others: • We tested the effectiveness of controls relating to the (a) identification of distinct performance obligations, (b) determination of whether the Group is acting as a principal or an agent and (c) determination of whether fixed price maintenance revenue for certain contracts is recognized on a straight-line basis or using the percentage of completion method. • We selected a sample of contracts with customers and performed the following procedures: – Obtained and read contract documents for each selection, including master service agreements, and other documents that were part of the agreement. – Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations (ii) whether the Group is acting as a principal or an agent and (iii) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method

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Sr. No.	Key Audit Matter	Auditor's Response
	the Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables. As certain contracts with customers involve management's judgment in (1) identifying distinct performance obligations, (2) determining whether the Group is acting as a principal or an agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort. Refer Notes 1.5 and 2.18 to the Consolidated Financial Statements.	
2	**Revenue recognition - Fixed price contracts using the percentage of completion method** Fixed price maintenance revenue is recognized ratably either (1) on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to	Principal Audit Procedures Performed included the following: Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others: • We tested the effectiveness of controls relating to (1) recording of efforts or costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations and (2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred. • We selected a sample of fixed price contracts with customers measured the using percentage-of-completion method and performed the following: – Evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual efforts or costs incurred

Sr. No.	Key Audit Matter	Auditor's Response
	measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. We identified the estimate of total efforts or costs to complete fixed price contracts measured using the percentage of completion method as a key audit matter as the estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts or costs incurred to-date and estimates of efforts or costs required to complete the remaining contract performance obligations over the term of the contracts. This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit effort to evaluate the reasonableness of the total estimated amount of revenue recognized on fixed-price contracts. Refer Notes 1.5 and 2.18 to the Consolidated Financial Statements.	to prior year estimates of efforts or costs budgeted for performance obligations that have been fulfilled. – Compared efforts or costs incurred with Group's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract. – Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, standalone financial statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Boards of Directors/Trustees of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Boards of Directors/Trustees of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors/Trustees of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   b) In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 2.24 to the Consolidated Financial Statements.

      ii) The Group has made provision as required under applicable law or accounting standards for material foreseeable losses. Refer Note 2.16 to the Consolidated Financial Statements. The Group did not have any long-term derivative contracts.

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) As stated in Note 2.12.3 to the Consolidated Financial Statements

a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

c. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks, performed by us on the Company and its subsidiaries incorporated in India, except for the instances mentioned below, have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with.

The financial statements of two subsidiaries that are not material to the Consolidated Financial Statements of the Group, have not been audited under the provisions of the Act as of the date of this report. Therefore, we are unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 in respect of these two subsidiaries.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its subsidiaries as at and for the year ended March 31, 2024, included in the Consolidated Financial Statements of the Group, we report in respect of those companies where audits have been completed under section 143 of the Act, we have not reported any qualifications or adverse remarks. In respect of the following company included in the consolidated financial statements of the Company, whose audit under section 143 of the Act has not yet been completed, the CARO report as applicable in respect of this subsidiary is not available.

Name of the Company	CIN	Relationship
Idunn Information Technology Private Limited (formerly known as Danske IT and Support Services India Private Limited upto March 31, 2024	U74900KA2012PTC063260	Subsidiary

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infosys Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of **INFOSYS LIMITED** (hereinafter referred to as the "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

INFOSYS LIMITED AND SUBSIDIARIES

Consolidated Financial Statements under Indian Accounting Standards (Ind AS) for the year ended March 31, 2024

Index **Page No.**

INFOSYS LIMITED AND SUBSIDIARIES

(In ₹ crore)

Consolidated Balance Sheets as at	Note No.	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2.2	12,370	13,346
Right-of-use assets	2.21	6,552	6,882
Capital work-in-progress	2.3	293	288
Goodwill	2.4.1 and 2.1	7,303	7,248
Other intangible assets	2.4.2	1,397	1,749
Financial assets			
Investments	2.5	11,708	12,569
Loans	2.6	34	39
Other financial assets	2.7	3,105	2,798
Deferred tax assets (net)	2.17	454	1,245
Income tax assets (net)	2.17	3,045	6,453
Other non-current assets	2.10	2,121	2,318
Total non-current assets	.	**48,382**	**54,935**
Current assets			
Financial assets			
Investments	2.5	12,915	6,909
Trade receivables	2.8	30,193	25,424
Cash and cash equivalents	2.9	14,786	12,173
Loans	2.6	248	289
Other financial assets	2.7	12,085	11,604
Income tax assets (net)	2.17	6,397	6
Other current assets	2.10	12,808	14,476
Total current assets		**89,432**	**70,881**
Total assets		**137,814**	**125,816**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.12	2,071	2,069
Other equity		86,045	73,338
Total equity attributable to equity holders of the Company		**88,116**	**75,407**
Non-controlling interests		345	388
Total equity		**88,461**	**75,795**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	2.21	6,400	7,057
Other financial liabilities	2.13	2,130	2,058
Deferred tax liabilities (net)	2.17	1,794	1,220
Other non-current liabilities	2.15	235	500
Total non-current liabilities		**10,559**	**10,835**
Current liabilities			
Financial Liabilities			
Lease liabilities	2.21	1,959	1,242
Trade payables	2.14	3,956	3,865
Other financial liabilities	2.13	16,959	18,558
Other current liabilities	2.15	10,539	10,830
Provisions	2.16	1,796	1,307
Income tax liabilities (net)	2.17	3,585	3,384
Total current liabilities		**38,794**	**39,186**
Total equity and liabilities		**137,814**	**125,816**

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No :
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer
and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

(In ₹ crore, except equity share and per equity share data)

Consolidated Statement of Profit and Loss for the	Note No.	Year ended March 31,	
		2024	**2023**
Revenue from operations	2.18	153,670	146,767
Other income, net	2.19	4,711	2,701
Total income		**158,381**	**149,468**
Expenses			
Employee benefit expenses	2.22	82,620	78,359
Cost of technical sub-contractors		12,232	14,062
Travel expenses		1,759	1,525
Cost of software packages and others	2.20	13,515	10,902
Communication expenses		677	713
Consultancy and professional charges		1,726	1,684
Depreciation and amortization expenses	2.2, 2.4.2 and 2.21	4,678	4,225
Finance cost		470	284
Other expenses	2.20	4,716	4,392
Total expenses		**122,393**	**116,146**
Profit before tax		**35,988**	**33,322**
Tax expense:			
Current tax	2.17	8,390	9,287
Deferred tax	2.17	1,350	(73)
Profit for the year		**26,248**	**24,108**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset, net	2.22	120	8
Equity instruments through other comprehensive income, net	2.5	19	(7)
		139	**1**
Items that will be reclassified subsequently to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net	2.11	11	(7)
Exchange differences on translation of foreign operations		226	776
Fair value changes on investments, net	2.5	144	(256)
		381	**513**
Total other comprehensive income /(loss), net of tax		**520**	**514**
Total comprehensive income for the year		**26,768**	**24,622**
Profit attributable to:			
Owners of the Company		26,233	24,095
Non-controlling interests		15	13
		26,248	**24,108**
Total comprehensive income attributable to:			
Owners of the Company		26,754	24,598
Non-controlling interests		14	24
		26,768	**24,622**
Earnings per Equity share			
Equity shares of par value ₹5/- each			
Basic (₹)		63.39	57.63
Diluted (₹)		63.29	57.54
Weighted average equity shares used in computing earnings per equity share			
Basic (in shares)	2.23	4,138,568,090	4,180,897,857
Diluted (in shares)	2.23	4,144,680,425	4,187,731,070

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No :

117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
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D. Sundaram
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Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

(In ₹ crore)

Particulars		OTHER EQUITY														
		Reserves & Surplus								Other comprehensive income						
	Equity Share capital (1)	Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve (2)	Other reserves (3)	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2022	**2,098**	**54**	**139**	**200**	**61,313**	**1,061**	**606**	**8,339**	**16**	**254**	**1,560**	**2**	**(292)**	**75,350**	**386**	**75,736**
Impact on adoption of amendment to Ind AS 37#	—	—	—	—	(19)	—	—	—	—	—	—	—	—	(19)	—	**(19)**
	2,098	**54**	**139**	**200**	**61,294**	**1,061**	**606**	**8,339**	**16**	**254**	**1,560**	**2**	**(292)**	**75,331**	**386**	**75,717**
Changes in equity for the year ended March 31, 2023																
Profit for the year	—	—	—	—	24,095	—	—	—	—	—	—	—	—	24,095	13	24,108
Remeasurement of the net defined benefit liability/asset, net* *(Refer to Note 2.22)*	—	—	—	—	—	—	—	—	—	—	—	—	8	8	—	8
Equity instruments through other comprehensive income, net* *(Refer to Notes 2.5 and 2.17)*	—	—	—	—	—	—	—	—	—	(7)	—	—	—	(7)	—	(7)
Fair value changes on derivatives designated as cash flow hedge, net* *(Refer to Note 2.11)*	—	—	—	—	—	—	—	—	—	—	—	(7)	—	(7)	—	(7)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	765	—	—	765	11	776
Fair value changes on investments, net* *(Refer to Notes 2.5 and 2.17)*	—	—	—	—	—	—	—	—	—	—	—	—	(256)	(256)	—	(256)
Total Comprehensive income for the year	**—**	**—**	**—**	**—**	**24,095**	**—**	**—**	**—**	**—**	**(7)**	**765**	**(7)**	**(248)**	**24,598**	**24**	**24,622**
Shares issued on exercise of employee stock options *(Refer to Note 2.12)*	1	—	—	34	—	—	—	—	—	—	—	—	—	35	—	35
Employee stock compensation expense *(Refer to Note 2.12)*	—	—	—	—	—	—	514	—	—	—	—	—	—	514	—	514
Transferred to legal reserve	—	—	—	—	(3)	—	—	—	3	—	—	—	—	—	—	—
Transferred on account of exercise of stock options	—	—	—	291	—	—	(291)	—	—	—	—	—	—	—	—	—
Transfer on account of options not exercised	—	—	—	—	—	2	(2)	—	— #	—	—	—	—	—	—	—
Buyback of equity shares *(Refer to Note 2.12)* **	(30)	—	—	(340)	(11,096)	—	—	—	— #	—	—	—	—	(11,466)	—	(11,466)
Transaction costs relating to buyback*	—	—	—	(19)	(5)	—	—	—	— #	—	—	—	—	(24)	—	(24)
Amount transferred to capital redemption reserve upon buyback	—	—	30	—	(21)	(9)	—	—	— #	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options *(Refer to Note 2.12)*	—	—	—	—	—	—	51	—	—	—	—	—	—	51	—	51
Dividends (1)	—	—	—	—	(13,632)	—	—	—	—	—	—	—	—	(13,632)	—	(13,632)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	— #	—	—	—	—	—	(22)	(22)
Transferred to Special Economic Zone Re-investment reserve	—	—	—	—	(3,139)	—	—	3,139	— #	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	1,464	—	—	(1,464)	—	—	—	—	—	—	—	—
Balance as at March 31, 2023	**2,069**	**54**	**169**	**166**	**58,957**	**1,054**	**878**	**10,014**	**19 #**	**247**	**2,325**	**(5)**	**(540)**	**75,407**	**388**	**75,795**

Consolidated Statement of Changes in Equity (contd.)

(In ₹ crore)

Particulars	Equity Share capital (1)	OTHER EQUITY												Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
		RESERVES & SURPLUS								Other comprehensive income						
		Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve (2)	Other reserves (3)	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)			
Balance as at April 1, 2023	**2,069**	**54**	**169**	**166**	**58,957**	**1,054**	**878**	**10,014**	**19**	**247**	**2,325**	**(5)**	**(540)**	**75,407**	**388**	**75,795**
Changes in equity for the year ended March 31, 2024																
Profit for the year	—	—	—	—	26,233	—	—	—	—	—	—	—	—	26,233	15	26,248
Remeasurement of the net defined benefit liability/asset, net* *(Refer to Note 2.22)*	—	—	—	—	—	—	—	—	—	—	—	—	120	120	—	120
Equity instruments through other comprehensive income, net* *(Refer to Notes 2.5 and 2.17)*	—	—	—	—	—	—	—	—	—	19	—	—	—	19	—	19
Fair value changes on derivatives designated as cash flow hedge, net* *(Refer to Note 2.11)*	—	—	—	—	—	—	—	—	—	—	—	11	—	11	—	11
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	227	—	—	227	(1)	226
Fair value changes on investments, net* *(Refer to Notes 2.5 and 2.17)*	—	—	—	—	—	—	—	—	—	—	—	—	144	144	—	144
Total Comprehensive income for the year	**—**	**—**	**—**	**—**	**26,233**	**—**	**—**	**—**	**—**	**19**	**227**	**11**	**264**	**26,754**	**14**	**26,768**
Shares issued on exercise of employee stock options *(Refer to Note 2.12)*	2	—	—	3	—	—	—	—	—	—	—	—	—	5	—	5
Employee stock compensation expense *(Refer to Note 2.12)*	—	—	—	—	—	—	639	—	—	—	—	—	—	639	—	639
Transferred on account of exercise of stock options (Refer to note 2.12)	—	—	—	447	—	—	(447)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	160	(160)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	3	—	—	—	—	—	—	3	—	3
Transfer to legal reserve	—	—	—	—	(3)	—	—	—	3	—	—	—	—	—	—	—
Dividends (1)	—	—	—	—	(14,692)	—	—	—	—	—	—	—	—	(14,692)	—	(14,692)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(39)	(39)
Buyback of shares pertaining to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(18)	(18)
Transferred to Special Economic Zone Re-investment reserve	—	—	—	—	(2,957)	—	—	2,957	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	867	—	—	(867)	—	—	—	—	—	—	—	—
Balance as at March 31, 2024	**2,071**	**54**	**169**	**616**	**68,405**	**1,214**	**913**	**12,104**	**22**	**266**	**2,552**	**6**	**(276)**	**88,116**	**345**	**88,461**

** Net of tax*

*** Including tax on buyback of ₹2,166 crore for the year ended March 31, 2023.*

[#] *Impact on account of adoption of amendment to Ind AS 37 Provisions, Contingent Liabilities and Contingents Assets*

[(1)] *Net of treasury shares*

[(2)] *The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Group for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.*

[(3)] *Under the Swiss Code of Obligation, few subsidiaries of Infosys Consulting are required to appropriate a certain percentage of the annual profit to legal reserve which may be used only to cover losses or for measures designed to sustain the Company through difficult times, to prevent unemployment or to mitigate its consequences.*

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached
for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No :
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Consolidated Statement of Cash Flows

Accounting policy

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(In ₹ crore)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities			
Profit for the year		26,248	24,108
Adjustments to reconcile net profit to net cash provided by operating activities:			
Income tax expense	2.17	9,740	9,214
Depreciation and amortization	2.2, 2.4.2 and 2.21	4,678	4,225
Interest and dividend income	2.19	(2,067)	(1,817)
Finance cost		470	284
Impairment loss recognized / (reversed) under expected credit loss model		121	283
Exchange differences on translation of assets and liabilities, net		76	161
Stock compensation expense	2.12	652	519
Provision for post sale client support		75	120
Interest receivable on income tax refund		(1,934)	—
Other adjustments		1,464	508
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(2,667)	(7,076)
Loans, other financial assets and other assets		(1,172)	(3,108)
Trade payables		91	(279)
Other financial liabilities, other liabilities and provisions		(1,334)	4,119
Cash generated from operations		**34,441**	**31,261**
Income taxes paid		(9,231)	(8,794)
Net cash generated by operating activities		**25,210**	**22,467**
Cash flows from investing activities			
Expenditure on property, plant and equipment and intangibles		(2,201)	(2,579)
Deposits placed with corporation		(847)	(996)
Redemption of deposits placed with Corporation		710	762
Interest and dividend received		1,768	1,525
Payment towards acquisition of business, net of cash acquired		—	(910)
Payment of contingent consideration pertaining to acquisition of business		(101)	(60)
Escrow and other deposits pertaining to Buyback		—	(483)
Redemption of escrow and other deposits pertaining to Buyback		—	483
Other receipts		128	71
Payments to acquire Investments			
Tax free bonds and government bonds		—	(27)
Liquid mutual fund units		(66,191)	(70,631)
Target maturity fund units		—	(400)
Certificates of deposit		(8,509)	(10,348)
Commercial paper		(10,387)	(3,003)
Non-convertible debentures		(1,526)	(249)
Government securities		—	(1,569)
Others		(14)	(20)
Proceeds on sale of Investments			
Tax free bonds and government bonds		150	221
Liquid mutual fund units		64,767	71,851
Certificates of deposit		9,205	10,404
Commercial paper		6,479	2,298
Non-convertible debentures		1,230	470
Government securities		304	1,882
Others		26	99
Net cash used in investing activities		**(5,009)**	**(1,209)**

Cash flows from financing activities			
Payment of lease liabilities		(2,024)	(1,231)
Payment of dividends		(14,692)	(13,631)
Payment of dividend to non-controlling interest of subsidiary		(39)	(22)
Shares issued on exercise of employee stock options		5	35
Payment towards buyback of shares pertaining to non controlling interest of subsidiary		(18)	-
Other receipts		-	132
Other payments		(736)	(479)
Buyback of equity shares including transaction cost and tax on buyback		—	(11,499)
Net cash used in financing activities		**(17,504)**	**(26,695)**
Net increase / (decrease) in cash and cash equivalents		2,697	(5,437)
Effect of exchange rate changes on cash and cash equivalents		(84)	138
Cash and cash equivalents at the beginning of the year	2.9	12,173	17,472
Cash and cash equivalents at the end of the year	2.9	**14,786**	**12,173**
Supplementary information:			
Restricted cash balance	2.9	348	362

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date attached
for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No :
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
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D. Sundaram
Lead Independent Director

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Chief Executive Officer
and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Overview and notes to the Consolidated Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

Infosys together with its subsidiaries and controlled trusts is hereinafter referred to as 'the Group'.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Electronics city, Hosur Road, Bengaluru 560100, Karnataka, India. The Company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited. The Company's American Depositary Shares (ADS) representing equity shares are listed on the New York Stock Exchange (NYSE).

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on April 18, 2024.

1.2 Basis of preparation of financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited consolidated financial statements have been discussed in the respective notes.

As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

1.3 Basis of consolidation

Infosys consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Refer to Note 2.25 for the list of subsidiaries and controlled trusts of the Company

1.4 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in *Note no. 1.5* . Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

1.5 Critical accounting estimates and judgments

a. Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

Fixed price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Group uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

b. Income taxes

The Group's two major tax jurisdictions are India and the United States, though the Company also files tax returns in other overseas jurisdictions.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced *(Refer to Notes 2.17)* .

c. Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management *(Refer to Note 2.1 and 2.4.2).*

d. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology *(Refer to Note 2.2)* .

e. Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins *(Refer to Note 2.4.1)* .

2. Notes to the Consolidated Financial Statements

2.1 BUSINESS COMBINATIONS

Accounting policy

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Profit and Loss.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is accounted for at carrying value of the assets acquired and liabilities assumed in the Group's consolidated financial statements.

The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable. In the event that the option expires unexercised, the liability is derecognized.

Acquisitions during the year ended March 31, 2023

During the year ended March 31, 2023 the Group, completed two business combinations to complement its digital offerings by acquiring 100% voting interests in:

1) oddity GmbH, oddity group services GmbH, oddity space GmbH, oddity jungle GmbH, oddity code GmbH and oddity waves GmbH (collectively known as oddity), a Germany-based digital marketing, experience, and commerce agencies on April 20, 2022.

2) BASE life science A/S, a consulting and technology firm in the life Science industry in Europe on September 1, 2022.

These acquisitions are expected to strengthen the Group's creative, branding and experience design capabilities and augment the Group's life sciences expertise, scales its digital transformation capabilities with cloud based industry solutions and expand its presence across Europe.

The purchase price is allocated to assets acquired and liabilities assumed based upon determination of fair values at the dates of acquisition as follows:

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets[(1)]	103	—	103
Intangible assets –			
Customer contracts and relationships	—	274	274
Vendor relationships	—	30	30
Brand	—	24	24
Deferred tax liabilities on intangible assets	—	(80)	(80)
Total	**103**	**248**	**351**
Goodwill			630
Total purchase price			**981**

[(1)] *Includes cash and cash equivalents acquired of ₹ 26 crore.*

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the acquired assembled workforce and estimated synergies, neither of which qualify as an intangible asset.

Goodwill is not tax-deductible. Goodwill pertaining to these business combinations is allocated to operating segments as more fully described in Note 2.4.1

The purchase consideration of ₹981 crore includes cash of ₹936 crore and contingent consideration with an estimated fair value of ₹45 crore as on the date of acquisition.

At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rate of 12.5%. As of March 31, 2024 the contingent consideration was fully paid.

Additionally, these acquisitions have shareholder and employee retention bonus payable to the employees of the acquiree over three years, subject to their continuous employment with the Group along with achievement of financial targets for the respective years. Performance and Retention Bonus is recognized in employee benefit expenses in the Consolidated Statement of Profit and Loss over the period of service.

Fair value of trade receivables acquired, is ₹111 crore as of acquisition date and as of March 31, 2024 the amounts are fully collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹7 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Profit and Loss for the year ended March 31, 2023.

Proposed acquisitions

On January 11, 2024, Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India, for a consideration including earn-outs, and management incentives and retention bonuses totaling up to ₹280 crore (approximately $34 million), subject to customary closing adjustments.

On April 18, 2024, Infosys Germany GmBH wholly owned step down subsidiary of Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in in-tech Holding GmbH, leading provider of Engineering R&D services headquartered in Germany, for a consideration including earn-outs amounting up to EUR 450 million (approximately ₹4,045 crore), subject to customary closing adjustments.

2.2 PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Buildings [(1)]	22-25 years
Plant and machinery [(1)(2)]	5 years
Office equipment	5 years
Computer equipment [(1)]	3-5 years
Furniture and fixtures [(1)]	5 years
Vehicles[(1)]	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

[(1)] Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013

[(2)] Includes Solar plant with a useful life of 25 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [1]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2023	**1,431**	**11,562**	**3,302**	**1,482**	**8,519**	**2,303**	**1,445**	**45**	**30,089**
Additions	1	300	193	106	931	121	108	1	1,761
Deletions*	—	(55)	(64)	(60)	(846)	(99)	(102)	(1)	(1,227)
Translation difference	—	(37)	(3)	—	7	1	(4)	—	(36)
Gross carrying value as at March 31, 2024	**1,432**	**11,770**	**3,428**	**1,528**	**8,611**	**2,326**	**1,447**	**45**	**30,587**
Accumulated depreciation as at April 1, 2023	**—**	**(4,535)**	**(2,437)**	**(1,198)**	**(5,826)**	**(1,675)**	**(1,032)**	**(40)**	**(16,743)**
Depreciation	—	(450)	(259)	(130)	(1,387)	(250)	(206)	(3)	(2,685)
Accumulated depreciation on deletions*	—	55	64	59	836	89	97	1	1,201
Translation difference	—	9	2	—	(3)	(1)	3	—	10
Accumulated depreciation as at March 31, 2024	**—**	**(4,921)**	**(2,630)**	**(1,269)**	**(6,380)**	**(1,837)**	**(1,138)**	**(42)**	**(18,217)**
Carrying value as at April 1, 2023	**1,431**	**7,027**	**865**	**284**	**2,693**	**628**	**413**	**5**	**13,346**
Carrying value as at March 31, 2024	**1,432**	**6,849**	**798**	**259**	**2,231**	**489**	**309**	**3**	**12,370**

* During the year ended March 31, 2024, certain assets which were not in use having gross book value of ₹775 crore (net book value: Nil) were retired.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [1]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2022	**1,431**	**11,224**	**3,210**	**1,427**	**8,527**	**2,278**	**1,234**	**44**	**29,375**
Additions - Business Combination *(Refer to Note 2.1)*	—	—	—	5	6	1	2	—	14
Additions	2	337	273	122	1,510	364	220	2	2,830
Deletions*	(2)	—	(182)	(76)	(1,563)	(348)	(25)	(1)	(2,197)
Translation difference	—	1	1	4	39	8	14	—	67
Gross carrying value as at March 31, 2023	**1,431**	**11,562**	**3,302**	**1,482**	**8,519**	**2,303**	**1,445**	**45**	**30,089**
Accumulated depreciation as at April 1, 2022	**—**	**(4,100)**	**(2,344)**	**(1,150)**	**(6,034)**	**(1,779)**	**(856)**	**(37)**	**(16,300)**
Depreciation	—	(434)	(273)	(121)	(1,322)	(236)	(187)	(4)	(2,577)
Accumulated depreciation on deletions*	—	—	181	76	1,556	347	21	1	2,182
Translation difference	—	(1)	(1)	(3)	(26)	(7)	(10)	—	(48)
Accumulated depreciation as at March 31, 2023	**—**	**(4,535)**	**(2,437)**	**(1,198)**	**(5,826)**	**(1,675)**	**(1,032)**	**(40)**	**(16,743)**
Carrying value as at April 1, 2022	**1,431**	**7,124**	**866**	**277**	**2,493**	**499**	**378**	**7**	**13,075**
Carrying value as at March 31, 2023	**1,431**	**7,027**	**865**	**284**	**2,693**	**628**	**413**	**5**	**13,346**

* During the year ended March 31, 2023, certain assets which were not in use having gross book value of ₹1,918 crore (net book value: Nil) were retired.

[1] *Buildings include ₹250/- being the value of five shares of ₹50/- each in Mittal Towers Premises Co-operative Society Limited.*

The aggregate depreciation has been included under depreciation and amortization expense in the Consolidated Statement of Profit and Loss.

Repairs and maintenance costs are recognized in the Consolidated Statement of Profit and Loss when incurred.

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company was required to transfer its CSR capital assets installed prior to January 2021. Towards this the Company had incorporated a subsidiary 'Infosys Green Forum' (IGF) under Section 8 of the Companies Act, 2013. During the year ended March 31, 2022 the Company had completed the transfer of assets upon obtaining the required approvals from regulatory authorities, as applicable. During March 31, 2024, the application filed by IGF for registration u/s.12AB of the Income Tax Act was rejected and registration cancelled. IGF is in the process of challenging the rejection order.

2.3 CAPITAL WORK-IN-PROGRESS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Capital work-in-progress	293	288
Total Capital work-in-progress	**293**	**288**

Capital wok-in-progress ageing schedule for the year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	259	22	1	11	293
	235	*21*	*12*	*20*	*288*
Total Capital work-in-progress	**259**	**22**	**1**	**11**	**293**
	235	*21*	*12*	*20*	*288*

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					
KL-SP-SDB1	-	-	-	-	-
	114		-	-	*114*
BN-SP-MET	-	-	-	-	-
	20	-	-	-	*20*
Total Capital work-in-progress*	**-**	**-**	**-**	**-**	**-**
	134	-	-	-	*134*

* There are no subsidiaries in the group having more than 10% of the total capital work in progress.

2.4 GOODWILL AND OTHER INTANGIBLE ASSETS

2.4.1 Goodwill

Accounting policy

Goodwill represents the purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Key assumptions in the cash flow projections are prepared based on current economic conditions and includes estimated long term growth rates, weighted average cost of capital and estimated operating margins.

Following is a summary of changes in the carrying amount of goodwill:

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Carrying value at the beginning	**7,248**	**6,195**
Goodwill on acquisitions *(Refer to Note 2.1)*	—	630
Translation differences	55	423
Carrying value at the end	**7,303**	**7,248**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGUs or groups of CGUs.

The allocation of goodwill to operating segments as at March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Segment	**As at**	
	March 31, 2024	**March 31, 2023**
Financial services	1,476	1,465
Retail	939	929
Communication	675	668
Energy, Utilities, Resources and Services	1,160	1,152
Manufacturing	578	573
Life Sciences	951	943
	5,779	**5,730**
Operating segments without significant goodwill	552	559
Total	**6,331**	**6,289**

The goodwill pertaining to Panaya amounting to ₹972 crore and ₹959 crore as at March 31, 2024 and March 31, 2023, respectively is tested for impairment at the entity level.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows:

(in %)

	As at	
	March 31, 2024	**March 31, 2023**
Long term growth rate	7-10	8-10
Operating margins	19-21	19-21
Discount rate	13	13

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. As at March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

2.4.2 Intangible Assets

Accounting policy

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to prepare the asset for its intended use.

Impairment

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of acquired intangible assets for the year ended March 31, 2024 are as follows :

(In ₹ crore)

Particulars	Customer related	Software related	Intellectual property rights related	Brand or Trademark Related	Others*	Total
Gross carrying value as at April 1, 2023	**2,507**	**1,031**	**1**	**346**	**774**	**4,659**
Additions	-	79	-	-	-	79
Deletions	-	(2)	-	-	-	(2)
Translation difference	5	2	-	3	8	18
Gross carrying value as at March 31, 2024	**2,512**	**1,110**	**1**	**349**	**782**	**4,754**
Accumulated amortization as at April 1, 2023	**(1,600)**	**(688)**	**(1)**	**(195)**	**(426)**	**(2,910)**
Amortization expense	(194)	(75)	-	(38)	(125)	(432)
Deletions	-	2	-		-	2
Translation differences	(6)	(4)	-	(2)	(5)	(17)
Accumulated amortization as at March 31, 2024	**(1,800)**	**(765)**	**(1)**	**(235)**	**(556)**	**(3,357)**
Carrying value as at April 1, 2023	**907**	**343**	**-**	**151**	**348**	**1,749**
Carrying value as at March 31, 2024	**712**	**345**	**-**	**114**	**226**	**1,397**
Estimated Useful Life *(in years)*	*1-15*	*3-10*	-	*3-10*	*3-7*	
Estimated Remaining Useful Life *(in years)*	*1-10*	*1-5*	-	*1-6*	*1-4*	

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	Customer related	Software related	Intellectual property rights related	Brand or Trademark Related	Others*	Total
Gross carrying value as at April 1, 2022	**2,080**	**915**	**1**	**299**	**686**	**3,981**
Additions	-	62	-	-	-	**62**
Acquisition through business combination *(Refer to Note 2.1)*	274			24	30	**328**
Deletions	-	(4)	-	-	-	**(4)**
Translation difference	153	58	-	23	58	**292**
Gross carrying value as at March 31, 2023	**2,507**	**1,031**	**1**	**346**	**774**	**4,659**
Accumulated amortization as at April 1, 2022	**(1,279)**	**(569)**	**(1)**	**(141)**	**(284)**	**(2,274)**
Amortization expense	(236)	(84)	-	(45)	(119)	(484)
Deletions	-	3	-	-	-	3
Translation differences	(85)	(38)	-	(9)	(23)	(155)
Accumulated amortization as at March 31, 2023	**(1,600)**	**(688)**	**(1)**	**(195)**	**(426)**	**(2,910)**
Carrying value as at April 1, 2022	**801**	**346**	**-**	**158**	**402**	**1,707**
Carrying value as at March 31, 2023	**907**	**343**	**-**	**151**	**348**	**1,749**
Estimated Useful Life *(in years)*	*1-15*	*3-10*	-	*3-10*	*3-7*	
Estimated Remaining Useful Life *(in years)*	*1-11*	*1-6*	-	*1-7*	*1-5*	

** Majorly includes intangibles related to vendor relationships*

The amortization expense has been included under depreciation and amortization expense in the Consolidated Statement of Profit and Loss.

Research and Development Expenditure

Research and development expense recognized in the Consolidated Statement of Profit and Loss for the year ended March 31, 2024 and March 31, 2023 was ₹1,118 crore and ₹ 1,042 crore respectively.

2.5 INVESTMENTS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current Investments		
Unquoted		
Investments carried at fair value through other comprehensive income		
Preference securities	91	193
Equity securities	2	3
	93	**196**
Investments carried at fair value through profit or loss		
Target maturity fund units	431	402
Others [(1)]	198	169
	629	**571**
Quoted		
Investments carried at amortized cost		
Government bonds	28	28
Tax free bonds	1,731	1,742
	1,759	**1,770**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	2,217	2,713
Equity securities	113	—
Government securities	6,897	7,319
	9,227	**10,032**
Total non-current investments	**11,708**	**12,569**
Current Investments		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	2,615	975
	2,615	**975**
Investments carried at fair value through other comprehensive income		
Commercial Paper	4,830	742
Certificates of deposit	3,043	3,574
	7,873	**4,316**
Quoted		
Investments carried at amortized cost		
Tax free bonds	—	150
	—	**150**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	1,962	1,155
Government securities	465	313
	2,427	**1,468**
Total current investments	**12,915**	**6,909**
Total investments	**24,623**	**19,478**
Aggregate amount of quoted investments	13,413	13,420
Market value of quoted investments (including interest accrued), current	2,428	1,637
Market value of quoted investments (including interest accrued), non current	11,201	12,042
Aggregate amount of unquoted investments	11,210	6,058
Investments carried at amortized cost	1,759	1,920
Investments carried at fair value through other comprehensive income	19,620	16,012
Investments carried at fair value through profit or loss	3,244	1,546

[(1)] *Uncalled capital commitments outstanding as at March 31, 2024 and March 31, 2023 was ₹79 crore and ₹92 crore, respectively.*

Refer to Note 2.11 for Accounting policies on Financial Instruments.

Details of amounts recorded in Other comprehensive income :

(In ₹ crore)

	Year ended March 31, 2024			Year ended March 31, 2023		
	Gross	Tax	Net	Gross	Tax	Net
Net Gain/(loss) on						
Non-convertible debentures	62	5	67	(100)	(1)	(101)
Certificates of deposit	(1)	-	(1)	(1)	-	(1)
Government securities	98	(20)	78	(162)	8	(154)
Equity and preference securities	10	9	19	(8)	1	(7)

Method of fair valuation:

(In ₹ crore)

Class of investment	Method	Fair value as at	
		March 31, 2024	March 31, 2023
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	2,615	975
Target maturity fund units - carried at fair value through profit or loss	Quoted price	431	402
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	1,973	2,148
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	4,179	3,868
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	7,362	7,632
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	4,830	742
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	3,043	3,574
Quoted Equity securities - carried at fair value through other comprehensive income	Quoted price	113	—
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	93	196
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	198	169
Total		**24,837**	**19,706**

Note: Certain quoted investments are classified as Level 2 in the absence of active market for such investments.

2.5.1 Details of investments

The details of investments in preference, equity and other instruments at March 31, 2024 and March 31, 2023 are as follows:

(In ₹ crore, except otherwise stated)

Particulars	As at	
	March 31, 2024	March 31, 2023
Preference securities		
Airviz, Inc.	-	-
2,89,695(2,89,695) Series A Preferred Stock, fully paid up, par value USD 0.001 each		
Whoop, Inc.	60	53
1,10,59,340 (1,10,59,340) Series B Preferred Stock, fully paid up, par value USD 0.0001 each		
Nivetti Systems Private Limited	31	26
2,28,501(2,28,501) Preferred Stock, fully paid up, par value ₹1/- each		
Tidalscale, Inc.	-	-
Nil (36,74,269) Series B Preferred Stock		
Ideaforge Technology Limited	-	114
Nil (5,402) Series A compulsorily convertible cumulative Preference shares of ₹10/- each, fully paid up		
Nil (1,787) Series B compulsorily convertible cumulative Preference shares of ₹10/- each, fully paid up		
Total investment in preference securities	**91**	**193**
Equity Instruments		
Merasport Technologies Private Limited	-	-
2,420 (2,420) equity shares at ₹8,052/- each, fully paid up, par value ₹10/- each		
Global Innovation and Technology Alliance	2	2
15,000 (15,000) equity shares at ₹1,000/- each, fully paid up, par value ₹1,000/- each		
Ideaforge Technology Limited	113	1
16,47,314 (22,600) equity shares at ₹10/-, fully paid up		
Total investment in equity instruments	**115**	**3**
Others		
Stellaris Venture Partners India	84	82
The House Fund II, L.P.	107	84
The House Fund III, L.P.	7	3
Total investment in others	**198**	**169**
Total	**404**	**365**

2.6 LOANS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	34	39
	34	**39**
Loans credit impaired - Unsecured		
Other loans		
Loans to employees	2	2
Less: Allowance for credit impairment	(2)	(2)
	—	—
Total non-current loans	**34**	**39**
Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	248	289
Total current loans	**248**	**289**
Total loans	**282**	**328**

2.7 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current		
Security deposits (1)	259	287
Unbilled revenues (1)#	1,677	1,185
Net investment in sublease of right of use asset (1)	3	305
Restricted deposits (1)*	47	96
Others (1)**	1,119	925
Total non-current other financial assets	**3,105**	**2,798**
Current		
Security deposits (1)	75	42
Restricted deposits (1)*	2,535	2,348
Unbilled revenues (1)#	7,923	8,317
Interest accrued but not due (1)	537	488
Foreign currency forward and options contracts (2) (3)	84	101
Net investment in sublease of right of use asset (1)	6	53
Others (1)**	925	255
Total current other financial assets	**12,085**	**11,604**
Total other financial assets	**15,190**	**14,402**
(1) Financial assets carried at amortized cost	15,106	14,301
(2) Financial assets carried at fair value through other comprehensive income	23	32
(3) Financial assets carried at fair value through profit or loss	61	69

* Restricted deposits represent deposits with financial institutions to settle employee-related obligations as and when they arise during the normal course of business.
# Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.
** Primarily includes net investment in lease.

2.8 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Trade Receivable considered good - Unsecured	30,713	25,965
Less: Allowance for expected credit loss	520	541
Trade Receivable considered good - Unsecured	30,193	25,424
Trade Receivable - credit impaired - Unsecured	196	142
Less: Allowance for credit impairment	196	142
Trade Receivable - credit impaired - Unsecured	—	—
Total trade receivables	**30,193**	**25,424**

Trade receivables ageing schedule for the year ended as on March 31, 2024 and *March 31, 2023* :

(In ₹ crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	22,572	7,402	319	414	2	4	30,713
	18,397	*7,501*	*58*	*3*	*4*	*2*	*25,965*
Undisputed Trade receivables – credit impaired	3	15	7	6	4	106	141
	14	*7*	*2*	*4*	*69*	*38*	*134*
Disputed Trade receivables – considered good							-
							-
Disputed Trade receivables – credit impaired	-	1	21	26	2	5	55
	-	*-*	*-*	*-*	*3*	*5*	*8*
	22,575	7,418	347	446	8	115	30,909
	18,411	*7,508*	*60*	*7*	*76*	*45*	*26,107*
Less: Allowance for credit loss							716
							683
Total Trade Receivables							30,193
							25,424

2.9 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current and deposit accounts	14,786	10,026
Cash on hand	—	—
Others		
Deposits with financial institutions	—	2,147
Total cash and cash equivalents	**14,786**	**12,173**
Balances with banks in unpaid dividend accounts	37	37
Deposit with more than 12 months maturity	57	833

Cash and cash equivalents as at March 31, 2024 and March 31, 2023 include restricted cash and bank balances of ₹348 crore and ₹362 crore respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the company.

The deposits maintained by the Group with banks and financial institutions comprise of time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

2.10 OTHER ASSETS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current		
Capital advances	155	159
Advances other than capital advances		
Others		
Withholding taxes and others	673	684
Unbilled revenues #	103	264
Defined benefit plan assets	31	36
Prepaid expenses	343	332
Deferred Contract Cost		
Cost of obtaining a contract *	129	191
Cost of fulfillment	687	652
Total Non-Current other assets	**2,121**	**2,318**
Current		
Advances other than capital advances		
Payment to vendors for supply of goods	356	202
Others		
Unbilled revenues #	4,845	6,972
Withholding taxes and others	3,540	3,268
Prepaid expenses	3,329	2,745
Deferred Contract Cost		
Cost of obtaining a contract *	200	853
Cost of fulfillment	358	175
Other receivables	180	261
Total Current other assets	**12,808**	**14,476**
Total other assets	**14,929**	**16,794**

Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

* Includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹372 crore and ₹731 crore, respectively. For the year ended March 31, 2023 ₹118 crore was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction (Refer to note 2.13)

Withholding taxes and others primarily consist of input tax credits and Cenvat recoverable from Government of India.

2.11 FINANCIAL INSTRUMENTS

Accounting policy

2.11.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.11.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration and financial liability under option arrangements recognized in a business combination which is subsequently measured at fair value through profit or loss.

b. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for such contracts is generally a bank.

(i) Financial assets or financial liabilities, carried at fair value through profit or loss.

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Consolidated Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

(ii) Cash flow hedge

The Group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Consolidated Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Consolidated Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Consolidated Statement of Profit and Loss.

2.11.3 Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.11.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, option pricing model, market multiples, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to table 'Financial instruments by category' below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximates fair value due to the short maturity of these instruments.

2.11.5 Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in Consolidated Statement of Profit and Loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents *(Refer to Note 2.9)*	14,786	—	—	—	—	14,786	14,786
Investments *(Refer to Note 2.5)*							
Equity and preference securities	—	—	—	206	—	206	206
Tax free bonds and government bonds	1,759	—	—	—	—	1,759	1,973 [1]
Liquid mutual fund units	—	—	2,615	—	—	2,615	2,615
Target maturity fund units	—	—	431	—	—	431	431
Non convertible debentures	—	—	—	—	4,179	4,179	4,179
Government securities	—	—	—	—	7,362	7,362	7,362
Commercial Paper	—	—	—	—	4,830	4,830	4,830
Certificates of deposit	—	—	—	—	3,043	3,043	3,043
Other investments	—	—	198	—	—	198	198
Trade receivables *(Refer to Note 2.8)*	30,193	—	—	—	—	30,193	30,193
Loans *(Refer to Note 2.6)*	282	—	—	—	—	282	282
Other financials assets *(Refer to Note 2.7)* [3]	15,106	—	61	—	23	15,190	15,106 [2]
Total	**62,126**	**—**	**3,305**	**206**	**19,437**	**85,074**	**85,204**
Liabilities:							
Trade payables *(Refer to Note 2.14)*	3,956	—	—	—	—	3,956	3,956
Lease liabilities *(Refer to Note 2.21)*	8,359	—	—	—	—	8,359	8,359
Financial Liability under option arrangements *(Refer to Note 2.13)*	—	—	597	—	—	597	597
Other financial liabilities *(Refer to Note 2.13)*	15,750	—	30	—	1	15,781	15,781
Total	**28,065**	**—**	**627**	**—**	**1**	**28,693**	**28,693**

[1] *On account of fair value changes including interest accrued*

[2] *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

[3] *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents *(Refer to Note 2.9)*	12,173	—	—	—	—	12,173	12,173
Investments *(Refer to Note 2.5)*							
Equity and preference securities	—	—	—	196	—	196	196
Tax free bonds and government bonds	1,920	—	—	—	—	1,920	2,148 [1]
Liquid mutual fund units	—	—	975	—	—	975	975
Target maturity fund units	—	—	402	—	—	402	402
Non convertible debentures	—	—	—	—	3,868	3,868	3,868
Government securities	—	—	—	—	7,632	7,632	7,632
Commercial Paper	—	—	—	—	742	742	742
Certificates of deposit	—	—	—	—	3,574	3,574	3,574
Other investments	—	—	169	—	—	169	169
Trade receivables *(Refer to Note 2.8)*	25,424	—	—	—	—	25,424	25,424
Loans *(Refer to Note 2.6)*	328	—	—	—	—	328	328
Other financials assets *(Refer to Note 2.7)* [3]	14,301	—	69		32	14,402	14,311 [2]
Total	**54,146**	**—**	**1,615**	**196**	**15,848**	**71,805**	**71,942**
Liabilities:							
Trade payables *(Refer to Note 2.14)*	3,865	—	—	—	—	3,865	3,865
Lease liabilities *(Refer to Note 2.21)*	8,299	—	—	—	—	8,299	8,299
Financial Liability under option arrangements *(Refer to Note 2.13)*	—	—	600	—	—	600	600
Other financial liabilities *(Refer to Note 2.13)*	17,359	—	161	—	14	17,534	17,534
Total	**29,523**	**—**	**761**	**—**	**14**	**30,298**	**30,298**

[1] *On account of fair value changes including interest accrued*

[2] *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

[3] *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

For trade receivables and trade payables and other assets and payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2024 is as follows:

(In ₹ crore)

Particulars	**As at March 31, 2024**	**Fair value measurement at end of the reporting period using**		
		Level 1	**Level 2**	**Level 3**
Assets				
Investments ***(Refer to note 2.5)***				
Investments in liquid mutual funds	2,615	2,615	—	—
Investments in Target maturity fund units	431	431	—	—
Investments in tax free bonds	1,944	1,944	—	—
Investments in government bonds	29	29	—	—
Investments in non convertible debentures	4,179	3,922	257	—
Investment in government securities	7,362	7,289	73	—
Investments in equity securities	115	—	—	115
Investments in preference securities	91	—	—	91
Investments in commercial paper	4,830	—	4,830	—
Investments in certificates of deposit	3,043	—	3,043	—
Other investments	198	—	—	198
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts	84	—	84	—
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts *(Refer to Note 2.13)*	31	—	31	—
Financial liability under option arrangements *(Refer to Note 2.13)* (1)	597	—	—	597

(1) *Discount rate ranges from 9% to 15%*

During the year ended March 31, 2024, government securities , non convertible debentures and tax free bonds of ₹2,143 crore was transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, government securities of ₹73 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2023 was as follows:

(In ₹ crore)

Particulars	**As at March 31, 2023**	**Fair value measurement at end of the reporting period using**		
		Level 1	**Level 2**	**Level 3**
Assets				
Investments ***(Refer to note 2.5)***				
Investments in liquid mutual funds	975	975	—	—
Investments in Target maturity fund units	402	402	—	—
Investments in tax free bonds	2,120	1,331	789	—
Investments in government bonds	28	28	—	—
Investments in non convertible debentures	3,868	1,793	2,075	—
Investment in government securities	7,632	7,549	83	—
Investments in equity instruments	3	—	—	3
Investments in preference securities	193	—	—	193
Investments in commercial paper	742		742	
Investments in certificates of deposit	3,574	—	3,574	—
Other investments	169	—	—	169
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts *(Refer to Note 2.7)*	101	—	101	—
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts *(Refer to Note 2.13)*	78	—	78	—
Financial liability under option arrangements *(Refer to Note 2.13)* (1)	600	—	—	600
Liability towards contingent consideration *(Refer to Note 2.13)* (1)	97	—	—	97

(1) *Discount rate ranges from 10% to 15%*

During the year ended March 31, 2023, government securities and tax free bonds of ₹383 crore were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, non-convertible debentures of ₹1,611 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

Majority of investments of the Group are fair valued based on Level 1 or Level 2 inputs. These investments primarily include investment in liquid mutual fund units, target maturity fund units, tax free bonds, certificates of deposit, commercial papers, treasury bills, government securities, non-convertible debentures, quoted bonds issued by government and quasi-government organizations. The Group invests after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and Deposit base of banks and financial institutions. These risks are monitored regularly as per Group's risk management program.

Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Market risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in the United States and elsewhere, and purchases from overseas suppliers in various foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Group is also exposed to foreign exchange risk arising on intercompany transaction in foreign currencies. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

The following table analyses the foreign currency risk from financial assets and liabilities as at March 31, 2024:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net financial assets	26,126	9,559	2,153	1,479	2,917	42,234
Net financial liabilities	(11,925)	(3,378)	(710)	(813)	(2,218)	(19,044)
Total	**14,201**	**6,181**	**1,443**	**666**	**699**	**23,190**

The following table analyses the foreign currency risk from financial assets and liabilities as at March 31, 2023:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net financial assets	20,777	7,459	1,816	1,809	2,604	34,465
Net financial liabilities	(12,148)	(3,734)	(737)	(953)	(2,208)	(19,780)
Total	**8,629**	**3,725**	**1,079**	**856**	**396**	**14,685**

Sensitivity analysis between Indian rupee and U.S. Dollar

Particulars	Year ended March 31,	
	2024	**2023**
Impact on the Group's incremental operating margins	0.43%	0.44%

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Derivative financial instruments

The Group holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

The details in respect of outstanding foreign currency forward and option contracts are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	In million	**In ₹ crore**	**In million**	**In ₹ crore**
Derivatives designated as cash flow hedges				
Forward contracts				
In Euro	30	270	-	-
Option Contracts				
In Euro	236	2,121	325	2,907
In Australian dollars	106	573	140	770
In United Kingdom Pound Sterling	35	368	55	559
Other derivatives				
Forward contracts				
In U.S. dollars	1,423	11,866	1,670	13,726
In Euro	574	5,163	316	2,825
In Singapore dollars	171	1,046	204	1,245
In United Kingdom Pound Sterling	86	902	86	877
In Swiss Franc	17	158	1	8
In New Zealand dollars	30	149	30	154
In Czech Koruna	374	135	364	134
In Danish Krone	100	121	-	-
In Norwegian Krone	130	100	100	79
In Canadian dollars	15	92	-	-
In Australian dollars	14	75	10	55
In Hungarian Forint	2,500	57	-	-
In Chinese Yuan	43	49	41	49
In South African rand	85	37	85	39
Option Contracts				
In U.S. dollars	543	4,527	300	2,465
In Euro	100	897	160	1,431
In Australian dollars	20	111	30	165
In United Kingdom Pound Sterling	-	-	15	153
Total forwards and options contracts		**28,817**		**27,641**

The group recognized a net gain of ₹186 crore during year ended March 31, 2024 and a net loss of ₹558 crore for the year ended March 31, 2023, respectively, on derivative financial instruments not designated as cash flow hedges which are included in other income.

The foreign exchange forward and option contracts mature within 12 months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Not later than one month	10,877	13,155
Later than one month and not later than three months	15,963	11,159
Later than three months and not later than one year	1,977	3,327
Total	**28,817**	**27,641**

During the year ended March 31, 2024 and March 31, 2023, the Group has designated certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance in cash flow hedges as of March 31, 2024 are expected to occur and will be reclassified to the Consolidated Statement of Profit and Loss within 3 months.

The Group determines the existence of an economic relationship between the hedging instrument and the hedged item based on the currency, amount and timing of its forecasted cash flows. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the Consolidated Statement of Profit and Loss at the time of the hedge relationship rebalancing.

The following table provides reconciliation of cash flow hedge reserve for the year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Gain/(Loss)		
Balance at the beginning of the year	(5)	2
Gain / (Loss) recognized in other comprehensive income during the year	8	90
Amount reclassified to profit or loss during the year	7	(99)
Tax impact on above	(4)	2
Balance at the end of the year	**6**	**(5)**

The Group offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows:

(In ₹ crore)

Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognized financial asset/liability	98	(45)	127	(104)
Amount set off	(14)	14	(26)	26
Net amount presented in Balance Sheet	**84**	**(31)**	**101**	**(78)**

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹30,193 crore and ₹25,424 crore as at March 31, 2024 and March 31, 2023, respectively and unbilled revenues amounting to ₹14,548 crore and ₹16,738 crore as at March 31, 2024 and March 31, 2023, respectively. Trade receivables and unbilled revenues are typically unsecured and are derived from revenues from customers primarily located in the United States of America. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. This matrix takes into account credit reports and other related credit information to the extent available.

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

The following table gives details in respect of percentage of revenues generated from top five customers and top ten customers:

(In %)

Particulars	Year ended March 31,	
	2024	2023
Revenue from five top customers	13.3	12.7
Revenue from top ten customers	20.0	20.2

Credit risk exposure

The Group’s credit period generally ranges from 30-75 days.

The allowance for lifetime ECL on customer balances for the year ended March 31, 2024 and March 31, 2023 was ₹90 crore and ₹228 crore, respectively.

The movement in credit loss allowance on customer balance is as follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Balance at the beginning	961	858
Impairment loss recognized/ (reversed), net	90	228
Amounts written off	(98)	(166)
Translation differences	-	41
Balance at the end	**953**	**961**

The gross carrying amount of a financial asset is written off (either partially or in full) when there is no realistic prospect of recovery.

Credit exposure

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Trade receivables	30,193	25,424
Unbilled revenues	14,548	16,738

Days sales outstanding was 71 days and 62 days as of March 31, 2024 and March 31, 2023, respectively.

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Group has considered the latest available credit ratings as at the date of approval of these Consolidated financial statements.

The investments of the Group primarily include investment in liquid mutual fund units, target maturity fund units, tax free bonds, certificates of deposit, commercial paper, treasury bills, government securities, non-convertible debentures, quoted bonds issued by government and quasi government organizations. The Group invests after considering counterparty risks based on multiple criteria including Tier I Capital, Capital Adequacy Ratio, credit rating, profitability, NPA levels and deposit base of banks and financial institutions. These risks are monitored regularly as per Group’s risk management program.

Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time.

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group has no outstanding borrowings. The Group believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2024, the Group had a working capital of ₹50,638 crore including cash and cash equivalents of ₹14,786 crore and current investments of ₹12,915 crore. As at March 31, 2023, the Group had a working capital of ₹31,695 crore including cash and cash equivalents of ₹12,173 crore and current investments of ₹6,909 crore.

As at March 31, 2024 and March 31, 2023, the outstanding compensated absences were ₹2,711 crore and ₹2,482 crore, respectively, which have been substantially funded. Accordingly no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2024:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	3,956	-	-	-	3,956
Other financial liabilities (excluding liability towards contingent consideration) on an undiscounted basis (Refer to Note 2.13)	13,820	1,321	570	67	15,778
Financial liability under option arrangements on an undiscounted basis (Refer to Note 2.13)	554	-	-	136	690

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	3,865	-	-	-	3,865
Other financial liabilities (excluding liability towards contingent consideration) *(Refer to Note 2.13)*	15,403	1,532	438	13	17,386
Financial liability under option arrangements on an undiscounted basis (Refer to Note 2.13)	676	-	-	-	676
Liability towards contingent consideration on an undiscounted basis (Refer to Note 2.13)	101	-	-	-	101

2.12 EQUITY

Accounting policy

Ordinary Shares

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Treasury Shares

When any entity within the Group purchases the company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from securities premium.

Description of reserves

Capital Redemption Reserve

In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve / retained earnings.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Group.

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

Share options outstanding account

The share options outstanding account is used to record the fair value of equity-settled share based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA (2) of the Income Tax Act, 1961.

Other components of equity

Other components of equity include currency translation, remeasurement of net defined benefit liability / asset, equity instruments fair valued through other comprehensive income, changes on fair valuation of investments and changes in fair value of derivatives designated as cash flow hedges, net of taxes.

Currency translation reserve

The exchange differences arising from the translation of financial statements of foreign subsidiaries with functional currency other than Indian rupees is recognized in other comprehensive income and is presented within equity.

Cash flow hedge reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Consolidated Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

EQUITY SHARE CAPITAL

(In ₹ crore, except as otherwise stated)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Authorized		
Equity shares, ₹5 par value		
480,00,00,000 (480,00,00,000) equity shares	2,400	2,400
Issued, Subscribed and Paid-Up		
Equity shares, ₹5 par value[(1)]	2,071	2,069
4,13,99,50,635 (4,13,63,87,925) equity shares fully paid-up[(2)]		
	2,071	**2,069**

Note: Forfeited shares amounted to ₹1,500 (₹1,500)

[(1)] *Refer to Note 2.23 for details of basic and diluted shares*

[(2)] *Net of treasury shares 1,09,16,829 (1,21,72,119)*

The Company has only one class of shares referred to as equity shares having a par value of ₹5/-. Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depositary Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently, other than the amounts held by irrevocable controlled trusts. For irrevocable controlled trusts, the corpus would be settled in favor of the beneficiaries.

There are no voting, dividend or liquidation rights to the holders of options issued under the company's share option plans.

For details of shares reserved for issue under the employee stock option plan of the Company refer to the note below.

In the period of five years immediately preceding March 31, 2024:

Buyback

In the period of five years immediately preceding March 31, 2024, the Company had purchased and extinguished a total of 21,41,00,951 fully paid-up equity shares of face value ₹5/- each from the stock exchange. The Company has only one class of equity shares.

Capital allocation policy

Effective from financial year 2025, the Company expects to continue the policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes

Buyback completed in February 2023

In line with the capital allocation policy, the Board, at its meeting held on October 13, 2022, approved the buyback of equity shares, from the open market route through the Indian stock exchanges, amounting to ₹9,300 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹1,850 per share (Maximum Buyback Price), subject to shareholders' approval by way of Postal Ballot.

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 3, 2022. The buyback was offered to all equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on December 7, 2022 and was completed on February 13, 2023. During this buyback period the Company had purchased and extinguished a total of 60,426,348 equity shares from the stock exchange at a volume weighted average buyback price of ₹1,539.06/- per equity share comprising 1.44% of the pre buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹9,300 crore (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of ₹30 crore equal to the nominal value of the shares bought back as an appropriation from general reserve and retained earnings.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of March 31, 2024, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

2.12.2 Shareholding of promoter

Shares held by promoters at March 31, 2024:

Promoter name	**No. of shares**	**% of total shares**	**% Change during the year**
Sudha Gopalakrishnan	95,357,000	2.30%	-
Rohan Murty	60,812,892	1.47%	-
S Gopalakrishnan	31,853,808	0.77%	(23.89%)
Nandan M Nilekani	40,783,162	0.98%	-
Akshata Murty	38,957,096	0.94%	-
Asha Dinesh	38,579,304	0.93%	-
Sudha N Murty	34,550,626	0.83%	-
Rohini Nilekani	34,335,092	0.83%	-
Dinesh Krishnaswamy	32,479,590	0.78%	-
Shreyas Shibulal	21,323,515	0.51%	(10.04%)
N R Narayana Murthy	15,145,638	0.36%	(9.01%)
Nihar Nilekani	12,677,752	0.31%	-
Janhavi Nilekani	8,589,721	0.21%	-
Kumari Shibulal	4,945,935	0.12%	(5.77%)
Deeksha Dinesh	7,646,684	0.18%	-
Divya Dinesh	7,646,684	0.18%	-
Meghana Gopalakrishnan	14,834,928	0.36%	206.83%
Shruti Shibulal	2,737,538	0.07%	-
S D Shibulal	5,208,673	0.13%	(10.42%)
Ekagrah Rohan Murty	1,500,000	0.04%	100.00%
Promoters Group			
Gaurav Manchanda	12,524,106	0.30%	(8.82%)
Milan Shibulal Manchanda	6,513,389	0.16%	(6.52%)
Nikita Shibulal Manchanda	6,513,389	0.16%	(6.52%)
Bhairavi Madhusudhan Shibulal	6,021,716	0.15%	(9.84%)
Shray Chandra	719,424	0.02%	-
Tanush Nilekani Chandra	3,356,017	0.08%	-

The percentage shareholding above has been computed considering the outstanding number of shares of 415,08,67,464 as at March 31, 2024.

2.12.3 Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

(in ₹)

Particulars	**Year ended March 31,**	
	2024	**2023**
Final dividend for fiscal 2022	—	16.00
Interim dividend for fiscal 2023	—	16.50
Final dividend for fiscal 2023	17.50	—
Interim dividend for fiscal 2024	18.00	—

During the year ended March 31, 2024, on account of the final dividend for fiscal 2023 and interim dividend for fiscal 2024, the Company has incurred a net cash outflow of ₹14,692 crore (excluding dividend paid on treasury shares).

The Board of Directors in their meeting held on April 18, 2024 recommended a final dividend of ₹20/- per equity share for the financial year ended March 31, 2024 and a special dividend of ₹8/- per equity share. The payment is subject to the approval of shareholders in the AGM of the Company to be held on June 26, 2024 and if approved, would result in a net cash outflow of approximately ₹11,592 crore (excluding dividend paid on treasury shares).

The details of shareholders holding more than 5% shares as at March 31, 2024 and March 31, 2023 are as follows:

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% held	Number of shares	% held
Deutsche Bank Trust Company Americas (Depository of ADR's - legal ownership)	44,23,91,411	10.66	50,57,90,851	12.19
Life Insurance Corporation of India	38,59,52,941	9.30	29,82,44,977	7.19

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2024 and March 31, 2023 are as follows:

(In ₹ crore, except as stated otherwise)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the year	**413,63,87,925**	**2,069**	**419,30,12,929**	**2,098**
Add: Shares issued on exercise of employee stock options	35,62,710	2	38,01,344	1
Less: Shares bought back	—	—	60,426,348	30
As at the end of the year	**413,99,50,635**	**2,071**	**413,63,87,925**	**2,069**

2.12.4 Employee Stock Option Plan (ESOP):

Accounting policy

The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the consolidated statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

Infosys Expanded Stock Ownership Program 2019 (the 2019 Plan) :

On June 22, 2019 pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 Plan shall not exceed 5,00,00,000 equity shares. To implement the 2019 Plan, up to 4,50,00,000 equity shares may be issued by way of secondary acquisition of shares by Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 Plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the Company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

2015 Stock Incentive Compensation Plan (the 2015 Plan) :

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Plan. The maximum number of shares under the 2015 Plan shall not exceed 2,40,38,883 equity shares (this includes 1,12,23,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

The equity settled and cash settled RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NARC). The exercise price of the RSUs will be equal to the par value of the shares and the exercise price of the stock options would be the market price as on the date of grant.

Controlled trust holds 1,09,16,829 and 1,21,72,119 shares as at March 31, 2024 and March 31, 2023, respectively, under the 2015 Plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at March 31, 2024 and March 31, 2023.

The following is the summary of grants made during year ended March 31, 2024 and March 31, 2023:

Particulars	2019 Plan		2015 Plan	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Equity Settled RSUs				
Key Management Personnel (KMP)	141,171	210,643	498,730	367,479
Employees other than KMP	4,046,731	3,704,014	4,640,640	1,784,975
	4,187,902	**3,914,657**	**5,139,370**	**2,152,454**
Cash settled RSUs				
Key Management Personnel (KMP)	-	-	-	-
Employees other than KMP	-	-	176,990	92,400
	-	**-**	**176,990**	**92,400**
Total Grants	**4,187,902**	**3,914,657**	**5,316,360**	**2,244,854**

Notes on grants to KMP:

CEO & MD

Under the 2015 Plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2024. In accordance with such approval the following grants were made effective May 2, 2023.

- 2,72,026 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 15,656 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 39,140 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore . These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Further, in accordance with the employee agreement which has been approved by the shareholders, the CEO is eligible to receive an annual grant of RSUs of fair value ₹3 crore which will vest overtime in three equal annual installments upon the completion of each year of service from the respective grant date. Accordingly, annual time-based grant of 18,104 RSUs was made effective February 1, 2024 for fiscal 2024.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of March 31, 2024, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with Ind AS 102, Share based payments. The grant date for this purpose in accordance with Ind AS 102, Share based payments is July 1, 2022.

Under the 2019 Plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2024 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 78,281 performance based RSU's were granted effective May 2, 2023.

Other KMP

Under the 2015 Plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved 1,47,030 time based RSUs and 6,774 performance based RSUs to other KMP under the 2015 plan. Time based RSUs will vest over three to four years and performance based RSUs will vest over three years based on certain performance targets.

Under the 2019 Plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved performance based grants of 62,890 RSUs to other KMPs under the 2019 plan. These RSUs will vest over three years based on achievement of certain performance targets.

The break-up of employee stock compensation expense is as follows:

(in ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Granted to:		
KMP[#]	68	49
Employees other than KMP	584	470
Total [(1)]	**652**	**519**
[(1)] *Cash-settled stock compensation expense included in the above*	13	5

The activity in the 2015 and 2019 Plan for equity-settled share based payment transactions during the year ended March 31, 2024 and March 31, 2023 is set out as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Shares arising out of options	Weighted average exercise price (₹)	Shares arising out of options	Weighted average exercise price (₹)
2015 Plan: RSU				
Outstanding at the beginning	54,08,018	5.00	62,32,975	4.82
Granted	51,39,370	5.00	21,52,454	5.00
Exercised	18,15,025	5.00	21,05,904	4.50
Forfeited and expired	6,56,305	5.00	8,71,507	4.93
Outstanding at the end	**80,76,058**	**5.00**	**54,08,018**	**5.00**
Exercisable at the end	8,31,050	4.98	7,87,976	4.97
2015 Plan: Employee Stock Options (ESOPs)				
Outstanding at the beginning	1,34,030	529	7,00,844	557
Granted	-	-	-	-
Exercised	51,980	499	5,66,814	596
Forfeited and expired	-	-	-	-
Outstanding at the end	**82,050**	**551**	**1,34,030**	**529**
Exercisable at the end	82,050	551	1,34,030	529
2019 Plan: RSU				
Outstanding at the beginning	72,22,038	5.00	49,58,938	5.00
Granted	41,87,902	5.00	39,14,657	5.00
Exercised	16,95,705	5.00	11,28,626	5.00
Forfeited and expired	16,90,380	5.00	5,22,931	5.00
Outstanding at the end	**80,23,855**	**5.00**	**72,22,038**	**5.00**
Exercisable at the end	8,14,798	5.00	13,52,150	5.00

The weighted average share price of option exercised is set out as follows:

(in ₹)

Particulars	2019 Plan		2015 Plan	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Weighted average share price of options exercised	1,352	1,485	1,414	1,515

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2024 is as follows:

Range of exercise prices per share (₹)	2019 Plan - Options outstanding			2015 Plan - Options outstanding		
	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (₹)	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (₹)
0 - 5 (RSU)	80,23,855	1.42	5	80,76,058	1.77	5
450 - 640 (ESOP)	-	-	-	82,050	1.10	551

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2023 is as follows:

Range of exercise prices per share (₹)	2019 Plan - Options outstanding			2015 Plan - Options outstanding		
	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (₹)	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (₹)
0 - 5 (RSU)	72,22,038	1.33	5.00	54,08,018	1.49	5.00
450 - 630 (ESOP)	-	-	-	1,34,030	1.77	529

As at March 31, 2024 and March 31, 2023, 2,91,795 and 2,24,924 cash settled options were outstanding respectively. The carrying value of liability towards cash settled share based payments was ₹13 crore and ₹4 crore as at March 31, 2024 and March 31, 2023 respectively.

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options and Monte Carlo simulation model is used for TSR based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options. Correlation coefficient is calculated between each peer entity and the indices as a whole or between each entity in the peer group.

The fair value of each equity settled award is estimated on the date of grant using the following assumptions:

Particulars	For options granted in			
	Fiscal 2024-Equity Shares-RSU	Fiscal 2024-ADS-RSU	Fiscal 2023-Equity Shares-RSU	Fiscal 2023-ADS-RSU
Weighted average share price (₹) / ($ ADS)	1,588	19.19	1,525	18.08
Exercise price (₹) / ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	23-31	25-33	23-32	27-34
Expected life of the option (years)	1-4	1-4	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	7	4-5	5-7	2-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,317	16.27	1,210	13.69

The expected life of the RSU/ESOP is estimated based on the vesting term and contractual term of the RSU/ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2.13 OTHER FINANCIAL LIABILITIES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Others		
Accrued compensation to employees [1]	7	5
Accrued expenses [1]	1,779	1,628
Compensated absences	89	83
Financial liability under option arrangements [2] [#]	98	—
Other Payables [1][4]	157	342
Total non-current other financial liabilities	**2,130**	**2,058**
Current		
Unpaid dividends [1]	37	37
Others		
Accrued compensation to employees [1]	4,454	4,174
Accrued expenses [1]	8,224	7,802
Payable for acquisition of business - Contingent consideration [2]	—	97
Payable by controlled trusts [1]	211	211
Compensated absences	2,622	2,399
Financial liability under option arrangements [2] [#]	499	600
Foreign currency forward and options contracts [2] [3]	31	78
Capital creditors [1]	310	674
Other payables [1][4]	571	2,486
Total current other financial liabilities	**16,959**	**18,558**
Total other financial liabilities	**19,089**	**20,616**
[1] Financial liability carried at amortized cost	15,750	17,359
[2] Financial liability carried at fair value through profit or loss	627	761
[3] Financial liability carried at fair value through other comprehensive income	1	14
Financial liability under option arrangements on an undiscounted basis	690	676
Contingent consideration on undiscounted basis	—	101

[4] Deferred contract cost in note 2.10 includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹372 crore and ₹731 crore, respectively. For the year ended March 31, 2023 ₹118 crore was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction.

Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries

Accrued expenses primarily relate to cost of technical sub-contractors, telecommunication charges, legal and professional charges, brand building expenses, overseas travel expenses, office maintenance and cost of third party software and hardware.

2.14 TRADE PAYABLES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Trade payables	3,956	3,865
Total trade payables	**3,956**	**3,865**

Trade payables ageing schedule for the year ended as on March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables	3,789	167	-	-	-	3,956
	3,040	***825***	-	-	-	*3,865*
Total trade payables	**3,789**	**167**	**-**	**-**	**-**	**3,956**
	3,040	***825***	**-**	**-**	**-**	***3,865***

There are no transactions with struck off companies for the year ending March 31, 2024 and March 31, 2023.

2.15 OTHER LIABILITIES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Others		
Accrued defined benefit liability	159	445
Others	76	55
Total non-current other liabilities	**235**	**500**
Current		
Unearned revenue	7,341	7,163
Others		
Withholding taxes and others	3,185	3,632
Accrued defined benefit liability	5	4
Others	8	31
Total current other liabilities	**10,539**	**10,830**
Total other liabilities	**10,774**	**11,330**

2.16 PROVISIONS

Accounting policy

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

a. Post sales client support

The Group provides its clients with a fixed-period post sales support on its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded and included in Consolidated Statement of Profit and Loss. The Group estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognizes any impairment loss on the assets associated with that contract.

Provision for post-sales client support and other provisions:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current		
Others		
Post-sales client support and other provisions	1,796	1,307
Total provisions	**1,796**	**1,307**

The movement in the provision for post-sales client support is as follows:

(In ₹ crore)

Particulars	Year ended March 31, 2024
Balance at the beginning	1,307
Provision recognized / (reversed)	895
Provision utilized	(421)
Translation difference	15
Balance at the end	**1,796**

Provision for post sales client support and other provisions majorly represents costs associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the consolidated statement of profit and loss.

2.17 INCOME TAXES

Accounting policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

The Group offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

Income tax expense in the Consolidated Statement of Profit and Loss comprises:

(In ₹ crore)

Particulars	**Year ended March 31,**	
	2024	**2023**
Current taxes	8,390	9,287
Deferred taxes	1,350	(73)
Income tax expense	**9,740**	**9,214**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(In ₹ crore)

Particulars	**Year ended March 31,**	
	2024	**2023**
Profit before income taxes	35,988	33,322
Enacted tax rates in India	34.94%	34.94%
Computed expected tax expense	12,576	11,644
Tax effect due to non-taxable income for Indian tax purposes	(3,009)	(2,916)
Overseas taxes	1,128	1,060
Tax provision (reversals)	(937)	(106)
Effect of exempt non-operating income	(49)	(52)
Effect of unrecognized deferred tax assets	203	109
Effect of differential tax rates	(568)	(329)
Effect of non-deductible expenses	165	153
Others	231	(349)
Income tax expense	**9,740**	**9,214**

The applicable Indian corporate statutory tax rate for the year ended March 31, 2024 and March 31, 2023 is 34.94% each.

Income tax expense for the year ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹937 crore and ₹106 crore, respectively. These reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

During the year ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of ₹1,933 crore was recognised and provision for income tax aggregating ₹525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹ 1,628 crore has been reduced from contingent liabilities.

The foreign tax expense is due to income taxes payable overseas principally in the United States. In India, the Group has benefited from certain tax incentives that the Government of India had provided for export of software and services from the units registered under the Special Economic Zones (SEZs) Act, 2005. SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for further five years. Up to 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone re-Investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve by the Group for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961. (Refer to Special Economic Zone Re-investment reserve under Note 2.12 Equity)

Deferred income tax for the year ended March 31, 2024 and March 31, 2023 substantially relates to origination and reversal of temporary differences.

Infosys is subject to a 15% Branch Profit Tax (BPT) in the U.S. to the extent its U.S. branch's net profit during the year is greater than the increase in the net assets of the U.S. branch during the year, computed in accordance with the Internal Revenue Code. As at March 31, 2024, Infosys' U.S. branch net assets amounted to approximately ₹7,844 crore. As at March 31, 2024, the Company has a deferred tax liability for Branch Profit Tax of ₹269 crore (net of credits), as the Company estimates that these branch profits are expected to be distributed in the foreseeable future

Deferred income tax liabilities have not been recognized on temporary differences amounting to ₹10,776 crore and ₹10,948 crore as at March 31, 2024 and March 31, 2023, respectively, associated with investments in subsidiaries and branches as the Company is able to control the timing of reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. The Group majorly intends to repatriate earnings from subsidiaries and branches only to the extent these can be distributed in a tax free manner.

Deferred income tax assets have not been recognized on accumulated losses of ₹4,668 crore and ₹4,423 crore as at March 31, 2024 and March 31, 2023, respectively, as it is probable that future taxable profit will not be available against which the unused tax losses can be utilized in the foreseeable future.

The following table provides details of expiration of unused tax losses as at March 31, 2024:

(In ₹ crore)

Year	**As at March 31, 2024**
2025	13
2026	202
2027	128
2028	467
2029	684
Thereafter	3,174
Total	**4,668**

The following table provides details of expiration of unused tax losses as at March 31, 2023:

(In ₹ crore)

Year	As at March 31, 2023
2024	122
2025	138
2026	146
2027	88
2028	494
Thereafter	3,435
Total	**4,423**

The following table provides the details of income tax assets and income tax liabilities as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Income tax assets	9,442	6,459
Current income tax liabilities	3,585	3,384
Net current income tax asset / (liability) at the end	**5,857**	**3,075**

The gross movement in the current income tax assets / (liabilities) for the year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Net current income tax asset / (liability) at the beginning	**3,075**	**3,545**
Translation differences	-	1
Income tax paid	9,231	8,794
Interest on income tax refund	1,934	-
Current income tax expense	(8,390)	(9,287)
Income tax benefit arising on exercise of stock options	3	51
Additions through business combination	-	(12)
Tax impact on buyback expenses	-	9
Income tax on other comprehensive income	4	(24)
Impact on account of Ind AS 37 adoption	-	(2)
Net current income tax asset / (liability) at the end	**5,857**	**3,075**

The movement in gross deferred income tax assets / liabilities (before set off) for the year ended March 31, 2024 is as follows:

(In ₹ crore)

Particulars	Carrying value as at April 1, 2023	Changes through profit and loss	Addition through business combination	Impact on account of Ind AS 37 adoption	Changes through OCI	Translation difference	Carrying value as at March 31, 2024
Deferred income tax assets/(liabilities)							
Property, plant and equipment	169	75	-	-	-	-	244
Lease liabilities	223	(25)	-	-	-	-	198
Accrued compensation to employees	68	(6)	-	-	-	-	62
Trade receivables	261	(40)	-	-	-	2	223
Compensated absences	576	50	-	-	-	1	627
Post sales client support	248	(192)	-	-	-	-	56
Credits related to branch profits	718	84	-	-	-	9	811
Derivative financial instruments	-	(7)	-	-	(4)	-	(11)
Intangible assets	62	1	-	-	-	1	64
Intangibles arising on business combinations	(344)	63	-	-	-	(1)	(282)
Branch profit tax	(866)	(202)	-	-	-	(12)	(1,080)
SEZ reinvestment reserve	(1,351)	(645)	-	-	-	-	(1,996)
Interest receivable on income tax refund	-	(487)	-	-	-	-	(487)
Others	261	(19)	-	-	(4)	(7)	231
Total deferred income tax assets/(liabilities)	**25**	**(1,350)**	**-**	**-**	**(8)**	**(7)**	**(1,340)**

The movement in gross deferred income tax assets / liabilities (before set off) for the year ended March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Carrying value as at April 1, 2022	Changes through profit and loss	Addition through business combination	Impact on account of Ind AS 37 adoption	Changes through OCI	Translation difference	Carrying value as at March 31, 2023
Deferred income tax assets/(liabilities)							
Property, plant and equipment	156	17	-	-	-	(4)	169
Lease liabilities	180	43	-	-	-	-	223
Accrued compensation to employees	51	15	-	-	-	2	68
Trade receivables	213	48	-	-	-	-	261
Compensated absences	529	47	-	-	-	-	576
Post sales client support	131	114	-	2	-	1	248
Credits related to branch profits	676	(13)	-	-	-	55	718
Derivative financial instruments	(25)	22	-	-	2	1	-
Intangible assets	49	8	-	-	-	5	62
Intangibles arising on business combinations	(308)	70	(80)	-	-	(26)	(344)
Branch profit tax	(834)	35	-	-	-	(67)	(866)
SEZ reinvestment reserve	(852)	(499)	-	-	-	-	(1,351)
Others	90	166	(1)	-	-	6	261
Total deferred income tax assets/(liabilities)	**56**	**73**	**(81)**	**2**	**2**	**(27)**	**25**

The deferred income tax assets and liabilities are as follows:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Deferred income tax assets after set off	454	1,245
Deferred income tax liabilities after set off	(1,794)	(1,220)

In assessing the reliability of deferred income tax assets, the management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The Company's Advanced Pricing Arrangement (APA) with the Internal Revenue Service (IRS) for US branch income tax expired in March 2021. The Company has applied for renewal of APA and currently the US taxable income is based on the Company's best estimate determined based on the expected value method.

2.18 REVENUE FROM OPERATIONS

Accounting policy

The Group derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Group's core and digital offerings (together called as "software related services") and business process management services. Contracts with customers are either on a time-and-material, unit of work, fixed-price or on a fixed-timeframe basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing by the parties, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Group allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Group estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Group's contracts may include variable consideration including rebates, volume discounts and penalties. The Group includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue on time-and-material and unit of work based contracts, are recognized as the related services are performed. Fixed price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The billing schedules agreed with customers include periodic performance based billing and / or milestone based progress billings. Revenues in excess of billing are classified as unbilled revenue while billing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, by applying the revenue recognition criteria for each distinct performance obligation, the arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Certain cloud and infrastructure services contracts include multiple elements which may be subject to other specific accounting guidance, such as leasing guidance. These contracts are accounted in accordance with such specific accounting guidance. In such arrangements where the Group is able to determine that hardware and services are distinct performance obligations, it allocates the consideration to these performance obligations on a relative standalone selling price basis. In the absence of standalone selling price, the Group uses the expected cost-plus margin approach in estimating the standalone selling price. When such arrangements are considered as a single performance obligation, revenue is recognized over the period and measure of progress is determined based on promise in the contract.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license are made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services (ATS).When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two distinct separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the Group uses the expected cost plus margin approach in estimating the standalone selling price. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably on a straight line basis over the period in which the services are rendered.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

A contract modification is a change in the scope or price or both of a contract that is approved by the parties to the contract. A contract modification that results in the addition of distinct performance obligations are accounted for either as a separate contract if the additional services are priced at the standalone selling price or as a termination of the existing contract and creation of a new contract if they are not priced at the standalone selling price. If the modification does not result in a distinct performance obligation, it is accounted for as part of the existing contract on a cumulative catch-up basis.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Group expects to recover them.

Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Group that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to expenses over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

The Group presents revenues net of indirect taxes in its Consolidated Statement of Profit and Loss.

Revenue from operations for the year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Revenue from software services	145,285	137,575
Revenue from products and platforms	8,385	9,192
Total revenue from operations	**153,670**	**146,767**

Products & platforms

The Group also derives revenues from the sale of products and platforms including Finacle – core banking solution, Edge Suite of products, Panaya platform, Infosys Equinox, Infosys Helix, Infosys Applied AI, Infosys Cortex, Stater digital platform and Infosys McCamish – insurance platform.

Disaggregated revenue information

Revenue disaggregation by business segments has been included in segment information (Refer note 2.26). The table below presents disaggregated revenues from contracts with customers by geography and contract type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

For the year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Revenues by Geography*		
North America	92,411	90,724
Europe	42,267	37,675
India	3,881	3,861
Rest of the world	15,111	14,507
Total	**153,670**	**146,767**

* *Geographical revenue is based on the domicile of customer*

The percentage of revenue from fixed-price contracts for each of the year ended March 31, 2024 and March 31, 2023 is approximately 53% and 52% respectively.

Trade Receivables and Contract Balances

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Group’s Consolidated Balance Sheet. Amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., monthly or quarterly) or upon achievement of contractual milestones.

The Group’s receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore unbilled revenues for other fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the consolidated Balance Sheet.

During the year ended March 31, 2024 and March 31, 2023, the Company recognized revenue of ₹5,432 crore and ₹5,387 crore arising from opening unearned revenue as of April 1, 2023 and April 1, 2022 respectively.

During the year ended March 31, 2024 and March 31, 2023, ₹7,023 crore and ₹5,950 crore of unbilled revenue pertaining to other fixed price and fixed time frame contracts as of April 1, 2023 and April 1, 2022, respectively has been reclassified to Trade receivables upon billing to customers on completion of milestones.

Remaining performance obligation disclosure

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material and unit of work based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency fluctuations.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2024, other than those meeting the exclusion criteria mentioned above, is ₹90,658 crore. Out of this, the Group expects to recognize revenue of around 53.0% within the next one year and the remaining thereafter. The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2023 is ₹80,867 crore. The contracts can generally be terminated by the customers and typically includes an enforceable termination penalty payable by them. Generally, customers have not terminated contracts without cause.

2.19 OTHER INCOME, NET

Accounting policy

Other income is comprised primarily of interest income, dividend income, gain/loss on investment and exchange gain/loss on forward and options contracts and on translation of foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

Foreign currency

Accounting policy

Functional currency

The functional currency of Infosys, Infosys BPM, EdgeVerve, Skava, Infosys Green Forum, Danske IT and controlled trusts is the Indian rupee. The functional currencies for foreign subsidiaries are their respective local currencies. These financial statements are presented in Indian rupees (rounded off to crore; one crore equals ten million).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Consolidated Statement of Profit and Loss and reported within exchange gains/ (losses) on translation of assets and liabilities, net, except when deferred in Other Comprehensive Income as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the consolidated statement of profit and loss. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Other Comprehensive Income, net of taxes includes translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments and measured at fair value through other comprehensive income (FVOCI).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

Government grant

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

Other income for the year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	**Year ended March 31,**	
	2024	**2023**
Interest income on financial assets carried at amortized cost		
Tax free bonds and Government bonds	131	149
Deposit with Bank and others	929	712
Interest income on financial assets carried at fair value through other comprehensive income		
Non-convertible debentures, commercial paper, certificates of deposit and government securities	1,007	955
Income on investments carried at fair value through profit or loss:		
Gain / (loss) on liquid mutual funds and other investments	285	148
Income on investments carried at fair value through other comprehensive income	-	1
Interest on income tax refund	1,965	3
Exchange gains / (losses) on forward and options contracts	100	(647)
Exchange gains / (losses) on translation of other assets and liabilities	87	1,062
Miscellaneous income, net	207	318
Total other income	**4,711**	**2,701**

2.20 EXPENSES

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	**2023**
Employee benefit expenses		
Salaries including bonus	79,315	75,239
Contribution to provident and other funds	2,213	2,143
Share based payments to employees *(Refer to Note 2.12)*	652	519
Staff welfare	440	458
	82,620	**78,359**
Cost of software packages and others		
For own use	2,145	1,937
Third party items bought for service delivery to clients	11,370	8,965
	13,515	**10,902**
Other expenses		
Repairs and maintenance	1,278	1,208
Power and fuel	199	176
Brand and marketing	1,007	905
Rates and taxes	326	299
Consumables	170	158
Insurance	210	174
Provision for post-sales client support and others	75	120
Commission to non-whole time directors	16	15
Impairment loss recognized / (reversed) under expected credit loss model	121	283
Contributions towards Corporate Social Responsibility	533	471
Others	781	583
	4,716	**4,392**

2.21 Leases

Accounting Policy

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and computers. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**
Additions*	—	394	12	1,872	2,278
Deletions	(10)	(181)	(1)	(755)	(947)
Impairment#	—	(88)	—	—	(88)
Depreciation	(6)	(728)	(10)	(851)	(1,595)
Translation difference	(2)	5	1	18	22
Balance as of March 31, 2024	**605**	**3,298**	**17**	**2,632**	**6,552**

* *Net of adjustments on account of modifications and lease incentives*

 # included under other expenses. Refer note 2.20

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2022	**628**	**3,711**	**16**	**468**	**4,823**
Additions*	—	847	8	2,646	3,501
Deletions	—	(45)	—	(364)	(409)
Depreciation	(6)	(671)	(10)	(499)	(1,186)
Translation difference	1	54	1	97	153
Balance as of March 31, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**

* *Net of adjustments on account of modifications and lease incentives*

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Consolidated Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Current lease liabilities	1,959	1,242
Non-current lease liabilities	6,400	7,057
Total	**8,359**	**8,299**

The movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023 is as follows :

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Balance at the beginning	**8,299**	**5,474**
Additions	2,190	3,503
Deletions	(444)	(49)
Finance cost accrued during the period	326	245
Payment of lease liabilities	(2,030)	(1,241)
Translation difference	18	367
Balance at the end	**8,359**	**8,299**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Less than one year	2,152	1,803
One to five years	6,123	5,452
More than five years	994	1,978
Total	**9,269**	**9,233**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹97 crore and ₹92 crore for the year ended March 31, 2024 and March 31, 2023, respectively

The following is the movement in the net investment in sublease of ROU assets during the year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Year ended March 31	
	2024	2023
Balance at the beginning	**358**	**372**
Additions	-	6
Deletions	(346)	-
Interest income accrued during the period	-	13
Lease receipts	(3)	(63)
Translation difference	-	30
Balance at the end	**9**	**358**

Leases not yet commenced to which Group is committed is ₹497 crore for a lease term ranging from 3 years to 8 years.

2.22 EMPLOYEE BENEFITS

Accounting policy

Gratuity and Pensions

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees majorly of Infosys and its Indian subsidiaries. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The Company contributes Gratuity liabilities to the Infosys Limited Employees' Gratuity Fund Trust (the Trust). In case of Infosys BPM and EdgeVerve, contributions are made to the Infosys BPM Employees' Gratuity Fund Trust and EdgeVerve Systems Limited Employees' Gratuity Fund Trust, respectively. Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The Group operates defined benefit pension plan in certain overseas jurisdictions, in accordance with the local laws. These plans are managed by third party fund managers. The plans provide for periodic payouts after retirement and/or a lumpsum payment as set out in rules of each fund and includes death and disability benefits. The defined benefit plans require contributions which are based on a percentage of salary that varies depending on the age of the respective employees.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an external actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market risk.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Consolidated Statement of Profit and Loss.

Provident fund

Eligible employees of Infosys receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Infosys Limited Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government of India. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

In respect of Indian subsidiaries, eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the respective companies make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The Companies have no further obligation to the plan beyond its monthly contributions.

Superannuation

Certain employees of Infosys, Infosys BPM and EdgeVerve are participants in a defined contribution plan. The Group has no further obligations to the plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an external actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.22.1 Gratuity and Pension

The following table sets out the details of the defined benefit retirement plans and the amounts recognized in the Group's financial statements as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Gratuity		Pension	
	As at		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Change in benefit obligations				
Benefit obligations at the beginning	1,778	1,722	917	926
Transfer	29	-	-	19
Service cost	307	276	54	41
Interest expense	121	103	20	5
Remeasurements - Actuarial (gains) / losses	34	(72)	24	(143)
Past service cost - plan amendments	-	(1)	(33)	-
Employee contribution	-	-	34	27
Benefits paid	(154)	(268)	(10)	(46)
Translation difference	1	18	14	88
Benefit obligations at the end	**2,116**	**1,778**	**1,020**	**917**
Change in plan assets				
Fair value of plan assets at the beginning	1,755	1,711	870	846
Transfer	-	-	-	19
Interest income	127	105	20	4
Remeasurements- Return on plan assets excluding amounts included in interest income	18	24	16	(95)
Employer contribution	328	175	51	37
Employee contribution	-	-	34	27
Benefits paid	(149)	(260)	(10)	(46)
Translation difference	-	-	10	78
Fair value of plan assets at the end	**2,079**	**1,755**	**991**	**870**
Funded status	(37)	(23)	(29)	(47)
Defined benefit plan asset (Refer note 2.10)	16	23	15	13
Defined benefit plan liability (Refer note 2.15)	(53)	(46)	(44)	(60)

Amount for the year ended March 31, 2024 and March 31, 2023 recognized in the Consolidated Statement of Profit and Loss under employee benefit expense:

(In ₹ crore)

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Service cost	307	276	54	41
Net interest on the net defined benefit liability / (asset)	(6)	(2)	-	1
Plan amendments	-	(1)	(33)	-
Net cost	**301**	**273**	**21**	**42**

Amount for the year ended March 31, 2024 and March 31, 2023 recognized in the Consolidated Statement of Other Comprehensive Income:

(In ₹ crore)

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Remeasurements of the net defined benefit liability / (asset)				
Actuarial (gains) / losses	34	(72)	24	(143)
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(18)	(24)	(16)	95
	16	**(96)**	**8**	**(48)**

Break up of actuarial (gains)/losses for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
(Gain) / loss from change in demographic assumptions	-	-	-	-
(Gain) / loss from change in financial assumptions	10	(62)	24	(148)
(Gain) / loss from experience adjustment	24	(10)	-	5
	34	**(72)**	**24**	**(143)**

The weighted-average assumptions used to determine benefit obligations as at March 31, 2024 and March 31, 2023 are set out below:

Particulars	Gratuity		Pension	
	As at		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount rate (1)	7.0%	7.1%	1.5%-3.4%	1.8%- 3.8%
Weighted average rate of increase in compensation levels (2)	6%	6%	1%-3%	1%-3%
Weighted average duration of defined benefit obligation (3)	5.8 years	5.9 years	12 years	12 years

The weighted-average assumptions used to determine net periodic benefit cost for the year ended March 31, 2024 and March 31, 2023 are set out below:

Particulars	Gratuity		Pension	
	Year ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Discount rate	7.1%	6.5%	1.8%-3.8%	0.4%-1.7%
Weighted average rate of increase in compensation levels	6%	6%	1%-3%	1%-3%

(1) For domestic defined benefit plan in India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. For most of our overseas defined benefit plan, given that the market for high quality corporate bonds is not developed, the Government bond rate adjusted for corporate spreads is used.

(2)The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends, inflation in respective markets and management's estimate of future salary increases.

(3) Attrition rate considered is the management's estimate based on the past long-term trend of employee turnover in the Company. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of post-employment benefit obligation.

For domestic defined benefit plan in India, assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India. For overseas defined benefit plan, the assumptions regarding future mortality experience are set with regard to the latest statistics in life expectancy, plan experience and other relevant data.

The Group assesses all of the above assumptions with its projected long-term plans of growth and prevalent industry standards.

The Company contributes all ascertained liabilities towards gratuity to the Infosys Limited Employees' Gratuity Fund Trust. In case of Infosys BPM and EdgeVerve, contributions are made to the Infosys BPM Employees' Gratuity Fund Trust and EdgeVerve Systems Limited Employees Gratuity Fund Trust, respectively. Trustees administer contributions made to the trust as at March 31, 2024 and March 31, 2023, and contributions for gratuity are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law. The plan assets of the overseas defined benefit plan have been primarily invested in insurer managed funds and the asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations applicable to pension funds and the insurer managers. The insurers' investment are diversified and provide for guaranteed interest rates arrangements.

Actual return on assets (including remeasurements) of the gratuity plan for the year ended March 31, 2024 and March 31, 2023 were ₹145 crore and ₹129 crore, respectively and for the pension plan were ₹36 crore and ₹(91) crore, respectively.

The contributions for gratuity are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law. The table below sets out the details of major plan assets into various categories as at March 31, 2024 and March 31, 2023:

Particulars	Pension	
	As at	
	March 31, 2024	March 31, 2023
Equity	34%	34%
Bonds	32%	32%
Real Estate/Property	26%	26%
Cash and Cash Equivalents	1%	1%
Other	7%	7%

These defined benefit plans expose the Group to actuarial risk which are set out below:

Interest rate risk: The present value of the defined benefit plan liability is generally calculated using a discount rate determined by reference to government bond yields and in certain overseas jurisdictions, it is calculated in reference to government bond yield adjusted for a corporate spread. If bond yields fall, the defined benefit obligation will tend to increase.

Life expectancy and investment risk: The pension fund offers the choice between a lifelong pension and a cash lump sum upon retirement. The pension fund has defined rates for converting the lump sum to a pension and there is the risk that the members live longer than implied by these conversion rates and that the pension assets don't achieve the investment return implied by these conversion rates.

Asset volatility: A proportion of the pension fund is held in equities, which is expected to outperform corporate bonds in the long term but give exposure to volatility and risk in the short term. The pension fund board of insurer is responsible for the investment strategy and equity allocation is justified given the long-term investment horizon of the pension fund and the objective to provide a reasonable long term return on members' account balances.

Sensitivity of significant assumptions used for valuation of defined benefit obligation:

(In ₹ crore)

Impact from	As at March 31, 2024	
	Gratuity	Pension
	1% point increase / decrease	0.5% point increase / decrease
Discount rate	112	43
Weighted average rate of increase in compensation levels	103	7

Sensitivity to significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation and keeping all other actuarial assumptions constant. In practice, this is not probable, and changes in some of the assumptions may be correlated.

The Group expects to contribute ₹335 crore to gratuity and ₹45 crore to pension during the fiscal 2025.

The maturity profile of defined benefit obligation is as follows:

(In ₹ crore)

	Gratuity	Pension
Within 1 year	316	62
1-2 year	311	67
2-3 year	338	65
3-4 year	417	70
4-5 year	444	65
5-10 years	2,122	332

2.22.2 Provident fund

Infosys has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by the Actuarial Society of India.

The following tables set out the funded status of the defined benefit provident fund plan of Infosys Limited and the amounts recognized in the Group's financial statements as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Change in benefit obligations		
Benefit obligations at the beginning	10,527	9,304
Service cost	880	814
Employee contribution	1,652	1,689
Interest expense	764	625
Actuarial (gains) / loss	96	(82)
Benefits paid	(2,040)	(1,823)
Benefit obligations at the end	**11,879**	**10,527**
Change in plan assets		
Fair value of plan assets at the beginning	10,184	9,058
Interest income	740	609
Remeasurements- Return on plan assets excluding amounts included in interest income	234	(186)
Employer contribution	1,042	837
Employee contribution	1,652	1,689
Benefits paid	(2,040)	(1,823)
Fair value of plan assets at the end	**11,812**	**10,184**
Net liability (Refer note 2.15)	(67)	(343)

Amount for the year ended March 31, 2024 and March 31, 2023 recognized in the consolidated statement of comprehensive income:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Service cost	880	814
Net interest on the net defined benefit liability / asset	24	16
Net provident fund cost	**904**	**830**

Amount for the year ended March 31, 2024 and March 31, 2023 recognized in the Consolidated Statement of Other Comprehensive Income:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Remeasurements of the net defined benefit liability / (asset)		
Actuarial (gains) / losses	96	(82)
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability / (asset)	(234)	186
	(138)	**104**

The assumptions used in determining the present value obligation of the defined benefit plan under the Deterministic Approach are as follows:

Particulars	As at	
	March 31, 2024	March 31, 2023
Government of India (GOI) bond yield [1]	7.00%	7.10%
Expected rate of return on plan assets	8.20%	8.15%
Remaining term to maturity of portfolio	6 years	6 years
Expected guaranteed interest rate	8.25%	8.15%

[1] In India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of the post-employment benefit obligations.

The breakup of the plan assets into various categories as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	As at	
	March 31, 2024	March 31, 2023
Central and State government bonds	60%	60%
Public sector undertakings and Private sector bonds	30%	33%
Others	10%	7%

The asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations.

The actuarial valuation of PF liability exposes the Group to interest rate risk. The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

As at March 31, 2024 the defined benefit obligation would be affected by approximately ₹66 crore and ₹110 crore on account of a 0.25% increase / decrease in the expected rate of return on plan assets.

The Group contributed ₹1,257 crore and ₹1,193 crore to the provident fund during the year ended March 31, 2024 and March 31, 2023, respectively. The same has been recognized in the Consolidated Statement of Profit and Loss under the head employee benefit expense.

The provident plans are applicable only to employees drawing a salary in Indian rupees.

2.22.3 Superannuation

The Group contributed ₹513 crore and ₹487 crore during the year ended March 31, 2024 and March 31, 2023, respectively and the same has been recognized in the Consolidated Statement of Profit and Loss under the head employee benefit expense.

2.22.4 Employee benefit costs include:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	2023
Salaries and bonus[1]	80,532	76,365
Defined contribution plans	670	627
Defined benefit plans	1,418	1,367
	82,620	**78,359**

(1)Includes employee stock compensation expense of ₹652 crore and ₹519 crore for the year ended March 31, 2024 and March 31, 2023 respectively.

2.23 RECONCILIATION OF BASIC AND DILUTED SHARES USED IN COMPUTING EARNINGS PER EQUITY SHARE

Accounting policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	**Year ended March 31,**	
	2024	**2023**
Basic earnings per equity share - weighted average number of equity shares outstanding [(1)]	4,138,568,090	4,180,897,857
Effect of dilutive common equivalent shares - share options outstanding	6,112,335	6,833,213
Diluted earnings per equity share - weighted average number of equity shares and common equivalent shares outstanding	**4,144,680,425**	**4,187,731,070**

[(1)] *excludes treasury shares*

For the years ended March 31, 2024 and March 31, 2023, there were 1,19,711 and 9,960 options to purchase equity shares which had an anti-dilutive effect.

2.24 CONTINGENT LIABILITIES AND COMMITMENTS

Accounting policy

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

2.24.1 Contingent liability

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Contingent liabilities :		
Claims against the Group, not acknowledged as debts[(1)]	3,583	4,762
[Amount paid to statutory authorities ₹8,754 crore *(₹6,539 crore)*]		

(1) As at March 31, 2024 and March 31, 2023, claims against the Group not acknowledged as debts in respect of income tax matters amounted to ₹2,794 crore and ₹4,062 crore, respectively.

The claims against the Group primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of issues of disallowance of expenditure towards software being held as capital in nature, payments made to associated enterprises held as liable for withholding of taxes, among others. These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group's financial position and results of operations.

Amount paid to statutory authorities against the tax claims amounted to ₹8,743 crore and ₹6,528 crore as at March 31, 2024 and March 31, 2023, respectively.

2.24.2 McCamish Cybersecurity incident

In November 2023, Infosys McCamish Systems (McCamish), a step-down subsidiary of Infosys Limited, experienced a cybersecurity incident resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems.

Loss of contracted revenues and costs incurred with respect to remediations, restoration, communication efforts, investigative processes and analysis, legal services and others amounted to $38 million (approximately ₹316 crore).

Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish's review process is ongoing. McCamish may incur additional costs including indemnities or damages/claims, which are indeterminable at this time.

On March 6, 2024, a class action complaint was filed in the U.S. District Court for the Northern District of Georgia against McCamish . The complaint arises out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. The complaint was purportedly filed on behalf of all individuals within the United States whose personally identifiable information was exposed to unauthorized third parties as a result of the incident.

2.24.3 Legal Proceedings

Apart from this, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management reasonably expects that such ordinary course legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Group's results of operations or financial condition.

2.24.4 Commitments

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Commitments :		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)[(1)]	780	959
Other commitments*	79	92

[(1)] Capital contracts primarily comprises of commitments for infrastructure facilities and computer equipment.

* Uncalled capital pertaining to investments

2.25 RELATED PARTY TRANSACTIONS

List of related parties:

Name of subsidiaries	Country	Holdings as at	
		March 31, 2024	March 31, 2023
Infosys Technologies (China) Co. Limited (Infosys China)[(1)]	China	100%	100%
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)[(1)]	Mexico	100%	100%
Infosys Technologies (Sweden) AB (Infosys Sweden)[(1)]	Sweden	100%	100%
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)[(1)]	China	100%	100%
EdgeVerve Systems Limited (EdgeVerve)[(1)]	India	100%	100%
Infosys Austria GmbH[(1)]	Austria	100%	100%
Skava Systems Private Limited (Skava Systems)[(1)(22)]	India	100%	100%
Infosys Chile SpA[(1)]	Chile	100%	100%
Infosys Arabia Limited[(2)(22)]	Saudi Arabia	70%	70%
Infosys Consulting Ltda.[(1)]	Brazil	100%	100%
Infosys Luxembourg S.a.r.l[(1)]	Luxembourg	100%	100%
Infosys Americas Inc. (Infosys Americas)[(1)(30)]	U.S.	-	100%
Infosys Consulting S.R.L.[(1)(19)]	Argentina	100%	100%
Infosys Consulting S.R.L.[(1)]	Romania	100%	100%
Infosys Limited Bulgaria EOOD[(1)]	Bulgaria	100%	100%
Infosys Turkey Bilgi Teknolojileri Limited Sirketi(1)	Turkey	100%	100%
Infosys Germany Holding Gmbh[(1)]	Germany	100%	100%
Infosys Automotive and Mobility GmbH & Co. KG[(1)]	Germany	100%	100%
Infosys Green Forum[(1)]	India	100%	100%
Infosys Business Solutions LLC[(1)]	Qatar	100%	100%
WongDoody Inc. [(1)]	U.S.	100%	100%
Danske IT and Support Services India Private Limited (“Danske IT”) [(1)(32)]	India	100%	-
Infosys Public Services, Inc. USA (Infosys Public Services)[(1)]	U.S.	100%	100%
Infosys Public Services Canada Inc. [(12)(23)]	Canada	100%	100%
Infosys BPM Limited[(1)]	India	100%	100%
Infosys BPM UK Limited[(3)]	U.K.	100%	100%
Infosys (Czech Republic) Limited s.r.o.[(3)]	Czech Republic	100%	100%
Infosys Poland Sp z.o.o[(3)]	Poland	100%	100%
Infosys McCamish Systems LLC[(3)]	U.S.	100%	100%
Portland Group Pty Ltd[(3)]	Australia	100%	100%
Infosys BPO Americas LLC.[(3)]	U.S.	100%	100%
Infosys BPM Canada Inc [(3)(31)(36)]	Canada	-	-
Panaya Inc. (Panaya)[(1)]	U.S.	100%	100%
Panaya Ltd.[(4)]	Israel	100%	100%
Panaya Germany GmbH [(4)(27)]	Germany	100%	100%
Brilliant Basics Holdings Limited (Brilliant Basics)[(1)(22)]	U.K.	100%	100%
Brilliant Basics Limited [(5)(22)]	U.K.	100%	100%
Infosys Consulting Holding AG [(1)]	Switzerland	100%	100%
Infosys Management Consulting Pty Limited[(6)]	Australia	100%	100%
Infosys Consulting AG[(6)]	Switzerland	100%	100%
Infosys Consulting GmbH[(6)]	Germany	100%	100%
Infosys Consulting SAS[(6)]	France	100%	100%
Infy Consulting B.V.[(6)]	The Netherlands	100%	100%
Infosys Consulting (Belgium) NV[(6)]	Belgium	100%	100%
Infy Consulting Company Ltd[(6)]	U.K.	100%	100%
GuideVision s.r.o.[(7)]	Czech Republic	100%	100%
GuideVision Deutschland GmbH[(8)]	Germany	100%	100%
GuideVision Suomi Oy[(8)]	Finland	100%	100%
GuideVision Magyarország Kft[(8)]	Hungary	100%	100%
GuideVision Polska Sp. z.o.o[(8)]	Poland	100%	100%
GuideVision UK Ltd[(8)(22)]	U.K.	100%	100%
Infosys Nova Holdings LLC. (Infosys Nova)[(1)]	U.S.	100%	100%
Outbox systems Inc. dba Simplus (US)[(9)]	U.S.	100%	100%
Simplus ANZ Pty Ltd.[(10)]	Australia	100%	100%
Simplus Australia Pty Ltd[(11)]	Australia	100%	100%
Simplus Philippines, Inc.[(10)]	Philippines	100%	100%
Kaleidoscope Animations, Inc.[(9)]	U.S.	100%	100%

Kaleidoscope Prototyping LLC[18][34]	U.S.	-	100%
Blue Acorn iCi Inc (formerly Beringer Commerce Inc)[9]	U.S.	100%	100%
Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)[1]	Singapore	100%	100%
Infosys Financial Services GmbH. (formerly Panaya GmbH) [13][29]	Germany	100%	100%
Infosys South Africa (Pty) Ltd[13]	South Africa	100%	100%
Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.)[13]	Malaysia	100%	100%
Infosys Middle East FZ LLC [13]	Dubai	100%	100%
Infosys Norway [13][28]	Norway	100%	100%
Infosys Compaz Pte. Ltd [14]	Singapore	60%	60%
HIPUS Co., Ltd[14]	Japan	81%	81%
Fluido Oy [13]	Finland	100%	100%
Fluido Sweden AB [15]	Sweden	100%	100%
Fluido Norway A/S[15]	Norway	100%	100%
Fluido Denmark A/S[15]	Denmark	100%	100%
Fluido Slovakia s.r.o[15]	Slovakia	100%	100%
Infosys Fluido UK, Ltd.[15]	U.K.	100%	100%
Infosys Fluido Ireland, Ltd.[16]	Ireland	100%	100%
Stater N.V.[14]	The Netherlands	75%	75%
Stater Nederland B.V.[17]	The Netherlands	75%	75%
Stater XXL B.V.[17]	The Netherlands	75%	75%
HypoCasso B.V.[17]	The Netherlands	75%	75%
Stater Participations B.V.[35]	The Netherlands	-	75%
Stater Belgium N.V./S.A.[17][35]	Belgium	75%	75%
Stater Gmbh[17]	Germany	75%	75%
Infosys Germany GmbH (formerly Kristall 247. GmbH (“Kristall”))[13]	Germany	100%	100%
Wongdoody Gmbh (formerly known as oddity GmbH) [20]	Germany	100%	100%
WongDoody (Shanghai) Co. Limited (formerly known as oddity (Shanghai) Co., Ltd.) [21]	China	100%	100%
WongDoody limited (Taipei) (formerly known as oddity Limited (Taipei)) [21]	Taiwan	100%	100%
oddity space GmbH [20][33]	Germany	-	100%
oddity jungle GmbH [20][33]	Germany	-	100%
oddity code GmbH [20][33]	Germany	-	100%
WongDoody d.o.o (formerly known as oddity code d.o.o) [21][33]	Serbia	100%	100%
oddity waves GmbH [20][33]	Germany	-	100%
oddity group services GmbH [20][33]	Germany	-	100%
BASE life science A/S [13][24]	Denmark	100%	100%
BASE life science AG [25]	Switzerland	100%	100%
BASE life science GmbH [25]	Germany	100%	100%
BASE life science S.A.S [25]	France	100%	100%
BASE life science Ltd. [25]	U.K.	100%	100%
BASE life science S.r.l. [25]	Italy	100%	100%
Innovisor Inc.[25]	U.S.	100%	100%
BASE life science Inc.[25]	U.S.	100%	100%
BASE life science S.L.[25][26]	Spain	100%	100%

[1] Wholly-owned subsidiary of Infosys Limited

[2] Majority owned and controlled subsidiary of Infosys Limited

[3] Wholly-owned subsidiary of Infosys BPM Limited

[4] Wholly-owned subsidiary of Panaya Inc.

[5] Wholly-owned subsidiary of Brilliant Basics Holding Limited.

[6] Wholly-owned subsidiary of Infosys Consulting Holding AG

[7] Wholly-owned subsidiary of Infy Consulting Company Limited

[8]Wholly-owned subsidiary of GuideVision s.r.o.

[9] Wholly-owned subsidiary of Infosys Nova Holdings LLC

[10] Wholly-owned subsidiary of Outbox systems Inc. dba Simplus (US)

[11] Wholly-owned subsidiary of Simplus ANZ Pty Ltd

[12]Wholly-owned subsidiary of Infosys Public Services, Inc.

[13] Wholly-owned subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

[14]Majority owned and controlled subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

[15]Wholly-owned subsidiary of Fluido Oy

[16]Wholly-owned subsidiary of Infosys Fluido UK, Ltd.

[17]Wholly-owned subsidiary of Stater N.V

[18] Wholly-owned subsidiary of Kaleidoscope Animations, Inc.

[19] Infosys Consulting S.R.L. (Argentina) (formerly a wholly-owned subsidiary of Infosys Consulting Holding AG) became the majority owned and controlled subsidiary of Infosys Limited with effect from April 1, 2022

[20] On April 20, 2022, Infosys Germany GmbH (formerly Kristall 247. GmbH (“Kristall”)) (a wholly owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.)) acquired 100% of voting interests in oddity space GmbH, oddity jungle GmbH, oddity waves GmbH, oddity group services GmbH, oddity code GmbH and Wongdoody Gmbh (formerly known as oddity GmbH)

[21] Wholly-owned subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH)

[22] Under liquidation

[23] Incorporated on July 8, 2022

[24] On September 1, 2022, Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.) (a Wholly-owned subsidiary of Infosys Limited) acquired 100% of voting interests in BASE life science A/S.

[25] Wholly-owned subsidiary of BASE life science A/S

[26] Incorporated on September 6, 2022

[27] Incorporated effective December 15, 2022

[28] Incorporated effective September 22, 2022.

[29] Infosys Financial Services GmbH. (formerly Panaya GmbH) became a wholly-owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.) with effect from February 23, 2023.

[30] Liquidated effective July 14, 2023

[31] Incorporated on August 11, 2023

[32] On September 1, 2023 Infosys Ltd. acquired 100% of voting interests in Danske IT and Support Services India Private Limited (“Danske IT”). Danske IT and Support Services India Private Limited renamed as Idunn Information Technology Private Limited from April 1, 2024.

[33] On September 29, 2023, oddity space GmbH, oddity waves GmbH, oddity jungle GmbH, oddity group services GmbH and oddity code GmbH merged into WongDoody GmbH and oddity code d.o.o which was formerly a subsidiary of oddity code Gmbh has become a subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH).

[34] Kaleidoscope Prototyping LLC, a Wholly-owned subsidiary of Kaleidoscope Animations is liquidated effective November 1, 2023

[35] On November 24, 2023 Stater Participations B.V (Wholly-owned subsidiary of Stater N.V) merged with Stater N.V and Stater Belgium N.V./S.A which was formerly a wholly owned subsidiary of Stater Participations B.V. became a wholly owned subsidiary of Stater N.V.

[36] On March 15, 2024 Infosys BPM Canada Inc., a Wholly-owned subsidiary of Infosys BPM Limited got dissolved.

List of other related party

Particulars	Country	Nature of relationship
Infosys Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys
Infosys Limited Employees' Provident Fund Trust	India	Post-employment benefit plan of Infosys
Infosys Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys
Infosys BPM Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys BPM
Infosys BPM Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys BPM
EdgeVerve Systems Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of EdgeVerve
EdgeVerve Systems Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of EdgeVerve
Infosys Employees Welfare Trust	India	Controlled trust
Infosys Employee Benefits Trust	India	Controlled trust
Infosys Science Foundation	India	Controlled trust
Infosys Expanded Stock Ownership Trust	India	Controlled trust
Infosys Foundation [1]	India	Trust jointly controlled by KMPs

Refer to Note 2.22 for information on transactions with post-employment benefit plans mentioned above.

[1] During the year ended March 31, 2024 and March 31, 2023, the Group contributed ₹369 crore and ₹354 crore, respectively towards CSR.

List of key management personnel

Whole-time Directors

Salil Parekh, Chief Executive Officer and Managing Director

Non-whole-time Directors

Nandan M. Nilekani

D. Sundaram (appointed as lead independent director effective March 23, 2023)

Kiran Mazumdar-Shaw (retired as lead independent director effective March 22, 2023)

Micheal Gibbs

Uri Levine (retired as independent director effective April 19, 2023)

Bobby Parikh

Chitra Nayak

Govind Iyer (appointed as an independent director effective January 12, 2023)

Helene Auriol Potier (appointed as independent director effective May 26, 2023)

Nitin Paranjpe (appointed as an additional and independent director effective January 1, 2024)

Executive Officers

Inderpreet Sawhney, Group General Counsel and Chief Compliance Officer

Jayesh Sanghrajka (appointed as Chief Financial Officer effective April 1, 2024)

Nilanjan Roy (resigned as Chief Financial Officer of the Company effective March 31, 2024)

Shaji Mathew (appointed as Group Head - Human Resources effective March 22, 2023)

Krishnamurthy Shankar (retired as Group Head - Human Resources effective March 21, 2023)

Mohit Joshi (resigned as President effective March 11, 2023 and was on leave till June 9, 2023 which was his last date with the company)

Ravi Kumar S (resigned as President effective October 11, 2022)

Company Secretary

A.G.S. Manikantha

Transaction with key management personnel:

The table below describes the compensation to key management personnel which comprise directors and executive officers:

(In ₹ crore)

Particulars	Year ended March 31,	
	2024	**2023**
Salaries and other employee benefits to whole-time directors and executive officers [(1)(2)]	113	111
Commission and other benefits to non-executive/independent directors	17	16
Total	**130**	**127**

[(1)] *For the year ended March 31, 2024 and March 31, 2023, includes a charge of ₹68 crore and ₹49 crore respectively, towards employee stock compensation expense(Refer to note 2.12).*

[(2)] *Does not include post-employment benefits and other long-term benefits based on actuarial valuation as these are done for the Company as a whole.*

Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements

(In ₹ crore)

Name of entity	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % age of consolidated net assets	Amount	as % age of consolidated profit or loss	Amount	as % age of consolidated other comprehensive income	Amount	as % age of consolidated total comprehensive income	Amount
Infosys Limited	81.59%	81,176	90.88%	27,234	97.95%	287	90.95%	27,521
								-
Indian Subsidiaries								-
Infosys BPM Limited	3.37%	3,357	2.67%	799	2.73%	8	2.67%	807
EdgeVerve Systems Limited (EdgeVerve)	1.22%	1,214	2.79%	835	0.34%	1	2.76%	836
Infosys Green Forum	0.30%	299	0.02%	5	-	-	0.02%	5
Danske IT and Support Services India Private Limited (“DIT”)	0.08%	79	0.01%	2	-	-	0.01%	2
Skava Systems Pvt. Ltd. (Skava Systems)	-	3	-	1	-	-	-	1
								-
Foreign Subsidiaries								-
Infosys Technologies (China) Co. Limited (Infosys China)	0.54%	539	0.36%	108	-	-	0.36%	108
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)	0.56%	561	0.14%	43	-	-	0.14%	43
Infosys Technologies (Sweden) AB. (Infosys Sweden)	0.17%	174	0.18%	53	-	-	0.18%	53
Infosys Technologies (Shanghai) Company Limited (Infosys Shangh	0.44%	441	(0.34%)	(103)	-	-	(0.34%)	(103)
Panaya Inc. (Panaya)	0.15%	155	(0.03%)	(9)	-	-	(0.03%)	(9)
Infosys Nova Holdings LLC. (Infosys Nova)	2.79%	2,773	0.00%	(1)	-	-	0.00%	(1)
Panaya Ltd	(0.34%)	(340)	0.12%	36	-	-	0.12%	36
Infosys Financial Services GmbH (Formerly known as Panaya Gmbl	0.00%	3	0.00%	1	-	-	-	1
Infosys Middle East FZ LLC	(0.01%)	(13)	0.01%	4	-	-	0.01%	4
Infosys Chile SpA	0.04%	37	0.06%	18	-	-	0.06%	18
WongDoody, Inc	0.38%	375	0.18%	53	-	-	0.18%	53
Fluido Oy	0.13%	129	(0.03%)	(10)	-	-	(0.03%)	(10)
Fluido Sweden AB (Extero)	0.05%	53	0.10%	29	-	-	0.10%	29
Fluido Norway A/S	0.05%	52	0.04%	11	-	-	0.04%	11
Fluido Denmark A/S	(0.01%)	(14)	(0.05%)	(14)	-	-	(0.05%)	(14)
Fluido Slovakia s.r.o	0.01%	6	0.00%	1	-	-	-	1
Infosys Fluido UK Ltd	(0.01%)	(13)	0.04%	11	-	-	0.04%	11
Infosys Fluido Ireland Ltd	0.00%	4	0.01%	2	-	-	0.01%	2
Infosys Consulting Holding AG	0.56%	556	0.13%	41	-	-	0.14%	41
Infosys Management Consulting Pty Ltd	0.05%	53	0.06%	17	-	-	0.06%	17
Infosys Consulting AG	0.26%	258	0.50%	149	0.68%	2	0.50%	151
Infosys Consulting (Belgium) NV	0.00%	(4)	0.01%	4	-	-	0.01%	4
Infosys Consulting GmbH	0.13%	128	0.13%	39	-	-	0.13%	39
Infosys Singapore Pte. Ltd	2.45%	2,444	0.41%	124	-	-	0.41%	124
Infosys Consulting SAS	0.02%	16	0.03%	9	-	-	0.03%	9
Infosys Consulting S.R.L. (Argentina)	(0.02%)	(21)	(0.06%)	(18)	-	-	(0.06%)	(18)
Infosys Austria GMBH	0.00%	-	(0.01%)	(2)	-	-	(0.01%)	(2)
Infy Consulting B.V.	0.06%	57	0.04%	13	-	-	0.04%	13
Infosys Consulting Ltda	0.14%	137	0.05%	16	-	-	0.05%	16
Infosys Consulting S.R.L.	0.11%	106	0.10%	29	-	-	0.09%	29
Infosys McCamish Systems LLC	1.14%	1,130	(0.20%)	(60)	-	-	(0.20%)	(60)
Stater N.V.	0.28%	284	(0.06%)	(19)	-	-	(0.06%)	(19)
Stater Nederland B.V.	0.21%	209	0.35%	104	-	-	0.34%	104
Stater XXL B.V.	-	-	0.00%	-	-	-	0.00%	-
HypoCasso B.V.	0.02%	23	0.03%	10	-	-	0.03%	10

Name of entity	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % age of consolidated net assets	Amount	as % age of consolidated profit or loss	Amount	as % age of consolidated other comprehensive income	Amount	as % age of consolidated total comprehensive income	Amount
Stater Gmbh	(0.03%)	(31)	(0.07%)	(21)	-	-	(0.07%)	(21)
Stater Belgium N.V./S.A.	0.10%	98	0.03%	10	-	-	0.03%	10
Infosys South Africa (Pty) Ltd	0.01%	9	0.00%	1	-	-	0.00%	1
Infosys Limited Bulgaria EOOD	0.01%	7	0.02%	5	-	-	0.02%	5
Kaleidoscope Animations, Inc.	0.16%	159	0.17%	52	-	-	0.17%	52
Blue Acorn iCi Inc (formerly known as Beringer Commerce Inc)	0.27%	271	0.27%	80	-	-	0.26%	80
GuideVision, s.r.o..	0.10%	106	0.13%	40	-	-	0.13%	40
GuideVision Deutschland GmbH	(0.01%)	(8)	(0.02%)	(6)	-	-	(0.02%)	(6)
GuideVision Suomi Oy	0.00%	(1)	(0.01%)	(3)	-	-	(0.01%)	(3)
GuideVision Magyarország Kft.	0.00%	(1)	(0.01%)	(2)	-	-	(0.01%)	(2)
GuideVision Polska SP. Z O.O.	-	-	-	1	-	-	-	1
GuideVision UK Ltd	-	3	-	-	-	-	-	-
Infosys Germany Holding Gmbh	-	2	-	-	-	-	-	-
Infosys Automotive and Mobility GmbH & Co. KG	(0.98%)	(972)	(1.44%)	(433)	(0.68%)	(2)	(1.44%)	(435)
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	0.00%	1	(0.01%)	(4)	-	-	(0.01%)	(4)
Infosys Germany GmbH (formerly Kristall 247. GmbH (“Kristall”)	(0.12%)	(123)	(0.18%)	(54)	-	-	(0.18%)	(54)
WongDoody GmbH (formerly known as oddity GmbH)	0.05%	52	(0.02%)	(6)	-	-	(0.02%)	(6)
oddity (Shanghai) Co., Ltd.	0.01%	5	0.00%	1	-	-	0.00%	1
oddity Limited(Taipei)	0.00%	2	0.01%	2	-	-	0.01%	2
Wongdoody D.O.O	0.01%	5	0.01%	3	-	-	0.01%	3
Infosys Business Solutions LLC	0.03%	31	0.05%	17	-	-	0.06%	17
Panaya Germany GmbH	0.00%	(2)	0.00%	1	-	-	-	1
Infosys Arabia Limited	0.00%	4	0.00%	-	-	-	-	-
Infosys Norway	0.00%	1	0.00%	-	-	-	-	-
Outbox systems Inc. dba Simplus (US)	0.11%	111	0.07%	20	-	-	0.07%	20
Simplus Australia Pty Ltd	0.00%	4	0.07%	22	-	-	0.07%	22
Simplus Philippines, Inc.	0.01%	15	0.01%	3	-	-	0.01%	3
Simplus ANZ Pty Ltd.	-	-	-	-	-	-	-	-
BASE life science AG	0.03%	26	0.04%	12	(1.02%)	(3)	0.03%	9
BASE life science GmbH	0.00%	(4)	(0.01%)	(4)	-	-	(0.01%)	(4)
BASE life science A/S	(0.06%)	(62)	(0.29%)	(88)	-	-	(0.29%)	(88)
BASE life science S.A.S	0.00%	(1)	(0.01%)	(2)	-	-	(0.01%)	(2)
BASE life science Ltd.	0.01%	5	0.01%	3	-	-	0.01%	3
BASE life science S.r.l.	0.00%	(1)	0.00%	(1)	-	-	(0.01%)	(1)
Innovisor Inc.	0.00%	-	0.00%	-	-	-	-	-
BASE life science Inc.	0.00%	(1)	0.00%	(1)	-	-	-	(1)
BASE life science S.L.	0.01%	7	0.02%	6	-	-	0.02%	6
Infosys Public Services, Inc. USA (Infosys Public Services)	1.38%	1,369	1.15%	344	-	-	1.14%	344
Infosys Luxembourg S.a.r.l	0.04%	38	0.05%	15	-	-	0.05%	15
Infosys Compaz PTE Ltd	0.21%	209	0.22%	66	-	-	0.22%	66
Infy Consulting Company Limited	0.25%	254	0.25%	75	-	-	0.25%	75
Infosys Poland Sp. Z.o.o	1.02%	1,015	0.45%	134	-	-	0.44%	134
Portland Group Pty Ltd	0.05%	50	0.04%	13	-	-	0.04%	13
Infosys BPO Americas LLC	0.08%	76	0.13%	38	-	-	0.13%	38
Infosys (Czech Republic) Limited s.r.o.	0.11%	108	0.01%	4	-	-	0.02%	4
HIPUS Co., Ltd	0.12%	122	0.11%	32	-	-	0.10%	32
Global Enterprise International (Malaysia) Sdn. Bhd.	0.01%	15	0.04%	13	-	-	0.04%	13
Infosys BPM UK Limited	-	1	-	-	-	-	-	-
Infosys Public Services Canada Inc.	0.03%	25	0.04%	13	-	-	0.05%	13
Brilliant Basics Holdings Limited	0.07%	66	-	1	-	-	-	1
Brilliant Basics Limited	-	1	-	-	-	-	-	-
Subtotal	**100%**	**99,492**	**100%**	**29,967**	**100%**	**293**	**100%**	**30,260**
Adjustment arising out of consolidation		(11,269)		(3,677)		228		(3,449)
Controlled Trusts		(107)		(57)		-		(57)
		88,116		26,233		521		26,754
Non-controlling Interests		345		15		(1)		14
Total		**88,461**		**26,248**		**520**		**26,768**

2.26 SEGMENT REPORTING

Ind AS 108, Operating segments, establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

Business segments of the Group are primarily enterprises in Financial Services and Insurance, enterprises in Manufacturing, enterprises in Retail, Consumer Packaged Goods and Logistics, enterprises in the Energy, Utilities, Resources and Services, enterprises in Communication, Telecom OEM and Media, enterprises in Hi-Tech, enterprises in Life Sciences and Healthcare and all other segments. The Financial services reportable segments has been aggregated to include the Financial Services operating segment and Finacle operating segment because of the similarity of the economic characteristics. All other segments represent the operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for 'all other segments' represents revenue generated by Infosys Public services and revenue generated from customers located in India, Japan and China and other enterprises in Public Services. Allocated expenses of segments include expenses incurred for rendering services from the Group's offshore software development centers and on-site expenses, which are categorized in relation to the associated efforts of the segment. Certain expenses such as depreciation and amortization, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. The Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Group.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. The Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

Disclosure of revenue by geographic locations is given in note 2.18 Revenue from operations.

Business Segments

Year ended March 31, 2024 and March 31, 2023

(In ₹ crore)

Particulars	**Financial Services (1)**	**Retail (2)**	**Communication (3)**	**Energy, Utilities, Resources and Services**	**Manufacturing**	**Hi-Tech**	**Life Sciences (4)**	**All other segments (5)**	**Total**
Revenue from operations	42,158	22,504	17,991	20,035	22,298	12,411	11,515	4,758	153,670
	43,763	*21,204*	*18,086*	*18,539*	*19,035*	*11,867*	*10,085*	*4,188*	*146,767*
Identifiable operating expenses	24,782	11,704	11,071	10,838	14,596	7,232	6,716	2,938	89,877
	24,990	*10,892*	*11,101*	*9,923*	*12,493*	*6,959*	*5,834*	*2,801*	*84,993*
Allocated expenses	8,052	3,918	3,232	3,674	3,505	2,026	1,901	1,060	27,368
	7,930	*3,916*	*3,226*	*3,461*	*3,429*	*1,949*	*1,685*	*1,048*	*26,644*
Segment operating income	**9,324**	**6,882**	**3,688**	**5,523**	**4,197**	**3,153**	**2,898**	**760**	**36,425**
	10,843	*6,396*	*3,759*	*5,155*	*3,113*	*2,959*	*2,566*	*339*	*35,130*
Unallocable expenses									4,678
									4,225
Other income, net *(Refer to Note 2.19)*									4,711
									2,701
Finance cost									470
									284
Profit before tax									**35,988**
									33,322
Income tax expense									9,740
									9,214
Net Profit									**26,248**
									24,108
Depreciation and amortization expense									4,678
									4,225
Non-cash expenses other than depreciation and amortization									—
									—

(1) *Financial Services include enterprises in Financial Services and Insurance*

(2) *Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics*

(3) *Communication includes enterprises in Communication, Telecom OEM and Media*

(4) *Life Sciences includes enterprises in Life sciences and Health care*

(5) *Others include operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services*

Significant clients

No client individually accounted for more than 10% of the revenues for the year ended March 31, 2024 and March 31, 2023, respectively.

2.27 FUNCTION WISE CLASSIFICATION OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(In ₹ crore)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	2.18	153,670	146,767
Cost of Sales		107,413	102,353
Gross profit		**46,257**	**44,414**
Operating expenses			
Selling and marketing expenses		6,973	6,249
General and administration expenses		7,537	7,260
Total operating expenses		**14,510**	**13,509**
Operating profit		**31,747**	**30,905**
Other income, net	2.19	4,711	2,701
Finance cost		470	284
Profit before tax		**35,988**	**33,322**
Tax expense:			
Current tax	2.17	8,390	9,287
Deferred tax	2.17	1,350	(73)
Profit for the year		**26,248**	**24,108**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset, net	2.22	120	8
Equity instruments through other comprehensive income, net	2.5	19	(7)
		139	**1**
Items that will be reclassified subsequently to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net	2.11	11	(7)
Exchange differences on translation of foreign operations, net		226	776
Fair value changes on investments, net	2.5	144	(256)
		381	**513**
Total other comprehensive income / (loss), net of tax		**520**	**514**
Total comprehensive income for the year		**26,768**	**24,622**
Profit attributable to:			
Owners of the Company		26,233	24,095
Non-controlling interests		15	13
		26,248	**24,108**
Total comprehensive income attributable to:			
Owners of the Company		26,754	24,598
Non-controlling interests		14	24
		26,768	**24,622**

for and on behalf of the Board of Directors of Infosys Limited

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Deloitte Haskins & Sells LLP

Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru-560 001
Karnataka, India

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

Report on the Audit of the Interim Condensed Consolidated Financial Statements

Opinion

We have audited the accompanying interim condensed consolidated financial statements of **INFOSYS LIMITED** (the "Company"), and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the Condensed Consolidated Balance Sheet as at March 31, 2024, the Condensed Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the three months and year ended on that date, the Condensed Consolidated Statement of Changes in Equity and the Condensed Consolidated Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "interim condensed consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim condensed consolidated financial statements give a true and fair view in conformity with the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, its consolidated profit and its consolidated total comprehensive income for the three months and year ended on that date, its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the interim condensed consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the interim condensed consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the interim condensed consolidated financial statements.

Emphasis of Matter

As described in note 2.21.2 to the interim condensed consolidated financial statements, certain costs relating to possible damages or claims relating to a cybersecurity incident in a subsidiary are indeterminable as at the date of this report because of reasons stated in the note. Our opinion is not modified in respect of this matter.

1.

Responsibilities of Management and Those Charged with Governance for the Interim Condensed Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with Ind AS 34 and other accounting principles generally accepted in India. The respective Boards of Directors/Trustees of the entities included in the Group are responsible for maintenance of the adequate accounting records for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the interim condensed consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the interim condensed consolidated financial statements, the respective Boards of Directors/Trustees of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their own respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors/Trustees of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim condensed consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim condensed consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the interim condensed consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim condensed consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the interim condensed consolidated financial statements, including the disclosures, and whether the interim condensed consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the interim condensed consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the interim condensed consolidated financial statements of which we are independent auditors.

Materiality is the magnitude of misstatements in the interim condensed consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim condensed consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the interim condensed consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the interim condensed consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)
UDIN:

Place: Bengaluru
Date: April 18, 2024

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Financial Statements under Indian Accounting Standards (Ind AS) for the three months and year ended March 31, 2024

Index	**Page No.**

INFOSYS LIMITED AND SUBSIDIARIES

(In ₹ crore)

Condensed Consolidated Balance Sheets as at	Note No.	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2.2	12,370	13,346
Right-of-use assets	2.19	6,552	6,882
Capital work-in-progress		293	288
Goodwill	2.3	7,303	7,248
Other intangible assets		1,397	1,749
Financial assets			
Investments	2.4	11,708	12,569
Loans	2.5	34	39
Other financial assets	2.6	3,105	2,798
Deferred tax assets (net)		454	1,245
Income tax assets (net)		3,045	6,453
Other non-current assets	2.9	2,121	2,318
Total non-current assets		**48,382**	**54,935**
Current assets			
Financial assets			
Investments	2.4	12,915	6,909
Trade receivables	2.7	30,193	25,424
Cash and cash equivalents	2.8	14,786	12,173
Loans	2.5	248	289
Other financial assets	2.6	12,085	11,604
Income tax assets (net)		6,397	6
Other current assets	2.9	12,808	14,476
Total current assets		**89,432**	**70,881**
Total assets		**137,814**	**125,816**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.11	2,071	2,069
Other equity		86,045	73,338
Total equity attributable to equity holders of the Company		**88,116**	**75,407**
Non-controlling interests		345	388
Total equity		**88,461**	**75,795**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	2.19	6,400	7,057
Other financial liabilities	2.12	2,130	2,058
Deferred tax liabilities (net)		1,794	1,220
Other non-current liabilities	2.13	235	500
Total non-current liabilities		**10,559**	**10,835**
Current liabilities			
Financial Liabilities			
Lease liabilities	2.19	1,959	1,242
Trade payables		3,956	3,865
Other financial liabilities	2.12	16,959	18,558
Other current liabilities	2.13	10,539	10,830
Provisions	2.14	1,796	1,307
Income tax liabilities (net)		3,585	3,384
Total current liabilities		**38,794**	**39,186**
Total equity and liabilities		**137,814**	**125,816**

The accompanying notes form an integral part of the interim condensed consolidated financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No :
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

(In ₹ crore, except equity share and per equity share data)

Condensed Consolidated Statement of Profit and Loss for the	**Note No.**	**Three months ended March 31,**		**Year ended March 31,**	
		2024	**2023**	**2024**	**2023**
Revenue from operations	2.16	37,923	37,441	153,670	146,767
Other income, net	2.17	2,729	671	4,711	2,701
Total income		**40,652**	**38,112**	**158,381**	**149,468**
Expenses					
Employee benefit expenses	2.18	20,393	20,311	82,620	78,359
Cost of technical sub-contractors		2,967	3,116	12,232	14,062
Travel expenses		471	426	1,759	1,525
Cost of software packages and others	2.18	3,687	2,886	13,515	10,902
Communication expenses		147	171	677	713
Consultancy and professional charges		489	387	1,726	1,684
Depreciation and amortization expenses		1,163	1,121	4,678	4,225
Finance cost		110	82	470	284
Other expenses	2.18	985	1,146	4,716	4,392
Total expenses		**30,412**	**29,646**	**122,393**	**116,146**
Profit before tax		**10,240**	**8,466**	**35,988**	**33,322**
Tax expense:					
Current tax	2.15	1,173	2,260	8,390	9,287
Deferred tax	2.15	1,092	72	1,350	(73)
Profit for the period		**7,975**	**6,134**	**26,248**	**24,108**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		26	25	120	8
Equity instruments through other comprehensive income, net		(12)	(15)	19	(7)
		14	**10**	**139**	**1**
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		28	36	11	(7)
Exchange differences on translation of foreign operations		(231)	61	226	776
Fair value changes on investments, net		37	42	144	(256)
		(166)	**139**	**381**	**513**
Total other comprehensive income /(loss), net of tax		**(152)**	**149**	**520**	**514**
Total comprehensive income for the period		**7,823**	**6,283**	**26,768**	**24,622**
Profit attributable to:					
Owners of the Company		7,969	6,128	26,233	24,095
Non-controlling interests		6	6	15	13
		7,975	**6,134**	**26,248**	**24,108**
Total comprehensive income attributable to:					
Owners of the Company		7,821	6,276	26,754	24,598
Non-controlling interests		2	7	14	24
		7,823	**6,283**	**26,768**	**24,622**
Earnings per equity share					
Equity shares of par value ₹5/- each					
Basic (in ₹ per share)		19.25	14.79	63.39	57.63
Diluted (in ₹ per share)		19.22	14.77	63.29	57.54
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.20	4,139,432,133	4,144,013,195	4,138,568,090	4,180,897,857
Diluted (in shares)	2.20	4,145,052,370	4,149,555,426	4,144,680,425	4,187,731,070

The accompanying notes form an integral part of the interim condensed consolidated financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No :
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

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Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Statement of Changes in Equity

(In ₹ crore)

Particulars		OTHER EQUITY														
		Reserves & Surplus								Other comprehensive income						
	Equity Share capital (1)	Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve (2)	Other reserves (3)	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2022	**2,098**	**54**	**139**	**200**	**61,313**	**1,061**	**606**	**8,339**	**16**	**254**	**1,560**	**2**	**(292)**	**75,350**	**386**	**75,736**
Impact on adoption of amendment to Ind AS 37#	—	—	—	—	(19)	—	—	—	—	—	—	—	—	(19)	—	(19)
	2,098	**54**	**139**	**200**	**61,294**	**1,061**	**606**	**8,339**	**16**	**254**	**1,560**	**2**	**(292)**	**75,331**	**386**	**75,717**
Changes in equity for the year ended March 31, 2023																
Profit for the period	—	—	—	—	24,095	—	—	—	—	—	—	—	—	24,095	13	24,108
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	8	8	—	8
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	(7)	—	—	—	(7)	—	(7)
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	(7)	—	(7)	—	(7)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	765	—	—	765	11	776
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	(256)	(256)	—	(256)
Total Comprehensive income for the period	**—**	**—**	**—**	**—**	**24,095**	**—**	**—**	**—**	**—**	**(7)**	**765**	**(7)**	**(248)**	**24,598**	**24**	**24,622**
Shares issued on exercise of employee stock options *(Refer to Note 2.11)*	1	—	—	34	—	—	—	—	—	—	—	—	—	35	—	35
Employee stock compensation expense *(Refer to Note 2.11)*	—	—	—	—	—	—	514	—	—	—	—	—	—	514	—	514
Transferred on account of options not exercised	—	—	—	—	—	2	(2)	—	—	—	—	—	—	—	—	—
Buyback of equity shares *(Refer to Note 2.11)* **	(30)	—	—	(340)	(11,096)	—	—	—	—	—	—	—	—	(11,466)	—	(11,466)
Transaction costs relating to buyback*	—	—	—	(19)	(5)	—	—	—	—	—	—	—	—	(24)	—	(24)
Amount transferred to capital redemption reserve upon buyback	—	—	30	—	(21)	(9)	—	—	—	—	—	—	—	—	—	—
Transferred to Special Economic Zone Re-investment reserve	—	—	—	—	(3,139)	—	—	3,139	—	—	—	—	—	—	—	—
Transfer to legal reserve	—	—	—	—	(3)	—	—	—	3	—	—	—	—	—	—	—
Transferred on account of exercise of stock options *(Refer to note 2.11)*	—	—	—	291	—	—	(291)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	51	—	—	—	—	—	—	51	—	51
Dividends (1)	—	—	—	—	(13,632)	—	—	—	—	—	—	—	—	(13,632)	—	(13,632)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(22)	(22)
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	1,464	—	—	(1,464)	—	—	—	—	—	—	—	—
Balance as at March 31, 2023	**2,069**	**54**	**169**	**166**	**58,957**	**1,054**	**878**	**10,014**	**19**	**247**	**2,325**	**(5)**	**(540)**	**75,407**	**388**	**75,795**

Condensed Consolidated Statement of Changes in Equity (contd.)

(In ₹ crore)

Particulars	Equity Share capital (1)	OTHER EQUITY: Reserves & Surplus: Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve (2)	Other reserves (3)	Other comprehensive income: Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2023	**2,069**	**54**	**169**	**166**	**58,957**	**1,054**	**878**	**10,014**	**19**	**247**	**2,325**	**(5)**	**(540)**	**75,407**	**388**	**75,795**
Changes in equity for the year ended March 31, 2024																
Profit for the period	—	—	—	—	26,233	—	—	—	—	—	—	—	—	26,233	15	26,248
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	120	120	—	120
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	19	—	—	—	19	—	19
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	11	—	11	—	11
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	227	—	—	227	(1)	226
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	144	144	—	144
Total Comprehensive income for the period	**—**	**—**	**—**	**—**	**26,233**	**—**	**—**	**—**	**—**	**19**	**227**	**11**	**264**	**26,754**	**14**	**26,768**
Shares issued on exercise of employee stock options *(Refer to Note 2.11)*	2	—	—	3	—	—	—	—	—	—	—	—	—	5	—	5
Employee stock compensation expense *(Refer to Note 2.11)*	—	—	—	—	—	—	639	—	—	—	—	—	—	639	—	639
Transferred on account of exercise of stock options *(Refer to note 2.11)*	—	—	—	447	—	—	(447)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	160	(160)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	3	—	—	—	—	—	—	3	—	3
Transfer to legal reserve	—	—	—	—	(3)	—	—	—	3	—	—	—	—	—	—	—
Dividends (1)	—	—	—	—	(14,692)	—	—	—	—	—	—	—	—	(14,692)	—	(14,692)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(39)	(39)
Buyback of shares pertaining to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(18)	(18)
Transferred to Special Economic Zone Re-investment reserve	—	—	—	—	(2,957)	—	—	2,957	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	867	—	—	(867)	—	—	—	—	—	—	—	—
Balance as at March 31, 2024	**2,071**	**54**	**169**	**616**	**68,405**	**1,214**	**913**	**12,104**	**22**	**266**	**2,552**	**6**	**(276)**	**88,116**	**345**	**88,461**

** Net of tax*

*** Including tax on buyback of ₹2,166 crore for the year ended March 31, 2023.*

[#] *Impact on account of adoption of amendment to Ind AS 37 Provisions, Contingent Liabilities and Contingents Assets*

(1) *Net of treasury shares*

(2) *The Special Economic Zone Re-investment Reserve has been created out of the profit of eligible SEZ units in terms of the provisions of Sec 10AA(1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Group for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.*

(3) *Under the Swiss Code of Obligation, few subsidiaries of Infosys Consulting are required to appropriate a certain percentage of the annual profit to legal reserve which may be used only to cover losses or for measures designed to sustain the Company through difficult times, to prevent unemployment or to mitigate its consequences.*

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No :
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Statement of Cash Flows

Accounting policy

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(In ₹ crore)

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities			
Profit for the period		26,248	24,108
Adjustments to reconcile net profit to net cash provided by operating activities:			
Income tax expense	2.15	9,740	9,214
Depreciation and amortization		4,678	4,225
Interest and dividend income		(2,067)	(1,817)
Finance cost		470	284
Impairment loss recognized / (reversed) under expected credit loss model		121	283
Exchange differences on translation of assets and liabilities, net		76	161
Stock compensation expense		652	519
Interest on income tax refund		(1,934)	—
Provision for post sale client support		75	120
Other adjustments		1,464	508
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(2,667)	(7,076)
Loans, other financial assets and other assets		(1,172)	(3,108)
Trade payables		91	(279)
Other financial liabilities, other liabilities and provisions		(1,334)	4,119
Cash generated from operations		**34,441**	**31,261**
Income taxes paid		(9,231)	(8,794)
Net cash generated by operating activities		**25,210**	**22,467**
Cash flows from investing activities			
Expenditure on property, plant and equipment and intangibles		(2,201)	(2,579)
Deposits placed with corporation		(847)	(996)
Redemption of deposits placed with Corporation		710	762
Interest and dividend received		1,768	1,525
Payment towards acquisition of business, net of cash acquired	2.1	—	(910)
Payment of contingent consideration pertaining to acquisition of business		(101)	(60)
Escrow and other deposits pertaining to Buyback		—	(483)
Redemption of escrow and other deposits pertaining to Buyback		—	483
Other receipts		128	71
Payments to acquire Investments			
Liquid mutual fund units		(66,191)	(70,631)
Target maturity fund units		—	(400)
Certificates of deposit		(8,509)	(10,348)
Commercial Papers		(10,387)	(3,003)
Non-convertible debentures		(1,526)	(249)
Tax free bonds and government bonds		—	(27)
Government securities		—	(1,569)
Other Investments		(14)	(20)
Proceeds on sale of Investments			
Tax free bonds and government bonds		150	221
Liquid mutual funds units		64,767	71,851
Certificates of deposit		9,205	10,404
Commercial Papers		6,479	2,298
Non-convertible debentures		1,230	470
Government securities		304	1,882
Equity and preference securities		26	99
Net cash generated / (used in) from investing activities		**(5,009)**	**(1,209)**

Cash flows from financing activities			
Payment of lease liabilities		(2,024)	(1,231)
Payment of dividends		(14,692)	(13,631)
Payment of dividend to non-controlling interest of subsidiary		(39)	(22)
Payment towards buyback of shares pertaining to non controlling interest of subsidiary		(18)	—
Shares issued on exercise of employee stock options		5	35
Other receipts		-	132
Other payments		(736)	(479)
Buyback of equity shares including transaction cost and tax on buyback		-	(11,499)
Net cash used in financing activities		**(17,504)**	**(26,695)**
Net increase / (decrease) in cash and cash equivalents		2,697	(5,437)
Effect of exchange rate changes on cash and cash equivalents		(84)	138
Cash and cash equivalents at the beginning of the period	2.8	12,173	17,472
Cash and cash equivalents at the end of the period	2.8	**14,786**	**12,173**
Supplementary information:			
Restricted cash balance	2.8	348	362

The accompanying notes form an integral part of the interim condensed consolidated financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No :
117366W/ W-100018

for and on behalf of the Board of Directors of Infosys Limited

Sanjiv V. Pilgaonkar
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Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

INFOSYS LIMITED AND SUBSIDIARIES

Overview and notes to the Interim Condensed Consolidated Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

Infosys together with its subsidiaries and controlled trusts is hereinafter referred to as "the Group".

The Company is a public limited company incorporated and domiciled in India and has its registered office at Electronics city, Hosur Road, Bengaluru 560100, Karnataka, India. The Company has its primary listings on the BSE Ltd. and National Stock Exchange of India Limited. The Company’s American Depositary Shares (ADS) representing equity shares are listed on the New York Stock Exchange (NYSE).

The Group's interim condensed consolidated financial statements are approved for issue by the Company's Board of Directors on April 18, 2024.

1.2 Basis of preparation of financial statements

These interim condensed consolidated financial statements are prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting , under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). Accordingly, these interim condensed consolidated financial statements do not include all the information required for a complete set of financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company’s Annual Report for the year ended March 31, 2023. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited condensed consolidated interim financial statements have been discussed in the respective notes.

As the quarter and year-to-date figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the year-to-date figures reported in this statement.

1.3 Basis of consolidation

Infosys consolidates entities which it owns or controls. The interim condensed consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

1.4 Use of estimates and judgments

The preparation of the interim condensed consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in *Note no. 1.5* . Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the interim condensed consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the interim condensed consolidated financial statements.

1.5 Critical accounting estimates and judgments

a. Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

Fixed price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Group uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

b. Income taxes

The Group's two major tax jurisdictions are India and the United States, though the Company also files tax returns in other overseas jurisdictions.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced *(Refer to Notes 2.15).*

c. Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management *(Refer to Note 2.1).*

d. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology *(Refer to Note 2.2).*

e. Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGUs) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins *(Refer to Note 2.3.1).*

2. Notes to the Interim Condensed Consolidated Financial Statements

2.1 BUSINESS COMBINATIONS

Accounting policy

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Profit and Loss.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is accounted for at carrying value of the assets acquired and liabilities assumed in the Group's consolidated financial statements.

The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable. In the event that the option expires unexercised, the liability is derecognized.

Acquisitions during the year ended March 31, 2023

During the year ended March 31, 2023 the Group, completed two business combinations to complement its digital offerings by acquiring 100% voting interests in:

1) oddity GmbH, oddity group services GmbH, oddity space GmbH, oddity jungle GmbH, oddity code GmbH and oddity waves GmbH (collectively known as oddity), a Germany-based digital marketing, experience, and commerce agencies on April 20, 2022.

2) BASE life science A/S, a consulting and technology firm in the life Science industry in Europe on September 1, 2022.

These acquisitions are expected to strengthen the Group's creative, branding and experience design capabilities and augment the Group's life sciences expertise, scales its digital transformation capabilities with cloud based industry solutions and expand its presence across Europe.

The purchase price is allocated to assets acquired and liabilities assumed based upon determination of fair values at the dates of acquisition as follows:

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets[1]	103	-	103
Intangible assets :			
Customer contracts and relationships	-	274	274
Vendor relationships	-	30	30
Brand	-	24	24
Deferred tax liabilities on intangible assets	-	(80)	(80)
Total	**103**	**248**	**351**
Goodwill			630
Total purchase price			**981**

[1] *Includes cash and cash equivalents acquired of ₹ 26 crore.*

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the acquired assembled workforce and estimated synergies, neither of which qualify as an intangible asset.

Goodwill is not tax-deductible. Goodwill pertaining to these business combinations is allocated to operating segments as more fully described in Note 2.3.1.

The purchase consideration of ₹981 crore includes cash of ₹936 crore and contingent consideration with an estimated fair value of ₹45 crore as on the date of acquisition.

At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rate of 12.5%. As of March 31, 2024 the contingent consideration was fully paid.

Additionally, these acquisitions have shareholder and employee retention bonus payable to the employees of the acquiree over three years, subject to their continuous employment with the Group along with achievement of financial targets for the respective years. Performance and Retention Bonus is recognized in employee benefit expenses in the Interim Condensed Consolidated Statement of Statement of Profit or Loss over the period of service.

Fair value of trade receivables acquired, is ₹111 crore as of acquisition date and as of March 31, 2024 the amounts are fully collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹7 crore related to the acquisition have been included under administrative expenses in the Interim Condensed Consolidated Statement of Statement of Profit or Loss for the year ended March 31, 2023.

Proposed acquisitions

On January 11, 2024, Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India, for a consideration including earn-outs, and management incentives and retention bonuses totaling up to ₹280 crore (approximately $34 million), subject to customary closing adjustments.

On April 18, 2024, Infosys Germany GmBH wholly owned step down subsidiary of Infosys Limited entered into a definitive agreement to acquire 100% of the equity share capital in in-tech Holding GmbH, leading provider of Engineering R&D services headquartered in Germany, for a consideration including earn-outs amounting up to EUR 450 million (approximately ₹4,045 crore), subject to customary closing adjustments.

2.2 PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Buildings [(1)]	22-25 years
Plant and machinery [(1)(2)]	5 years
Office equipment	5 years
Computer equipment [(1)]	3-5 years
Furniture and fixtures [(1)]	5 years
Vehicles[(1)]	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

[(1)] *Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013*

[(2)] *Includes Solar plant with a useful life of 25 years*

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [(1)]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at January 1, 2024	**1,432**	**11,498**	**3,305**	**1,510**	**8,497**	**2,308**	**1,456**	**45**	**30,051**
Additions	—	287	140	33	345	54	35	—	894
Deletions**	—	—	(16)	(14)	(224)	(34)	(37)	—	(325)
Translation difference	—	(15)	(1)	(1)	(7)	(2)	(7)	—	(33)
Gross carrying value as at March 31, 2024	**1,432**	**11,770**	**3,428**	**1,528**	**8,611**	**2,326**	**1,447**	**45**	**30,587**
Accumulated depreciation as at January 1, 2024	**—**	**(4,814)**	**(2,584)**	**(1,253)**	**(6,267)**	**(1,807)**	**(1,131)**	**(42)**	**(17,898)**
Depreciation	—	(111)	(63)	(32)	(336)	(58)	(46)	—	(646)
Accumulated depreciation on deletions**	—	—	16	14	219	26	34	—	309
Translation difference	—	4	1	2	4	2	5	—	18
Accumulated depreciation as at March 31, 2024	—	**(4,921)**	**(2,630)**	**(1,269)**	**(6,380)**	**(1,837)**	**(1,138)**	**(42)**	**(18,217)**
Carrying value as at January 1, 2024	**1,432**	**6,684**	**721**	**257**	**2,230**	**501**	**325**	**3**	**12,153**
Carrying value as at March 31, 2024	**1,432**	**6,849**	**798**	**259**	**2,231**	**489**	**309**	**3**	**12,370**

The changes in the carrying value of property, plant and equipment for the three months ended March 31, 2023 were as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [(1)]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at January 1, 2023	**1,431**	**11,530**	**3,368**	**1,466**	**8,895**	**2,450**	**1,353**	**44**	**30,537**
Additions	2	29	109	55	494	162	103	1	955
Deletions*	(2)	—	(175)	(40)	(877)	(311)	(13)	—	(1,418)
Translation difference	—	3	—	1	7	2	2	—	15
Gross carrying value as at March 31, 2023	**1,431**	**11,562**	**3,302**	**1,482**	**8,519**	**2,303**	**1,445**	**45**	**30,089**
Accumulated depreciation as at January 1, 2023	**—**	**(4,425)**	**(2,547)**	**(1,206)**	**(6,339)**	**(1,922)**	**(992)**	**(39)**	**(17,470)**
Depreciation	—	(109)	(65)	(31)	(354)	(62)	(48)	(1)	(670)
Accumulated depreciation on deletions*	—	—	175	40	871	310	9	—	1,405
Translation difference	—	(1)	—	(1)	(4)	(1)	(1)	—	(8)
Accumulated depreciation as at March 31, 2023	—	**(4,535)**	**(2,437)**	**(1,198)**	**(5,826)**	**(1,675)**	**(1,032)**	**(40)**	**(16,743)**
Carrying value as at January 1, 2023	**1,431**	**7,105**	**821**	**260**	**2,556**	**528**	**361**	**5**	**13,067**
Carrying value as at March 31, 2023	**1,431**	**7,027**	**865**	**284**	**2,693**	**628**	**413**	**5**	**13,346**

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [1]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2023	**1,431**	**11,562**	**3,302**	**1,482**	**8,519**	**2,303**	**1,445**	**45**	**30,089**
Additions	1	300	193	106	931	121	108	1	1,761
Deletions**	—	(55)	(64)	(60)	(846)	(99)	(102)	(1)	(1,227)
Translation difference	—	(37)	(3)	—	7	1	(4)	—	(36)
Gross carrying value as at March 31, 2024	**1,432**	**11,770**	**3,428**	**1,528**	**8,611**	**2,326**	**1,447**	**45**	**30,587**
Accumulated depreciation as at April 1, 2023	**—**	**(4,535)**	**(2,437)**	**(1,198)**	**(5,826)**	**(1,675)**	**(1,032)**	**(40)**	**(16,743)**
Depreciation	—	(450)	(259)	(130)	(1,387)	(250)	(206)	(3)	(2,685)
Accumulated depreciation on deletions**	—	55	64	59	836	89	97	1	1,201
Translation difference	—	9	2	—	(3)	(1)	3	—	10
Accumulated depreciation as at March 31, 2024	**—**	**(4,921)**	**(2,630)**	**(1,269)**	**(6,380)**	**(1,837)**	**(1,138)**	**(42)**	**(18,217)**
Carrying value as at April 1, 2023	**1,431**	**7,027**	**865**	**284**	**2,693**	**628**	**413**	**5**	**13,346**
Carrying value as at March 31, 2024	**1,432**	**6,849**	**798**	**259**	**2,231**	**489**	**309**	**3**	**12,370**

** During the three months and year ended March 31, 2024, certain assets which were not in use having gross book value of ₹181 crore (net book value: Nil) and ₹775 crore (net book value: Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [1]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2022	**1,431**	**11,224**	**3,210**	**1,427**	**8,527**	**2,278**	**1,234**	**44**	**29,375**
Additions - Business Combination *(Refer to Note 2.1)*	—	—	—	5	6	1	2	—	14
Additions	2	337	273	122	1,510	364	220	2	2,830
Deletions*	(2)	—	(182)	(76)	(1,563)	(348)	(25)	(1)	(2,197)
Translation difference	—	1	1	4	39	8	14	—	67
Gross carrying value as at March 31, 2023	**1,431**	**11,562**	**3,302**	**1,482**	**8,519**	**2,303**	**1,445**	**45**	**30,089**
Accumulated depreciation as at April 1, 2022	**—**	**(4,100)**	**(2,344)**	**(1,150)**	**(6,034)**	**(1,779)**	**(856)**	**(37)**	**(16,300)**
Depreciation	—	(434)	(273)	(121)	(1,322)	(236)	(187)	(4)	(2,577)
Accumulated depreciation on deletions*	—	—	181	76	1,556	347	21	1	2,182
Translation difference	—	(1)	(1)	(3)	(26)	(7)	(10)	—	(48)
Accumulated depreciation as at March 31, 2023	**—**	**(4,535)**	**(2,437)**	**(1,198)**	**(5,826)**	**(1,675)**	**(1,032)**	**(40)**	**(16,743)**
Carrying value as at April 1, 2022	**1,431**	**7,124**	**866**	**277**	**2,493**	**499**	**378**	**7**	**13,075**
Carrying value as at March 31, 2023	**1,431**	**7,027**	**865**	**284**	**2,693**	**628**	**413**	**5**	**13,346**

* During the three months and year ended March 31, 2023, certain assets which were old and not in use having gross book value of ₹1,414 crore (net book value: Nil) and ₹1,918 crore (net book value: Nil), respectively were retired.

[1] *Buildings include ₹250/- being the value of five shares of ₹50/- each in Mittal Towers Premises Co-operative Society Limited.*

The aggregate depreciation has been included under depreciation and amortization expense in the interim condensed Consolidated Statement of Profit and Loss.

Repairs and maintenance costs are recognized in the Consolidated Statement of Profit and Loss when incurred.

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company was required to transfer its CSR capital assets installed prior to January 2021. Towards this the Company had incorporated a subsidiary 'Infosys Green Forum' (IGF) under Section 8 of the Companies Act, 2013. During the year ended March 31, 2022 the Company had completed the transfer of assets upon obtaining the required approvals from regulatory authorities, as applicable. During March 31, 2024, the application filed by IGF for registration u/s.12AB of the Income Tax Act was rejected and registration cancelled. IGF is in the process of challenging the rejection order.

2.3 GOODWILL AND OTHER INTANGIBLE ASSETS

2.3.1 Goodwill

Accounting policy

Goodwill represents the purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognized in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Key assumptions in the cash flow projections are prepared based on current economic conditions and includes estimated long term growth rates, weighted average cost of capital and estimated operating margins.

Following is a summary of changes in the carrying amount of goodwill:

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Carrying value at the beginning	**7,248**	**6,195**
Goodwill on acquisitions (Refer to note 2.1)	—	630
Translation differences	55	423
Carrying value at the end	**7,303**	**7,248**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition.

2.3.2 Intangible Assets

Accounting policy

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to prepare the asset for its intended use.

Impairment

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization) had no impairment loss been recognized for the asset in prior years.

2.4 INVESTMENTS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current Investments		
Unquoted		
Investments carried at fair value through other comprehensive income		
Preference securities	91	193
Equity securities	2	3
	93	**196**
Investments carried at fair value through profit or loss		
Target maturity fund units	431	402
Others [1]	198	169
	629	**571**
Quoted		
Investments carried at amortized cost		
Government bonds	28	28
Tax free bonds	1,731	1,742
	1,759	**1,770**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	2,217	2,713
Equity securities	113	—
Government securities	6,897	7,319
	9,227	**10,032**
Total non-current investments	**11,708**	**12,569**
Current Investments		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	2,615	975
	2,615	**975**
Investments carried at fair value through other comprehensive income		
Commercial Papers	4,830	742
Certificates of deposit	3,043	3,574
	7,873	**4,316**
Quoted		
Investments carried at amortized cost		
Tax free bonds	—	150
	—	**150**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	1,962	1,155
Government securities	465	313
	2,427	**1,468**
Total current investments	**12,915**	**6,909**
Total investments	**24,623**	**19,478**
Aggregate amount of quoted investments	13,413	13,420
Market value of quoted investments (including interest accrued), current	2,428	1,637
Market value of quoted investments (including interest accrued), non current	11,201	12,042
Aggregate amount of unquoted investments	11,210	6,058
Investments carried at amortized cost	1,759	1,920
Investments carried at fair value through other comprehensive income	19,620	16,012
Investments carried at fair value through profit or loss	3,244	1,546

[1] *Uncalled capital commitments outstanding as at March 31, 2024 and March 31, 2023 was ₹79 crore and ₹92 crore, respectively.*

Refer to Note 2.10 for Accounting policies on Financial Instruments.

Method of fair valuation:

(In ₹ crore)

Class of investment	Method	Fair value as at	
		March 31, 2024	March 31, 2023
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	2,615	975
Target maturity fund units - carried at fair value through profit or loss	Quoted price	431	402
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	1,973	2,148
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	4,179	3,868
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	7,362	7,632
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	4,830	742
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	3,043	3,574
Quoted Equity securities - carried at fair value through other comprehensive income	Quoted price	113	—
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	93	196
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	198	169
Total		**24,837**	**19,706**

Note: Certain quoted investments are classified as Level 2 in the absence of active market for such investments.

2.5 LOANS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	34	39
	34	**39**
Loans credit impaired - Unsecured		
Other loans		
Loans to employees	2	2
Less: Allowance for credit impairment	(2)	(2)
	—	—
Total non-current loans	**34**	**39**
Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	248	289
Total current loans	**248**	**289**
Total loans	**282**	**328**

2.6 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current		
Security deposits (1)	259	287
Unbilled revenues (1)#	1,677	1,185
Net investment in sublease of right-of-use asset (1)	3	305
Restricted deposits (1)*	47	96
Others (1)	1,119	925
Total non-current other financial assets	**3,105**	**2,798**
Current		
Security deposits (1)	75	42
Restricted deposits (1)*	2,535	2,348
Unbilled revenues (1)#	7,923	8,317
Interest accrued but not due (1)	537	488
Foreign currency forward and options contracts (2) (3)	84	101
Net investment in sublease of right of-use-asset (1)	6	53
Others (1)**	925	255
Total current other financial assets	**12,085**	**11,604**
Total other financial assets	**15,190**	**14,402**
(1) Financial assets carried at amortized cost	15,106	14,301
(2) Financial assets carried at fair value through other comprehensive income	23	32
(3) Financial assets carried at fair value through profit or loss	61	69

* Restricted deposits represent deposits with financial institutions to settle employee related obligations as and when they arise during the normal course of business.
# Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.

** Primarily includes net investment in lease

2.7 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Trade Receivable considered good - Unsecured	30,713	25,965
Less: Allowance for expected credit loss	520	541
Trade Receivable considered good - Unsecured	30,193	25,424
Trade Receivable - credit impaired - Unsecured	196	142
Less: Allowance for credit impairment	196	142
Trade Receivable - credit impaired - Unsecured	—	—
Total trade receivables	**30,193**	**25,424**

2.8 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Balances with banks		
In current and deposit accounts	14,786	10,026
Cash on hand	—	—
Others		
Deposits with financial institutions	—	2,147
Total cash and cash equivalents	**14,786**	**12,173**
Balances with banks in unpaid dividend accounts	37	37
Deposit with more than 12 months maturity	57	833

Cash and cash equivalents as at March 31, 2024 and March 31, 2023 include restricted cash and bank balances of ₹348 crore and ₹362 crore respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the company.

The deposits maintained by the Group with banks and financial institutions comprise of time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

2.9 OTHER ASSETS

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Capital advances	155	159
Advances other than capital advances		
Others		
Withholding taxes and others	673	684
Unbilled revenues [#]	103	264
Defined benefit plan assets	31	36
Prepaid expenses	343	332
Deferred Contract Cost		
Cost of obtaining a contract *	129	191
Cost of fulfillment	687	652
Other receivables	—	—
Total non-current other assets	**2,121**	**2,318**
Current		
Advances other than capital advances		
Payment to vendors for supply of goods	356	202
Others		
Unbilled revenues [#]	4,845	6,972
Withholding taxes and others	3,540	3,268
Prepaid expenses	3,329	2,745
Deferred Contract Cost		
Cost of obtaining a contract *	200	853
Cost of fulfillment	358	175
Other receivables	180	261
Total current other assets	**12,808**	**14,476**
Total other assets	**14,929**	**16,794**

[#] Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

* Includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹372 crore and ₹731 crore, respectively. For the year ended March 31, 2023 ₹118 crore was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction (Refer to note 2.13)

Withholding taxes and others primarily consist of input tax credits and Cenvat/VAT recoverable from Government of India.

2.10 FINANCIAL INSTRUMENTS

Accounting policy

2.10.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.10.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

(iii) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration and financial liability under option arrangements recognized in a business combination which is subsequently measured at fair value through profit or loss.

b. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for such contracts is generally a bank.

(i) Financial assets or financial liabilities, carried at fair value through profit or loss.

This category includes derivative financial assets or liabilities which are not designated as hedges.

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Consolidated Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

(ii) Cash flow hedge

The Group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Consolidated Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Consolidated Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Consolidated Statement of Profit and Loss.

2.10.3 Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.10.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, option pricing model, market multiples, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Refer to table 'Financial instruments by category' below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximates fair value due to the short maturity of these instruments.

2.10.5 Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in Consolidated Statement of Profit and Loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents *(Refer to Note 2.8)*	14,786	—	—	—	—	14,786	14,786
Investments *(Refer to Note 2.4)*							
Equity and preference securities	—	—	—	206	—	206	206
Tax free bonds and government bonds	1,759	—	—	—	—	1,759	1,973 [1]
Liquid mutual fund units	—	—	2,615	—	—	2,615	2,615
Target maturity fund units	—	—	431	—	—	431	431
Non convertible debentures	—	—	—	—	4,179	4,179	4,179
Government securities	—	—	—	—	7,362	7,362	7,362
Commercial papers	—	—	—	—	4,830	4,830	4,830
Certificates of deposit	—	—	—	—	3,043	3,043	3,043
Other investments	—	—	198	—	—	198	198
Trade receivables *(Refer to Note 2.7)*	30,193	—	—	—	—	30,193	30,193
Loans *(Refer to Note 2.5)*	282	—	—	—	—	282	282
Other financials assets *(Refer to Note 2.6)* [3]	15,106	—	61	—	23	15,190	15,106 [2]
Total	**62,126**	**—**	**3,305**	**206**	**19,437**	**85,074**	**85,204**
Liabilities:							
Trade payables	3,956	—	—	—	—	3,956	3,956
Lease liabilities *(Refer to Note 2.19)*	8,359	—	—	—	—	8,359	8,359
Financial Liability under option arrangements *(Refer to Note 2.12)*	—	—	597	—	—	597	597
Other financial liabilities *(Refer to Note 2.12)*	15,750	—	30	—	1	15,781	15,781
Total	**28,065**	**—**	**627**	**—**	**1**	**28,693**	**28,693**

[1] *On account of fair value changes including interest accrued*

[2] *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

[3] *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents *(Refer to Note 2.8)*	12,173	—	—	—	—	12,173	12,173
Investments *(Refer to Note 2.4)*							
Equity and preference securities	—	—	—	196	—	196	196
Tax free bonds and government bonds	1,920	—	—	—	—	1,920	2,148 [1]
Liquid mutual fund units	—	—	975	—	—	975	975
Target maturity fund units	—	—	402	—	—	402	402
Non convertible debentures	—	—	—	—	3,868	3,868	3,868
Government securities	—	—	—	—	7,632	7,632	7,632
Commercial papers	—	—	—	—	742	742	742
Certificates of deposit	—	—	—	—	3,574	3,574	3,574
Other investments	—	—	169	—	—	169	169
Trade receivables *(Refer to Note 2.7)*	25,424	—	—	—	—	25,424	25,424
Loans *(Refer to Note 2.5)*	328	—	—	—	—	328	328
Other financials assets *(Refer to Note 2.6)* [3]	14,301	—	69	—	32	14,402	14,318 [2]
Total	**54,146**	**—**	**1,615**	**196**	**15,848**	**71,805**	**71,949**
Liabilities:							
Trade payables	3,865	—	—	—	—	3,865	3,865
Lease liabilities *(Refer to Note 2.19)*	8,299	—	—	—	—	8,299	8,299
Financial Liability under option arrangements *(Refer to Note 2.12)*	—	—	600	—	—	600	600
Other financial liabilities *(Refer to Note 2.12)*	17,359	—	161	—	14	17,534	17,534
Total	**29,523**	**—**	**761**	**—**	**14**	**30,298**	**30,298**

[1] *On account of fair value changes including interest accrued*

[2] *Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹84 crore*

[3] *Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones*

For trade receivables, trade payables, other assets and payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2024 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2024	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments ***(Refer to note 2.4)***				
Investments in liquid mutual funds	2,615	2,615	—	—
Investments in target maturity fund units	431	431	—	—
Investments in tax free bonds	1,944	1,944	—	—
Investments in government bonds	29	29	—	—
Investments in non convertible debentures	4,179	3,922	257	—
Investment in government securities	7,362	7,289	73	—
Investments in equity securities	115	—	—	115
Investments in preference securities	91	—	—	91
Investments in commercial papers	4,830	—	4,830	—
Investments in certificates of deposit	3,043	—	3,043	—
Other investments	198	—	—	198
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts *(Refer to Note 2.6)*	84	—	84	—
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts *(Refer to Note 2.12)*	31	—	31	—
Financial liability under option arrangements *(Refer to Note 2.12)* [1]	597	—	—	597

[1] *Discount rate ranges from 9% to 15%*

During the year ended March 31, 2024, government securities , non convertible debentures and tax free bonds of ₹2,143 crore was transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, government securities of ₹ 73 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2023 was as follows:

(In ₹ crore)

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments *(Refer to note 2.4)*				
Investments in liquid mutual funds	975	975	—	—
Investments in target maturity fund units	402	402	—	—
Investments in tax free bonds	2,120	1,331	789	—
Investments in government bonds	28	28	—	—
Investments in non convertible debentures	3,868	1,793	2,075	—
Investment in government securities	7,632	7,549	83	—
Investments in equity securities	3	—	—	3
Investments in preference securities	193	—	—	193
Investments in commercial papers	742	—	742	—
Investments in certificates of deposit	3,574	—	3,574	—
Other investments	169	—	—	169
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts *(Refer to Note 2.6)*	101	—	101	—
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts *(Refer to Note 2.12)*	78	—	78	—
Financial liability under option arrangements *(Refer to Note 2.12)* [(1)]	600	—	—	600
Liability towards contingent consideration *(Refer to Note 2.12)* [(1)]	97	—	—	97

[(1)] *Discount rate ranges from 10% to 15%*

During the year ended March 31, 2023, government securities and tax free bonds of ₹383 crore was transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, non-convertible debentures of ₹1,611 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

Majority of investments of the Group are fair valued based on Level 1 or Level 2 inputs. These investments primarily include investment in liquid mutual fund units, target maturity fund units, tax free bonds, certificates of deposit, commercial papers, treasury bills, government securities, non-convertible debentures, quoted bonds issued by government and quasi-government organizations. The Group invests after considering counterparty risks based on multiple criteria including Tier I capital, Capital Adequacy Ratio, Credit Rating, Profitability, NPA levels and Deposit base of banks and financial institutions. These risks are monitored regularly as per Group's risk management program.

2.11 EQUITY

Accounting policy

Ordinary Shares

Ordinary shares are classified as equity share capital. Incremental costs directly attributable to the issuance of new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

Treasury Shares

When any entity within the Group purchases the company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to / from securities premium.

Description of reserves

Capital Redemption Reserve

In accordance with section 69 of the Indian Companies Act, 2013, the Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve / retained earnings.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Group.

Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

Share options outstanding account

The share options outstanding account is used to record the fair value of equity-settled share based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

Special Economic Zone Re-investment reserve

The Special Economic Zone Re-investment reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Sec 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new plant and machinery for the purpose of its business in terms of the provisions of the Sec 10AA (2) of the Income Tax Act, 1961.

Other components of equity

Other components of equity include currency translation, remeasurement of net defined benefit liability / asset, equity instruments fair valued through other comprehensive income, changes on fair valuation of investments and changes in fair value of derivatives designated as cash flow hedges, net of taxes.

Currency translation reserve

The exchange differences arising from the translation of financial statements of foreign subsidiaries with functional currency other than Indian rupees is recognized in other comprehensive income and is presented within equity.

Cash flow hedge reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the interim condensed Consolidated Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

EQUITY SHARE CAPITAL

(In ₹ crore, except as otherwise stated)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Authorized		
Equity shares, ₹5/- par value		
4,80,00,00,000 (4,80,00,00,000) equity shares	2,400	2,400
Issued, Subscribed and Paid-Up		
Equity shares, ₹5/- par value[(1)]	2,071	2,069
4,13,99,50,635 (4,13,63,87,925) equity shares fully paid-up[(2)]		
	2,071	**2,069**

Note: Forfeited shares amounted to ₹1,500 (₹1,500)

[(1)] *Refer to Note 2.20 for details of basic and diluted shares*

[(2)] *Net of treasury shares 1,09,16,829 (1,21,72,119)*

The Company has only one class of shares referred to as equity shares having a par value of ₹5/-. Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depositary Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently, other than the amounts held by irrevocable controlled trusts. For irrevocable controlled trusts, the corpus would be settled in favor of the beneficiaries.

There are no voting, dividend or liquidation rights to the holders of options issued under the company's share option plans

For details of shares reserved for issue under the employee stock option plan of the Company refer to the note below.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2024 and March 31, 2023 are as follows:

(In ₹ crore, except as stated otherwise)

Particulars	**As at March 31, 2024**		**As at March 31, 2023**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
As at the beginning of the period	**413,63,87,925**	**2,069**	**419,30,12,929**	**2,098**
Add: Shares issued on exercise of employee stock options	35,62,710	2	38,01,344	1
Less: Shares bought back	—	—	6,04,26,348	30
As at the end of the period	**413,99,50,635**	**2,071**	**413,63,87,925**	**2,069**

Capital allocation policy

Effective from financial year 2025, the Company expects to continue the policy of returning approximately 85% of the free cash flow cumulatively over a 5-year period through a combination of semi-annual dividends and/or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any).

Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes

Buyback completed in February 2023

In line with the capital allocation policy, the Board, at its meeting held on October 13, 2022, approved the buyback of equity shares, from the open market route through the Indian stock exchanges, amounting to ₹9,300 crore (Maximum Buyback Size, excluding buyback tax) at a price not exceeding ₹1,850 per share (Maximum Buyback Price), subject to shareholders' approval by way of Postal Ballot.

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting on the postal ballot, the results of which were declared on December 3, 2022. The buyback was offered to all equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on December 7, 2022 and was completed on February 13, 2023. During this buyback period the Company had purchased and extinguished a total of 60,426,348 equity shares from the stock exchange at a volume weighted average buyback price of ₹1,539.06/- per equity share comprising 1.44% of the pre buyback paid-up equity share capital of the Company. The buyback resulted in a cash outflow of ₹9,300 crore (excluding transaction costs and tax on buyback). The Company funded the buyback from its free reserves including Securities Premium as explained in Section 68 of the Companies Act, 2013.

In accordance with section 69 of the Companies Act, 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of ₹30 crore equal to the nominal value of the shares bought back as an appropriation from general reserve and retained earnings.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of March 31, 2024, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

(in ₹)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Final dividend for fiscal 2022	—	—	—	16.00
Interim dividend for fiscal 2023	—	—	—	16.50
Final dividend for fiscal 2023	—	—	17.50	—
Interim dividend for fiscal 2024	—	—	18.00	—

During the year ended March 31, 2024, on account of the final dividend for fiscal 2023 and interim dividend for fiscal 2024, the Company has incurred a net cash outflow of ₹14,692 crore (excluding dividend paid on treasury shares)

The Board of Directors in their meeting held on April 18, 2024 recommended a final dividend of ₹20/- per equity share for the financial year ended March 31, 2024 and a special dividend of ₹8/- per equity share. The payment is subject to the approval of shareholders in the AGM of the Company to be held on June 26, 2024 and if approved, would result in a net cash outflow of approximately ₹11,592 crore (excluding dividend paid on treasury shares).

Employee Stock Option Plan (ESOP):

Accounting policy

The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

Infosys Expanded Stock Ownership Program 2019 (the 2019 Plan) :

On June 22, 2019 pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 Plan shall not exceed 5,00,00,000 equity shares. To implement the 2019 Plan, up to 4,50,00,000 equity shares may be issued by way of secondary acquisition of shares by Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 Plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the Company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

2015 Stock Incentive Compensation Plan (the 2015 Plan) :

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Stock Incentive Compensation Plan. The maximum number of shares under the 2015 Plan shall not exceed 2,40,38,883 equity shares (this includes 1,12,23,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

The equity settled and cash settled RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Nomination and Remuneration Committee (NARC). The exercise price of the RSUs will be equal to the par value of the shares and the exercise price of the stock options would be the market price as on the date of grant.

Controlled trust holds 10,916,829 and 1,21,72,119 shares as at March 31, 2024 and March 31, 2023, respectively, under the 2015 Plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at March 31, 2024 and March 31, 2023.

The following is the summary of grants made during the three months and year ended March 31, 2024 and March 31, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended March 31,		Year ended March 31,		Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity Settled RSUs								
Key Management Personnel (KMP)	26,900	33,750	141,171	210,643	77,094	80,154	498,730	367,479
Employees other than KMP	3,582,471	3,329,240	4,046,731	3,704,014	3,442,700	1,736,925	4,640,640	1,784,975
	3,609,371	**3,362,990**	**4,187,902**	**3,914,657**	**3,519,794**	**1,817,079**	**5,139,370**	**2,152,454**
Cash settled RSU								
Key Management Personnel (KMP)	-	-	-	-	-	-	-	-
Employees other than KMP	-	-	-	-	169,040	92,400	176,990	92,400
	-	**-**	**-**	**-**	**169,040**	**92,400**	**176,990**	**92,400**
Total Grants	**3,609,371**	**3,362,990**	**4,187,902**	**3,914,657**	**3,688,834**	**1,909,479**	**5,316,360**	**2,244,854**

Notes on grants to KMP:

CEO & MD

Under the 2015 Plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2024. In accordance with such approval the following grants were made effective May 2, 2023.

- 2,72,026 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 15,656 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 39,140 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore . These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Further, in accordance with the employee agreement which has been approved by the shareholders, the CEO is eligible to receive an annual grant of RSUs of fair value ₹3 crore which will vest overtime in three equal annual installments upon the completion of each year of service from the respective grant date. Accordingly, annual time-based grant of 18,104 RSUs was made effective February 1, 2024 for fiscal 2024.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of March 31, 2024, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with Ind AS 102, Share based payment. The grant date for this purpose in accordance with Ind AS 102, Share based payment is July 1, 2022.

Under the 2019 Plan:

The Board, on April 13, 2023, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2024 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 78,281 performance based RSU's were granted effective May 2, 2023.

Other KMP

Under the 2015 Plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved 1,47,030 time based RSUs and 6,774 performance based RSUs to other KMP under the 2015 plan. Time based RSUs will vest over three to four years and performance based RSUs will vest over three years based on certain performance targets.

Under the 2019 Plan:

During the year ended March 31, 2024, based on recommendations of Nomination and Remuneration Committee, the Board approved performance based grants of 62,890 RSUs to other KMPs under the 2019 plan. These RSUs will vest over three years based on achievement of certain performance targets.

The break-up of employee stock compensation expense is as follows:

(in ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Granted to:				
KMP	17	8	68	49
Employees other than KMP	208	125	584	470
Total [(1)]	**225**	**133**	**652**	**519**
[(1)] *Cash-settled stock compensation expense included in the above*	4	2	13	5

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance based options and Monte Carlo simulation model is used for TSR based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the options. Expected volatility of the comparative company have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the options. Correlation coefficient is calculated between each peer entity and the indices as a whole or between each entity in the peer group.

The fair value of each equity settled award is estimated on the date of grant using the following assumptions:

Particulars	For options granted in			
	Fiscal 2024-Equity Shares-RSU	Fiscal 2024-ADS-RSU	Fiscal 2023-Equity Shares-RSU	Fiscal 2023-ADS-RSU
Weighted average share price (₹) / ($ ADS)	1,588	19.19	1,525	18.08
Exercise price (₹) / ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	23-31	25-33	23-32	27-34
Expected life of the option (years)	1-4	1-4	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	7	4-5	5-7	2-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,317	16.27	1,210	13.69

The expected life of the RSU/ESOP is estimated based on the vesting term and contractual term of the RSU/ESOP, as well as expected exercise behavior of the employee who receives the RSU/ESOP.

2.12 OTHER FINANCIAL LIABILITIES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Others		
Accrued compensation to employees [1]	7	5
Accrued expenses [1]	1,779	1,628
Compensated absences	89	83
Financial liability under option arrangements [2] #	98	—
Other Payables [1][4]	157	342
Total non-current other financial liabilities	**2,130**	**2,058**
Current		
Unpaid dividends [1]	37	37
Others		
Accrued compensation to employees [1]	4,454	4,174
Accrued expenses [1]	8,224	7,802
Payable for acquisition of business - Contingent consideration [2]	—	97
Payable by controlled trusts [1]	211	211
Compensated absences	2,622	2,399
Financial liability under option arrangements [2] #	499	600
Foreign currency forward and options contracts [2] [3]	31	78
Capital creditors [1]	310	674
Other payables [1][4]	571	2,486
Total current other financial liabilities	**16,959**	**18,558**
Total other financial liabilities	**19,089**	**20,616**
[1] Financial liability carried at amortized cost	15,750	17,359
[2] Financial liability carried at fair value through profit or loss	627	761
[3] Financial liability carried at fair value through other comprehensive income	1	14
Financial liability under option arrangements on an undiscounted basis	690	676
Contingent consideration on undiscounted basis	—	101

[4] Deferred contract cost in note 2.9 includes technology assets taken over by the Group from a customer as a part of transformation project which is not considered as distinct goods or services and the control related to the assets is not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. Accordingly, the same has been considered as a reduction to the total contract value and accounted as Deferred contract cost. The Group has entered into financing arrangements with a third party for these assets. As at March 31, 2024 and March 31, 2023, the financial liability pertaining to such arrangements amounts to ₹372 crore and ₹731 crore, respectively. For the year ended March 31, 2023 ₹118 crore was settled directly by the third party to the customer on behalf of the Group and accordingly considered as non-cash transaction.

Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries

Accrued expenses primarily relate to cost of technical sub-contractors, telecommunication charges, legal and professional charges, brand building expenses, overseas travel expenses, office maintenance and cost of third party software and hardware.

2.13 OTHER LIABILITIES

(In ₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Non-current		
Others		
Accrued defined benefit liability	159	445
Others	76	55
Total non-current other liabilities	**235**	**500**
Current		
Unearned revenue	7,341	7,163
Others		
Withholding taxes and others	3,185	3,632
Accrued defined benefit liability	5	4
Others	8	31
Total current other liabilities	**10,539**	**10,830**
Total other liabilities	**10,774**	**11,330**

2.14 PROVISIONS

Accounting policy

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

a. Post sales client support

The Group provides its clients with a fixed-period post sales support on its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded and included in Consolidated Statement of Profit and Loss. The Group estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognizes any impairment loss on the assets associated with that contract.

Provision for post-sales client support and other provisions:

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Current		
Others		
Post-sales client support and other provisions	1,796	1,307
Total provisions	**1,796**	**1,307**

Provision for post sales client support and other provisions majorly represents costs associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the condensed consolidated statement of profit and loss.

2.15 INCOME TAXES

Accounting policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

The Group offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

Income tax expense in the Consolidated Statement of Profit and Loss comprises:

(In ₹ crore)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Current taxes	1,173	2,260	8,390	9,287
Deferred taxes	1,092	72	1,350	(73)
Income tax expense	**2,265**	**2,332**	**9,740**	**9,214**

Income tax expense for the three months ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹871 crore and ₹71 crore, respectively. Income tax expense for the year ended March 31, 2024 and March 31, 2023 includes reversal (net of provisions) of ₹937 crore and ₹106 crore, respectively. These reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

During the quarter ending March 31, 2024, the Company received orders under sections 250 and 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2007-08 to 2015-16, 2017-18 and 2018-19. These orders confirmed the Company's position with respect to tax treatment of certain contentious matters. As a result interest income (pre-tax) of ₹1,933 crore was recognised and provision for income tax aggregating ₹525 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹ 1,628 crore has been reduced from contingent liabilities.

Deferred income tax for three months and year ended March 31, 2024 and March 31, 2023 substantially relates to origination and reversal of temporary differences.

The Company's Advanced Pricing Arrangement (APA) with the Internal Revenue Service (IRS) for US branch income tax expired in March 2021. The Company has applied for renewal of APA and currently the US taxable income is based on the Company's best estimate determined based on the expected value method.

2.16 REVENUE FROM OPERATIONS

Accounting policy

The Group derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Group's core and digital offerings (together called as "software related services") and business process management services. Contracts with customers are either on a time-and-material, unit of work, fixed-price or on a fixed-timeframe basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing by the parties, to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Group allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Group estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Group's contracts may include variable consideration including rebates, volume discounts and penalties. The Group includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue on time-and-material and unit of work based contracts, are recognized as the related services are performed. Fixed price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

The billing schedules agreed with customers include periodic performance based billing and / or milestone based progress billings. Revenues in excess of billing are classified as unbilled revenue while billing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, by applying the revenue recognition criteria for each distinct performance obligation, the arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Certain cloud and infrastructure services contracts include multiple elements which may be subject to other specific accounting guidance, such as leasing guidance. These contracts are accounted in accordance with such specific accounting guidance. In such arrangements where the Group is able to determine that hardware and services are distinct performance obligations, it allocates the consideration to these performance obligations on a relative standalone selling price basis. In the absence of standalone selling price, the Group uses the expected cost-plus margin approach in estimating the standalone selling price. When such arrangements are considered as a single performance obligation, revenue is recognized over the period and measure of progress is determined based on promise in the contract.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license are made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and Annual Technical Services (ATS).When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two distinct separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the Group uses the expected cost plus margin approach in estimating the standalone selling price. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably on a straight line basis over the period in which the services are rendered.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

A contract modification is a change in the scope or price or both of a contract that is approved by the parties to the contract. A contract modification that results in the addition of distinct performance obligations are accounted for either as a separate contract if the additional services are priced at the standalone selling price or as a termination of the existing contract and creation of a new contract if they are not priced at the standalone selling price. If the modification does not result in a distinct performance obligation, it is accounted for as part of the existing contract on a cumulative catch-up basis.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Group expects to recover them.

Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Group that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to expenses over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

The Group presents revenues net of indirect taxes in its Consolidated Statement of Profit and Loss.

Revenue from operation for the three months and year ended March 31, 2024 and March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Revenue from software services	36,064	35,199	145,285	137,575
Revenue from products and platforms	1,859	2,242	8,385	9,192
Total revenue from operations	**37,923**	**37,441**	**153,670**	**146,767**

Products & platforms

The Group also derives revenues from the sale of products and platforms including Finacle – core banking solution, Edge Suite of products, Panaya platform, Infosys Equinox, Infosys Helix, Infosys Applied AI, Infosys Cortex, Stater digital platform and Infosys McCamish – insurance platform.

Disaggregated revenue information

Revenue disaggregation by business segments has been included in segment information *(Refer to Note 2.23)*. The table below presents disaggregated revenues from contracts with customers by geography and contract type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

For the three months and year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Revenues by Geography*				
North America	22,606	22,842	92,411	90,724
Europe	10,861	10,088	42,267	37,675
India	833	981	3,881	3,861
Rest of the world	3,623	3,530	15,111	14,507
Total	**37,923**	**37,441**	**153,670**	**146,767**

* *Geographical revenues is based on the domicile of customer.*

The percentage of revenue from fixed-price contracts for the three months ended March 31, 2024 and March 31, 2023 is 54% and 52%, respectively. The percentage of revenue from fixed-price contracts for the year ended March 31, 2024 and March 31, 2023 is 53% and 52%, respectively.

Trade Receivables and Contract Balances

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Group's Consolidated Balance Sheet. Amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g., monthly or quarterly) or upon achievement of contractual milestones.

The Group's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed price maintenance contracts are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore unbilled revenues for other fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the consolidated Balance Sheet.

2.17 OTHER INCOME, NET

Accounting policy

Other income is comprised primarily of interest income, dividend income, gain/loss on investment and exchange gain/loss on forward and options contracts and on translation of foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

Foreign currency

Accounting policy

Functional currency

The functional currency of Infosys, Infosys BPM, EdgeVerve, Skava, Infosys Green Forum, Danske IT and controlled trusts is the Indian rupee. The functional currencies for foreign subsidiaries are their respective local currencies. These financial statements are presented in Indian rupees (rounded off to crore; one crore equals ten million).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Condensed Consolidated Statement of Profit and Loss and reported within exchange gains/ (losses) on translation of assets and liabilities, net, except when deferred in Other Comprehensive Income as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the Condensed Consolidated Statement of Profit and Loss. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Other Comprehensive Income, net of taxes includes translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments and measured at fair value through other comprehensive income (FVOCI).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the Balance Sheet date.

Government grant

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

Other income for the three months and year ended March 31, 2024 and March 31, 2023 is as follows:

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	**2023**	**2024**	**2023**
Interest income on financial assets carried at amortized cost				
Tax free bonds and Government bonds	31	36	131	149
Deposit with Bank and others	222	161	929	712
Interest income on financial assets carried at fair value through other comprehensive income				
Non-convertible debentures, commercial papers, certificates of deposit and government securities	318	231	1,007	955
Income on investments carried at fair value through profit or loss				
Dividend income on liquid mutual funds	—	—	—	—
Gain / (loss) on liquid mutual funds and other investments	88	61	285	148
Income on investments carried at fair value through other comprehensive income	—	—	—	1
Interest on income tax refund	1,916	2	1,965	3
Exchange gains / (losses) on forward and options contracts	190	142	100	(647)
Exchange gains / (losses) on translation of other assets and liabilities	(123)	(91)	87	1,062
Miscellaneous income, net	87	129	207	318
Total other income	**2,729**	**671**	**4,711**	**2,701**

2.18 EXPENSES

Accounting policy

Gratuity and Pensions

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees majorly of Infosys and its Indian subsidiaries. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The Company contributes Gratuity liabilities to the Infosys Limited Employees' Gratuity Fund Trust (the Trust). In case of Infosys BPM and EdgeVerve, contributions are made to the Infosys BPM Employees' Gratuity Fund Trust and EdgeVerve Systems Limited Employees' Gratuity Fund Trust, respectively. Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

The Group operates defined benefit pension plan in certain overseas jurisdictions, in accordance with the local laws. These plans are managed by third party fund managers. The plans provide for periodic payouts after retirement and/or for a lumpsum payment as set out in rules of each fund and includes death and disability benefits. The defined benefit plans require contributions which are based on a percentage of salary that varies depending on the age of the respective employees.

Liabilities with regard to these defined benefit plans are determined by actuarial valuation, performed by an external actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market risk.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profit in the Consolidated Statement of Profit and Loss.

Provident fund

Eligible employees of Infosys receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Infosys Limited Employees' Provident Fund Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government of India. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

In respect of Indian subsidiaries, eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the respective companies make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The Companies have no further obligation to the plan beyond its monthly contributions.

Superannuation

Certain employees of Infosys, Infosys BPM and EdgeVerve are participants in a defined contribution plan. The Group has no further obligations to the plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an external actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(In ₹ crore)

Particulars	Three months ended March 31,		Year ended March 31,	
	2024	2023	2024	2023
Employee benefit expenses				
Salaries including bonus	19,527	19,526	79,315	75,239
Contribution to provident and other funds	529	547	2,213	2,143
Share based payments to employees *(Refer to Note 2.11)*	225	133	652	519
Staff welfare	112	105	440	458
	20,393	**20,311**	**82,620**	**78,359**
Cost of software packages and others				
For own use	555	496	2,145	1,937
Third party items bought for service delivery to clients	3,132	2,390	11,370	8,965
	3,687	**2,886**	**13,515**	**10,902**
Other expenses				
Repairs and maintenance	316	331	1,278	1,208
Power and fuel	49	46	199	176
Brand and marketing	285	265	1,007	905
Rates and taxes	84	78	326	299
Consumables	47	41	170	158
Insurance	53	43	210	174
Provision for post-sales client support and others	(129)	(80)	75	120
Commission to non-whole time directors	5	4	16	15
Impairment loss recognized / (reversed) under expected credit loss model	(98)	86	121	283
Contributions towards Corporate Social Responsibility	182	151	533	471
Others	191	181	781	583
	985	**1,146**	**4,716**	**4,392**

2.19 Leases

Accounting Policy

The Group as a lessee

The Group's lease asset classes consist of leases for land, buildings and computers. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2024:

(In ₹ crore)

Particulars	**Category of ROU asset**				
	Land	**Buildings**	**Vehicles**	**Computers**	**Total**
Balance as of January 1, 2024	**607**	**3,527**	**18**	**2,740**	**6,892**
Additions*	—	61	2	376	439
Deletions	—	(92)	—	(215)	(307)
Impairment#	—	—	—	—	—
Depreciation	(2)	(185)	(2)	(234)	(423)
Translation difference	—	(13)	(1)	(35)	(49)
Balance as of March 31, 2024	**605**	**3,298**	**17**	**2,632**	**6,552**

* *Net of adjustments on account of modifications*

\# *included under other expenses. Refer note 2.18*

Following are the changes in the carrying value of right-of-use assets for the three months ended March 31, 2023:

(In ₹ crore)

Particulars	**Category of ROU asset**				
	Land	**Buildings**	**Vehicles**	**Computers**	**Total**
Balance as of January 1, 2023	**624**	**3,847**	**15**	**1,994**	**6,480**
Additions*	—	228	2	651	881
Deletions	—	(33)	—	(124)	(157)
Depreciation	(2)	(171)	(3)	(179)	(355)
Translation difference	1	25	1	6	33
Balance as of March 31, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**

* *Net of adjustments on account of modifications and lease incentives*

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2024:

(In ₹ crore)

Particulars	**Category of ROU asset**				**Total**
	Land	**Buildings**	**Vehicles**	**Computers**	
Balance as of April 1, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**
Additions*	—	394	12	1,872	2,278
Deletions	(10)	(181)	(1)	(755)	(947)
Impairment #	—	(88)	—	—	(88)
Depreciation	(6)	(728)	(10)	(851)	(1,595)
Translation difference	(2)	5	1	18	22
Balance as of March 31, 2024	**605**	**3,298**	**17**	**2,632**	**6,552**

* *Net of adjustments on account of modifications and lease incentives*

 # included under other expenses. Refer note 2.18

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2023:

(In ₹ crore)

Particulars	**Category of ROU asset**				**Total**
	Land	**Buildings**	**Vehicles**	**Computers**	
Balance as of April 1, 2022	**628**	**3,711**	**16**	**468**	**4,823**
Additions*	—	847	8	2,646	3,501
Deletions	—	(45)	—	(364)	(409)
Depreciation	(6)	(671)	(10)	(499)	(1,186)
Translation difference	1	54	1	97	153
Balance as of March 31, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**

* *Net of adjustments on account of modifications and lease incentives*

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the interim condensed Consolidated Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	**As at**	
	March 31, 2024	**March 31, 2023**
Current lease liabilities	1,959	1,242
Non-current lease liabilities	6,400	7,057
Total	**8,359**	**8,299**

2.20 BASIC AND DILUTED SHARES USED IN COMPUTING EARNINGS PER EQUITY SHARE

Accounting policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.21 CONTINGENT LIABILITIES AND COMMITMENTS

Accounting policy

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

2.21.1 Contingent liability

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Contingent liabilities :		
Claims against the Group, not acknowledged as debts[(1)]	3,583	4,762
[Amount paid to statutory authorities ₹8,754 crore *(₹6,539 crore)*]		

[(1)] As at March 31, 2024 and March 31, 2023, claims against the Group not acknowledged as debts in respect of income tax matters amounted to ₹2,794 crore and ₹4,062 crore, respectively.

The claims against the Group primarily represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of issues of disallowance of expenditure towards software being held as capital in nature, payments made to Associated Enterprises held as liable for withholding of taxes, among others. These matters are pending before various Income Tax Authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Group's financial position and results of operations.

Amount paid to statutory authorities against the tax claims amounted to ₹8,743 crore and ₹6,528 crore as at March 31, 2024 and March 31, 2023, respectively.

2.21.2 McCamish Cybersecurity incident

In November 2023, Infosys McCamish Systems (McCamish), a step-down subsidiary of Infosys Limited, experienced a cybersecurity incident resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems.

Loss of contracted revenues and costs incurred with respect to remediations, restoration, communication efforts, investigative processes and analysis, legal services and others amounted to $38 million (approximately ₹316 crore).

Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish's review process is ongoing. McCamish may incur additional costs including indemnities or damages/claims, which are indeterminable at this time.

On March 6, 2024, a class action complaint was filed in the U.S. District Court for the Northern District of Georgia against McCamish . The complaint arises out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. The complaint was purportedly filed on behalf of all individuals within the United States whose personally identifiable information was exposed to unauthorized third parties as a result of the incident.

2.21.3 Legal Proceedings

Apart from this, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management reasonably expects that such ordinary course legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Group's results of operations or financial condition.

2.21.4 Commitments

(In ₹ crore)

Particulars	As at	
	March 31, 2024	**March 31, 2023**
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)[(1)]	780	959
Other commitments*	79	92

[(1)] Capital contracts primarily comprises of commitments for infrastructure facilities and computer equipment.

** Uncalled capital pertaining to investments*

2.22 RELATED PARTY TRANSACTIONS

Refer to the Company's Annual Report for the year ended March 31, 2023 for the full names and other details of the Company's subsidiaries and controlled trusts.

Changes in Subsidiaries

During the year ended March 31, 2024, the following are the changes in the subsidiaries.

- Infosys Americas Inc., (Infosys Americas) a Wholly-owned subsidiary of Infosys Limited is liquidated effective July 14, 2023.
- oddity GmbH renamed as WongDoody GmbH
- On September 29, 2023, oddity space GmbH, oddity waves GmbH, oddity jungle GmbH, oddity group services GmbH and oddity code GmbH merged into WongDoody GmbH and oddity code d.o.o which was formerly a subsidiary of oddity code Gmbh has become a subsidiary of Wongdoody Gmbh (formerly known as oddity GmbH).
- On September 1, 2023 Infosys Ltd. acquired 100% of voting interests in Danske IT and Support Services India Private Limited (“Danske IT”). Danske IT renamed as Idunn Information Technology Private Limited from April 1, 2024.
- Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM Limited was incorporated on August 11, 2023.
- Kaleidoscope Prototyping LLC, a Wholly-owned subsidiary of Kaleidoscope Animations is liquidated effective November 1, 2023.
- oddity Code d.o.o renamed as WongDoody d.o.o
- On November 24, 2023 Stater Participations B.V (Wholly-owned subsidiary of Stater N.V) merged with Stater N.V and Stater Belgium N.V./S.A which was formerly a wholly owned subsidiary of Stater Participations B.V. became a wholly owned subsidiary of Stater N.V.
- On March 15, 2024, Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM Limited was dissolved.
- oddity Limited (Taipei) renamed as WongDoody limited (Taipei) and oddity (Shanghai) Co., Ltd. renamed as WongDoody (Shanghai) Co. Limited.

Changes in key management personnel

The following are the changes in the key management personnel:

Non-whole-time Directors

- Uri Levine (retired as independent director effective April 19, 2023)
- Helene Auriol Potier (appointed as independent director effective May 26, 2023)
- Nitin Paranjpe (appointed as an additional and independent director effective January 1, 2024)

Executive Officers:

- Mohit Joshi (resigned as President effective March 11, 2023 and was on leave till June 9, 2023 which was his last date with the company)
- Nilanjan Roy (resigned as Chief Financial Officer of the Company effective March 31, 2024)
- Jayesh Sanghrajka (appointed as Chief Financial Officer effective April 1, 2024)

Transaction with key management personnel:

The table below describes the compensation to key management personnel which comprise directors and executive officers:

(In ₹ crore)

Particulars	**Three months ended March 31,**		**Year ended March 31,**	
	2024	**2023**	**2024**	**2023**
Salaries and other short term employee benefits to whole-time directors and executive officers *(1)(2)*	30	25	113	111
Commission and other benefits to non-executive/independent directors	5	4	17	16
Total	**35**	**29**	**130**	**127**

(1) Total employee stock compensation expense for the three months ended March 31, 2024 and March 31, 2023 includes a charge of ₹17 crore and 8 crore, respectively, towards key management personnel. For the year ended March 31, 2024 and March 31, 2023 includes a charge of ₹68 crore and ₹49 crore, respectively, towards key management personnel (Refer to Note 2.11).

(2) Does not include post-employment benefits and other long-term benefits based on actuarial valuation as these are done for the Company as a whole.

2.23 SEGMENT REPORTING

Ind AS 108, Operating segments, establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

Business segments of the Group are primarily enterprises in Financial Services and Insurance, enterprises in Manufacturing, enterprises in Retail, Consumer Packaged Goods and Logistics, enterprises in the Energy, Utilities, Resources and Services, enterprises in Communication, Telecom OEM and Media, enterprises in Hi-Tech, enterprises in Life Sciences and Healthcare and all other segments. The Financial services reportable segments has been aggregated to include the Financial Services operating segment and Finacle operating segment because of the similarity of the economic characteristics. All other segments represent the operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Revenue for 'all other segments' represents revenue generated by Infosys Public services and revenue generated from customers located in India, Japan and China and other enterprises in Public services. Allocated expenses of segments include expenses incurred for rendering services from the Group's offshore software development centers and on-site expenses, which are categorized in relation to the associated efforts of the segment. Certain expenses such as depreciation and amortization, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. The Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Group.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. The Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Business segment revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

Disclosure of revenue by geographic locations is given in note 2.16 Revenue from operations.

Business Segments

Three months ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	**Financial Services (1)***	**Retail (2)**	**Communication (3)**	**Energy, Utilities, Resources and Services**	**Manufacturing**	**Hi-Tech**	**Life Sciences (4)**	**All other segments (5)**	**Total**
Revenue from operations	10,010	5,429	4,666	5,068	5,589	3,316	2,762	1,083	37,923
	10,818	*5,537*	*4,411*	*4,825*	*5,078*	*2,989*	*2,681*	*1,102*	*37,441*
Identifiable operating expenses	6,042	2,591	3,033	2,717	3,656	1,995	1,639	652	22,325
	6,161	*2,869*	*2,613*	*2,614*	*3,248*	*1,734*	*1,514*	*701*	*21,454*
Allocated expenses	2,027	974	823	920	852	518	491	209	6,814
	2,057	*1,034*	*840*	*909*	*928*	*505*	*462*	*254*	*6,989*
Segment operating income	**1,941**	**1,864**	**810**	**1,431**	**1,081**	**803**	**632**	**222**	**8,784**
	2,600	*1,634*	*958*	*1,302*	*902*	*750*	*705*	*147*	*8,998*
Unallocable expenses									1,163
									1,121
Other income, net *(Refer to Note 2.17)*									2,729
									671
Finance cost									110
									82
Profit before tax									**10,240**
									8,466
Income tax expense									2,265
									2,332
Net Profit									**7,975**
									6,134
Depreciation and amortization									1,163
									1,121
Non-cash expenses other than depreciation and amortization									—
									—

Year ended March 31, 2024 and March 31, 2023:

(In ₹ crore)

Particulars	Financial Services (1)*	Retail (2)	Communication (3)	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Sciences (4)	All other segments (5)	Total
Revenue from operations	42,158	22,504	17,991	20,035	22,298	12,411	11,515	4,758	153,670
	43,763	*21,204*	*18,086*	*18,539*	*19,035*	*11,867*	*10,085*	*4,188*	*146,767*
Identifiable operating expenses	24,782	11,704	11,071	10,838	14,596	7,232	6,716	2,938	89,877
	24,990	*10,892*	*11,101*	*9,923*	*12,493*	*6,959*	*5,834*	*2,801*	*84,993*
Allocated expenses	8,052	3,918	3,232	3,674	3,505	2,026	1,901	1,060	27,368
	7,930	*3,916*	*3,226*	*3,461*	*3,429*	*1,949*	*1,685*	*1,048*	*26,644*
Segment operating income	**9,324**	**6,882**	**3,688**	**5,523**	**4,197**	**3,153**	**2,898**	**760**	**36,425**
	10,843	*6,396*	*3,759*	*5,155*	*3,113*	*2,959*	*2,566*	*339*	*35,130*
Unallocable expenses									4,678
									4,225
Other income, net *(Refer to Note 2.17)*									4,711
									2,701
Finance cost									470
									284
Profit before tax									**35,988**
									33,322
Income tax expense									9,740
									9,214
Net Profit									**26,248**
									24,108
Depreciation and amortization expense									4,678
									4,225
Non-cash expenses other than depreciation and amortization									—
									—

(1) *Financial Services include enterprises in Financial Services and Insurance*

(2) *Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics*

(3) *Communication includes enterprises in Communication, Telecom OEM and Media*

(4) *Life Sciences includes enterprises in Life sciences and Health care*

(5) *Others include operating segments of businesses in India, Japan, China, Infosys Public Services & other enterprises in Public Services*

* Includes impact on account of McCamish cybersecurity incident. Refer note 2.21.3.

Significant clients

No client individually accounted for more than 10% of the revenues for the three months and year ended March 31, 2024 and March 31, 2023, respectively.

2.24 FUNCTION WISE CLASSIFICATION OF CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(In ₹ crore)

Particulars	Note No.	Three months ended March 31,		Year ended March 31,	
		2024	**2023**	**2024**	**2023**
Revenue from operations	2.16	37,923	37,441	153,670	146,767
Cost of Sales		26,748	26,011	107,413	102,353
Gross profit		**11,175**	**11,430**	**46,257**	**44,414**
Operating expenses					
Selling and marketing expenses		1,735	1,659	6,973	6,249
General and administration expenses		1,819	1,894	7,537	7,260
Total operating expenses		**3,554**	**3,553**	**14,510**	**13,509**
Operating profit		**7,621**	**7,877**	**31,747**	**30,905**
Other income, net	2.17	2,729	671	4,711	2,701
Finance cost		110	82	470	284
Profit before tax		**10,240**	**8,466**	**35,988**	**33,322**
Tax expense:					
Current tax	2.15	1,173	2,260	8,390	9,287
Deferred tax	2.15	1,092	72	1,350	(73)
Profit for the period		**7,975**	**6,134**	**26,248**	**24,108**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		26	25	120	8
Equity instruments through other comprehensive income, net		(12)	(15)	19	(7)
		14	**10**	**139**	**1**
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		28	36	11	(7)
Exchange differences on translation of foreign operations		(231)	61	226	776
Fair value changes on investments, net		37	42	144	(256)
		(166)	**139**	**381**	**513**
Total other comprehensive income / (loss), net of tax		**(152)**	**149**	**520**	**514**
Total comprehensive income for the period		**7,823**	**6,283**	**26,768**	**24,622**
Profit attributable to:					
Owners of the Company		7,969	6,128	26,233	24,095
Non-controlling interests		6	6	15	13
		7,975	**6,134**	**26,248**	**24,108**
Total comprehensive income attributable to:					
Owners of the Company		7,821	6,276	26,754	24,598
Non-controlling interests		2	7	14	24
		7,823	**6,283**	**26,768**	**24,622**

for and on behalf of the Board of Directors of Infosys Limited

D. Sundaram
Lead Independent Director

Salil Parekh
Chief Executive Officer
and Managing Director

Bobby Parikh
Director

Bengaluru
April 18, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary