TO ALL STOCK EXCHANGES

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

October 17, 2024

Dear Sir/ Madam,

Sub: Outcome of the Board meeting

This has reference to our letter dated September 13, 2024, regarding the captioned subject. The Board of Directors of the Company at their meeting held on October 16 and 17, 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 half year ended September 30, 2024;

2. Approved the audited standalone financial results of the Company as per INDAS for the quarter and half year ended September 30, 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 half year ended September 30, 2024;

Dividend :

4. Declared an interim dividend of ₹ 21/- per equity share, fixed October 29, 2024 as a record date and November 8, 2024 as a payout date.

Stock grants :

5. Based on the recommendation of the Nomination and Remuneration Committee, approved the grant of 22,880 RSUs to six eligible employees under the 2015 Stock Incentive Compensation Plan effective from November 1, 2024. These RSUs will vest over a period of two to four years.

Merger of subsidiaries :

6. Approved merger of WongDoody Inc (wholly owned subsidiary) and Blue Acorn iCi Inc, Outbox Systems Inc., d.b.a Simplus and Kaleidoscope Animations Inc (step-down subsidiaries) with Infosys Nova Holdings LLC (wholly owned subsidiary).

   Additional information as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July 2023 is enclosed herewith as Annexure – A.

INFOSYS LIMITED
CIN: L85110KA1981PLC013115
44, Infosys Avenue
Electronics City, Hosur Road
Bengaluru 560 100, India
T 91 80 2852 0261
F 91 80 2852 0362
investors@infosys.com
www.infosys.com

Acquisition :

7. Approved acquisition of Blitz 24-893 SE.

   Additional information as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July 2023 is enclosed herewith as Annexure – B.

Amendment to the Policy :

8. Considered and approved amendments to the Policy for determining Materiality for Disclosures. Copy of the policy will be made available on the website of the Company under the following link : https://www.infosys.com/investors.html.

Postal Ballot Notice :

9. Approved the Postal Ballot Notice to seek approval of the shareholders for the following:-

   a) Material Related Party Transactions between Infosys Limited and subsidiaries with Stater N.V.
   b) Material Related Party Transactions between Infosys Limited and subsidiaries with Stater Nederland B.V.

   Postal Ballot Notice shall be sent to the shareholders in due course and the same shall be filed with the exchanges.

The Board meeting was held on October 16 and 17, 2024. The Board meeting held on October 17, 2024 commenced at 12.00 PM IST and concluded at 3.25 PM IST.

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

This is for your information and records.

Yours Sincerely,
For **Infosys Limited**

Anur Gurugopala Raju Suryanarayana Manikantha

Digitally signed by Anur Gurugopala Raju Suryanarayana Manikantha
Date: 2024.10.17 15:34:12 +05'30'

Manikantha A.G.S.
Company Secretary
ACS - 21918

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Annexure - A

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

Name of the entity (ies) forming part of the amalgamation/merger	**Transferor Companies -** i. WongDoody Inc, ("WD") ii. Outbox Systems Inc., d.b.a Simplus, ("Simplus") iii. Blue Acorn iCi Inc, and ("BA") iv. Kaleidoscope Animations Inc. ("Kaleidoscope") **Transferee Company -** i. Infosys Nova Holdings LLC, ("Nova") a wholly owned subsidiary of Infosys Limited
Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	WD is a wholly owned subsidiary of the Infosys Limited and Simplus, BA and Kaleidoscope are wholly owned subsidiaries of Nova The transaction is between wholly owned subsidiaries of Infosys Limited. Therefore, it is exempted as per Regulation 23(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Area of business of the entity (ies)	WD is a US-based, full-service creative and consumer insights advertising agency (Revenue for FY ending Dec'23 – USD 123.7 million) Simplus provides enterprise-wide digital transformation across the Salesforce ecosystem through advisory, implementation, change management, and managed services (Revenue for FY ending Jan'24 – USD 106.0 million) BA is a leading digital experience company that empowers global brands to deliver remarkable customer experiences and enables clients to navigate large-scale digital transformation programs. (Revenue for FY ending Dec'23 – USD 88.5 million) Kaleidoscope is a product design, development and insights firm, with services focused primarily on medical devices. (Revenue for FY ending Dec'23 – USD 45.0 million)
Rationale for amalgamation/ merger	a. To enable synergies of operations, b. To rationalize the legal entity structure.

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In case of cash consideration – amount or otherwise share exchange ratio	Both the Transferor Companies and the Transferee Company are wholly owned subsidiaries of Infosys Limited. There is no cash consideration or issue of shares involved under the scheme of merger.
Brief details of change in shareholding pattern (if any) of listed entity	There is no change in the shareholding pattern of Infosys Limited.

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Annexure - B

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

Name of the target entity,	Blitz 24-893 SE Acquirer: Infosys Singapore Pte Ltd., a wholly owned 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	Blitz 24-893 SE was incorporated in August 2024 and the company does not have any operations. The objective of the entity would be to provide Information Technology (IT) and Information Technology (IT) enabled services post-acquisition
Objects and effects of acquisition	Acquired for business operation purposes
Any governmental or regulatory approvals required for the acquisition	No
Indicative time period for completion of the acquisition	The acquisition of Blitz 24-893 SE is expected to close during fiscal year 2025
Nature of consideration	Cash
Cost of acquisition or the price at which the shares are acquired;	EUR 135,000 including cash
Percentage of holding	100% of the equity share capital in- Blitz 24-893 SE
Brief Background	Blitz 24-893 SE was incorporated in August 2024 and the company does not have any operations.

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Fact Sheet

Consolidated Financial Data - Second Quarter, Fiscal 2025

3.1% QoQ 3.3% YoY CC Growth	21.1% Operating Margin	4.7% YoY EPS Increase (₹ terms)	$2.4 Bn Large Deal TCV	$839 Mn Free Cash Flow

Revenue Growth- Q2 25

	Reported	CC
QoQ growth (%)	3.8%	3.1%
YoY growth (%)	3.7%	3.3%

Revenues by Business Segments

(in %)

	Quarter ended			YoY Growth	
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	Reported	CC
Financial services	27.2	27.5	27.5	2.8	2.3
Retail	13.3	13.8	15.2	(9.2)	(9.6)
Communication	11.9	12.1	11.4	7.9	7.0
Energy, Utilities, Resources & Services	13.5	13.3	12.7	10.7	10.9
Manufacturing	15.7	14.7	14.3	13.5	12.3
Hi-Tech	8.0	8.0	7.8	5.6	6.0
Life Sciences	7.3	7.3	7.8	(2.8)	(3.5)
Others	3.1	3.3	3.3	(2.4)	(1.2)
Total	**100.0**	**100.0**	**100.0**	**3.7**	**3.3**

Revenues by Client Geography

(in %)

	Quarter ended			YoY Growth	
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	Reported	CC
North America	57.4	58.9	61.1	(2.6)	(2.7)
Europe	29.8	28.4	26.5	16.7	15.5
Rest of the world	9.7	9.6	9.6	4.8	3.8
India	3.1	3.1	2.8	14.7	16.0
Total	**100.0**	**100.0**	**100.0**	**3.7**	**3.3**

Client Data

	Quarter ended		
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023
Number of Clients			
Active	1,870	1,867	1,884
Added during the period (gross)	86	87	100
Number of Million dollar clients*			
1 Million dollar +	985	987	951
10 Million dollar +	307	309	312
50 Million dollar +	86	84	80
100 Million dollar +	41	40	39
Client contribution to revenues			
Top 5 clients	13.7%	13.5%	13.3%
Top 10 clients	20.9%	20.9%	19.9%
Top 25 clients	34.7%	34.9%	34.1%
Days Sales Outstanding*	73	72	67

**LTM (Last twelve months) Revenues*

Effort & Utilization – Consolidated IT Services

(in %)

	Quarter ended		
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023
Effort			
Onsite	24.1	23.9	24.6
Offshore	75.9	76.1	75.4
Utilization			
Including trainees	84.3	83.9	80.4
Excluding trainees	85.9	85.3	81.8

Employee Metrics

(Nos.)

	Quarter ended		
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023
Total employees	317,788	315,332	328,764
S/W professionals	300,774	298,123	310,375
Sales & Support	17,014	17,209	18,389
Voluntary Attrition % (LTM - IT Services)	12.9%	12.7%	14.6%
% of Women Employees	39.0%	39.2%	39.4%

Cash Flow

In US $ million

	Quarter ended		
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023
Free cash flow [1]	839	1,094	670
Consolidated cash and investments [2][3]	4,626	4,311	4,170

In ₹ crore

	Quarter ended		
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023
Free cash flow [1]	7,010	9,155	5,536
Consolidated cash and investments [2][3]	38,767	35,943	34,635

[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)
[3] As on June 30, 2024 cash balances excludes earmarked bank balance for dividend $1,394 Mn (₹11,625 crore), payment date for the dividend was July 1, 2024.

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Fact Sheet

Consolidated Financial Data - Second Quarter, Fiscal 2025

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

In US $ million, except per equity share data

Particulars	Sep 30, 2024	Sep 30, 2023	Growth % YoY	Jun 30, 2024	Growth % QoQ
Revenues	**4,894**	**4,718**	**3.7%**	**4,714**	**3.8%**
Cost of sales	3,400	3,271	3.9%	3,259	4.3%
Gross Profit	**1,494**	**1,447**	**3.2%**	**1,455**	**2.7%**
Operating Expenses:					
Selling and marketing expenses	221	213	3.8%	232	-4.7%
Administrative expenses	240	234	2.6%	229	4.8%
Total Operating Expenses	**461**	**447**	**3.1%**	**461**	**0.0%**
Operating Profit	**1,033**	**1,000**	**3.3%**	**994**	**3.9%**
Operating Margin %	**21.1**	**21.2**	**-0.1%**	**21.1**	**0.0%**
Other Income, net[(1)]	72	60	20.0%	88	-18.2%
Profit before income taxes	**1,105**	**1,060**	**4.2%**	**1,082**	**2.1%**
Income tax expense	327	309	5.8%	318	2.8%
Net Profit (before minority interest)	**778**	**751**	**3.6%**	**764**	**1.8%**
Net Profit (after minority interest)	**777**	**751**	**3.5%**	**763**	**1.7%**
Basic EPS ($)	**0.19**	**0.18**	**3.4%**	**0.18**	**1.7%**
Diluted EPS ($)	**0.19**	**0.18**	**3.3%**	**0.18**	**1.7%**
Dividend Per Share ($)[(2)(3)]	**0.25**	**0.22**	**16.7%**	**-**	**-**

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

In US $ million, except per equity share data

Particulars	Sep 30, 2024	Sep 30, 2023	Growth %
Revenues	**9,608**	**9,334**	**2.9%**
Cost of sales	6,659	6,481	2.7%
Gross Profit	**2,949**	**2,853**	**3.4%**
Operating Expenses:			
Selling and marketing expenses	454	429	5.8%
Administrative expenses	469	463	1.3%
Total Operating Expenses	**923**	**892**	**3.5%**
Operating Profit	**2,026**	**1,961**	**3.3%**
Operating Margin %	**21.1**	**21.0**	**0.1%**
Other Income, net[(1)]	160	117	36.8%
Profit before income taxes	**2,186**	**2,078**	**5.2%**
Income tax expense	644	603	6.8%
Net Profit (before minority interest)	**1,542**	**1,475**	**4.6%**
Net Profit (after minority interest)	**1,540**	**1,475**	**4.5%**
Basic EPS ($)	**0.37**	**0.36**	**4.4%**
Diluted EPS ($)	**0.37**	**0.36**	**4.3%**
Dividend Per Share ($)[(2)(3)]	**0.25**	**0.22**	**16.7%**

(1) Other income is net of Finance Cost
(2) USD/INR exchange rate of 83.80 considered for Q2'25
(3) Dividend Growth (%) calculated in INR terms

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Consolidated Financial Data - Second Quarter, Fiscal 2025

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

In ₹ crore, except per equity share data

Particulars	Sep 30, 2024	Sep 30, 2023	Growth % YoY	Jun 30, 2024	Growth % QoQ
Revenues	**40,986**	**38,994**	**5.1%**	**39,315**	**4.2%**
Cost of sales	28,474	27,031	5.3%	27,177	4.8%
Gross Profit	**12,512**	**11,963**	**4.6%**	**12,138**	**3.1%**
Operating Expenses:					
Selling and marketing expenses	1,855	1,754	5.8%	1,937	-4.2%
Administrative expenses	2,008	1,935	3.8%	1,913	5.0%
Total Operating Expenses	**3,863**	**3,689**	**4.7%**	**3,850**	**0.3%**
Operating Profit	**8,649**	**8,274**	**4.5%**	**8,288**	**4.4%**
Operating Margin %	**21.1**	**21.2**	**-0.1%**	**21.1**	**0.0%**
Other Income, net(1)	604	494	22.3%	733	-17.6%
Profit before income taxes	**9,253**	**8,768**	**5.5%**	**9,021**	**2.6%**
Income tax expense	2,737	2,553	7.2%	2,647	3.4%
Net Profit (before minority interest)	**6,516**	**6,215**	**4.8%**	**6,374**	**2.2%**
Net Profit (after minority interest)	**6,506**	**6,212**	**4.7%**	**6,368**	**2.2%**
Basic EPS (₹)	**15.71**	**15.01**	**4.7%**	**15.38**	**2.1%**
Diluted EPS (₹)	**15.68**	**14.99**	**4.5%**	**15.35**	**2.1%**
Dividend Per Share (₹)	**21.00**	**18.00**	**16.7%**	**-**	**-**

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

In ₹ crore, except per equity share data

Particulars	Sep 30, 2024	Sep 30, 2023	Growth %
Revenues	**80,300**	**76,927**	**4.4%**
Cost of sales	55,651	53,412	4.2%
Gross Profit	**24,649**	**23,515**	**4.8%**
Operating Expenses:			
Selling and marketing expenses	3,792	3,538	7.2%
Administrative expenses	3,920	3,812	2.8%
Total Operating Expenses	**7,712**	**7,350**	**4.9%**
Operating Profit	**16,937**	**16,165**	**4.8%**
Operating Margin %	**21.1**	**21.0**	**0.1%**
Other Income, net(1)	1,337	965	38.5%
Profit before income taxes	**18,274**	**17,130**	**6.7%**
Income tax expense	5,384	4,970	8.3%
Net Profit (before minority interest)	**12,890**	**12,160**	**6.0%**
Net Profit (after minority interest)	**12,874**	**12,157**	**5.9%**
Basic EPS (₹)	**31.09**	**29.38**	**5.8%**
Diluted EPS (₹)	**31.02**	**29.34**	**5.7%**
Dividend Per Share (₹)	**21.00**	**18.00**	**16.7%**

(1) *Other income is net of Finance Cost*

As the quarter and six months 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.

Deloitte Haskins & Sells LLP

Chartered Accountants
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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 half year ended September 30, 2024 (the "Statement"), being submitted by the Parent 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 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 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 net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and half year ended September 30, 2024.

Basis for Opinion

We conducted our audit 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 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 for the quarter and half year ended September 30, 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 Statement

The Statement, which includes the Consolidated Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited interim condensed consolidated financial statements for the three months and six months ended September 30, 2024. This responsibility includes the preparation and presentation of the Statement 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 Board of Directors of the companies 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 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 this Statement by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies 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 Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies 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 for the quarter and half year ended September 30, 2024

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the quarter and half year ended September 30, 2024 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 Results.

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

- Identify and assess the risks of material misstatement of the Statement, 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 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 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement 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 Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement 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 Statement.

We communicate with those charged with governance of the Company and such other entities included in the Statement 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)

Vikas Bagaria
Partner
(Membership No.060408)
UDIN:

Place: Bengaluru
Date: October 17, 2024

Deloitte
Haskins & Sells LLP

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)
30. Infosys Consulting (Belgium) NV
31. Panaya Inc.
32. Infosys Financial Services GmbH
33. Panaya Ltd.

34. Brilliant Basics Holdings Limited (under liquidation)
35. Brilliant Basics Limited (under liquidation)
36. Infosys Singapore 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.
58. Infosys Fluido Ireland, Ltd.
59. Infosys Limited Bulgaria EOOD
60. Infosys BPM UK Limited
61. Blue Acorn iCi 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
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.
78. oddity space GmbH, merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
79. oddity jungle GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
80. oddity waves GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
81. oddity group Services GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
82. oddity code GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
83. WongDoody d.o.o. (formerly known as 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) with effect from September 29, 2023
84. WongDoody GmbH (formerly known as Oddity GmbH)
85. WongDoody (Shanghai) Co. Limited (formerly known as oddity (Shanghai) Co. Ltd.)
86. WongDoody Limited (Taipei) (formerly known as oddity Limited (Taipei)
87. Infosys Public Services Canada Inc.
88. BASE life science A/S
89. BASE life science AG
90. BASE life science GmbH
91. BASE life science Ltd.
92. BASE life science S.A.S
93. BASE life science S.r.l.
94. Innovisor Inc.
95. BASE life science Inc.
96. BASE life science S.L.
97. Panaya Germany GmbH
98. Infosys Norway
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. InSemi Technology Services Pvt. Ltd. acquired by Infosys limited on May 10, 2024

102. Elbrus Labs Private Limited (a wholly owned subsidiary of InSemi Technology Services Pvt. Ltd.) acquired by Infosys limited on May 10, 2024

103. Infosys Services (Thailand) Limited, a Wholly-owned subsidiary of Infosys Limited was incorporated on July 26, 2024.

104. Infy tech SAS, a Wholly-owned subsidiary of Infosys Singapore Pte Limited was incorporated on July 03, 2024.

105. in-tech Holding GmbH (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limtied) on July 17, 2024

106. in-tech GmbH (Subsidiary of in-tech Holding GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

107. in-tech Automotive Engineering SL (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

108. ProIT (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

109. in-tech Automotive Engineering de R.L. de C.V (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

110. drivetech Fahrversuch GmbH (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

111. Friedrich Wagner Holding Inc (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

112. in-tech Automotive Engineering LLC (Subsidiary of Friedrich Wagner Holding Inc) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

113. in-tech Services LLC (Subsidiary of Friedrich Wagner Holding Inc) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

114. Friedrich & Wagner Asia Pacific GmbH (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

115. in-tech engineering s.r.o (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

116. in-tech engineering GmbH (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)

117. in-tech engineering services S.R.L (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
118. in-tech Group Ltd (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
119. in-tech Group India Private Limited (Subsidiary of in-tech Group Ltd) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
120. In-tech Automotive Engineering Shenyang Co. (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
121. In-tech Automotive Engineering Bejing Co., Ltd (Subsidiary of In-tech Automotive Engineering Shenyang Co.) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
122. Infosys Employees Welfare Trust
123. Infosys Employee Benefits Trust
124. Infosys Science Foundation
125. Infosys Expanded Stock Ownership Trust

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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 half year ended September 30, 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) is presented in accordance with the requirements of the Listing Regulations; and

(ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in 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 net profit and total comprehensive income and other financial information of the Company for the quarter and half year ended September 30, 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 Act. Our responsibilities under those Standards are further described in 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 half year ended September 30, 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 Statement

The Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. The Statement has been compiled from the related audited interim condensed standalone financial statements for the three months and six months ended September 30, 2024. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and half year ended September 30, 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 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. 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 Statements that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for audit of the Standalone Financial Results for the quarter and half year ended September 30, 2024

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, 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 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Statement to express an opinion on the Statement.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement 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 Statement.

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)

Vikas Bagaria
Partner
(Membership No. 060408)
UDIN:

Place: Bengaluru
Date: October 17, 2024

Infosys
Navigate your next

Q2 FY 25 Financial Results

Infosys Limited
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Statement of Consolidated Audited Results of Infosys Limited and its subsidiaries for the quarter and half-year ended September 30, 2024 prepared in compliance with the Indian Accounting Standards (Ind-AS)

(in ₹ crore, except per equity share data)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2024	2024	2023	2024	2023	2024
	Audited	Audited	Audited	Audited	Audited	Audited
Revenue from operations	40,986	39,315	38,994	80,300	76,927	153,670
Other income, net	712	838	632	1,551	1,193	4,711
Total Income	**41,698**	**40,153**	**39,626**	**81,851**	**78,120**	**158,381**
Expenses						
Employee benefit expenses	21,564	20,934	20,796	42,498	41,577	82,620
Cost of technical sub-contractors	3,190	3,169	3,074	6,359	6,198	12,232
Travel expenses	458	478	439	936	901	1,759
Cost of software packages and others	3,949	3,455	3,387	7,404	6,106	13,515
Communication expenses	169	147	179	316	361	677
Consultancy and professional charges	451	445	387	895	734	1,726
Depreciation and amortization expenses	1,160	1,149	1,166	2,310	2,339	4,678
Finance cost	108	105	138	214	228	470
Other expenses	1,396	1,250	1,292	2,645	2,546	4,716
Total expenses	**32,445**	**31,132**	**30,858**	**63,577**	**60,990**	**122,393**
Profit before tax	**9,253**	**9,021**	**8,768**	**18,274**	**17,130**	**35,988**
Tax expense:						
Current tax	3,146	2,998	2,491	6,144	4,798	8,390
Deferred tax	(409)	(351)	62	(760)	172	1,350
Profit for the period	**6,516**	**6,374**	**6,215**	**12,890**	**12,160**	**26,248**
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of the net defined benefit liability/asset, net	78	20	(64)	98	23	120
Equity instruments through other comprehensive income, net	(9)	14	40	5	40	19
Items that will be reclassified subsequently to profit or loss						
Fair value changes on derivatives designated as cash flow hedges, net	(21)	(3)	23	(24)	29	11
Exchange differences on translation of foreign operations	560	(104)	5	456	21	226
Fair value changes on investments, net	86	40	(20)	126	55	144
Total other comprehensive income/(loss), net of tax	**694**	**(33)**	**(16)**	**661**	**168**	**520**
Total comprehensive income for the period	**7,210**	**6,341**	**6,199**	**13,551**	**12,328**	**26,768**
Profit attributable to:						
Owners of the company	6,506	6,368	6,212	12,874	12,157	26,233
Non-controlling interests	10	6	3	16	3	15
	6,516	**6,374**	**6,215**	**12,890**	**12,160**	**26,248**
Total comprehensive income attributable to:						
Owners of the company	7,190	6,337	6,196	13,527	12,328	26,754
Non-controlling interests	20	4	3	24	-	14
	7,210	**6,341**	**6,199**	**13,551**	**12,328**	**26,768**
Paid up share capital (par value ₹5/- each, fully paid)	2,072	2,072	2,070	2,072	2,070	2,071
Other equity *#	86,045	86,045	73,338	86,045	73,338	86,045
Earnings per equity share (par value ₹5/- each)**						
Basic (in ₹ per share)	15.71	15.38	15.01	31.09	29.38	63.39
Diluted (in ₹ per share)	15.68	15.35	14.99	31.02	29.34	63.29

** Balances for the quarter and half year ended September 30, 2024 and quarter ended June 30, 2024 represent balances as per the audited Balance Sheet as at March 31, 2024 and balances for the quarter and half year ended September 30, 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 and half year ended September 30, 2024, quarter ended June 30, 2024 and quarter and half year ended September 30, 2023.*

 # Excludes non-controlling interest

1. Notes pertaining to the current quarter

a) The audited interim condensed consolidated financial statements for the quarter and half year ended September 30, 2024 have been taken on record by the Board of Directors at its meeting held on October 17, 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. Those 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 employee stock grants

The Board, on October 17, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved grant of 22,880 RSUs to six eligible employees under the 2015 Stock Incentive Compensation Plan w.e.f November 1, 2024. The RSUs would vest equally over a period of two to four years and the exercise price will be equal to the par value of the share.

c) Update on acquisition

On July 17, 2024, Infosys Germany GmBH acquired 100% voting interests in in-tech Holding GmbH, leading provider of Engineering R&D services headquartered in Germany, for a consideration of EUR 465 million (₹4,213 crore).

2. **Information on dividends for the quarter and half year ended September 30, 2024**

The Board of Directors declared an interim dividend of ₹21/- per equity share. The record date for the payment is October 29, 2024.The interim dividend will be paid on November 8, 2024. The interim dividend declared in the previous year was ₹18/- per equity share.

(in ₹)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2024	2024	2023	2024	2023	2024
Dividend per share (par value ₹5/- each)						
Interim dividend	21.00	-	18.00	21.00	18.00	18.00
Final dividend	-	-	-	-	-	20.00
Special dividend	-	-	-	-	-	8.00

3. **Audited Consolidated Balance Sheet**

(in ₹ crore)

Particulars	As at September 30, 2024	As at March 31, 2024
ASSETS		
Non-current assets		
Property, plant and equipment	11,780	12,370
Right of use assets	6,692	6,552
Capital work-in-progress	505	293
Goodwill	10,191	7,303
Other Intangible assets	3,254	1,397
Financial assets		
Investments	9,962	11,708
Loans	25	34
Other financial assets	3,450	3,105
Deferred tax assets (net)	556	454
Income tax assets (net)	3,864	3,045
Other non-current assets	2,060	2,121
Total non-current assets	**52,339**	**48,382**
Current assets		
Financial assets		
Investments	7,432	12,915
Trade receivables	32,013	30,193
Cash and cash equivalents	21,799	14,786
Loans	255	248
Other financial assets	12,688	12,085
Income tax assets (net)	2,418	6,397
Other current assets	12,926	12,808
Total current assets	**89,531**	**89,432**
Total Assets	**141,870**	**137,814**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,072	2,071
Other equity	88,391	86,045
Total equity attributable to equity holders of the Company	**90,463**	**88,116**
Non-controlling interests	367	345
Total equity	**90,830**	**88,461**
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	6,336	6,400
Other financial liabilities	2,011	2,130
Deferred tax liabilities (net)	1,686	1,794
Other non-current liabilities	177	235
Total non-current liabilities	**10,210**	**10,559**
Current liabilities		
Financial liabilities		
Lease liabilities	2,468	1,959
Trade payables	3,841	3,956
Other financial liabilities	17,988	16,959
Other Current Liabilities	10,706	10,539
Provisions	1,436	1,796
Income tax liabilities (net)	4,391	3,585
Total current liabilities	**40,830**	**38,794**
Total equity and liabilities	**141,870**	**137,814**

The disclosure is an extract of the audited Consolidated Balance Sheet as at September 30, 2024 and March 31, 2024 prepared in compliance with the Indian Accounting Standards (Ind-AS).

4. Audited Consolidated Statement of Cash Flows

(in ₹ crore)

Particulars	Half-year ended September 30,	
	2024	2023
Cash flow from operating activities		
Profit for the period	12,890	12,160
Adjustments to reconcile net profit to net cash provided by operating activities:		
Income tax expense	5,384	4,970
Depreciation and amortization	2,310	2,339
Interest and dividend income	(1,257)	(1,006)
Finance cost	214	228
Impairment loss recognized / (reversed) under expected credit loss model	95	206
Exchange differences on translation of assets and liabilities, net	(298)	(1)
Stock compensation expense	420	279
Provision for post sale client support	26	168
Other adjustments	876	732
Changes in assets and liabilities		
Trade receivables and unbilled revenue	(2,735)	(1,751)
Loans, other financial assets and other assets	(233)	(251)
Trade payables	(147)	(661)
Other financial liabilities, other liabilities and provisions	1,078	(768)
Cash generated from operations	**18,623**	**16,644**
Income taxes paid	(2,165)	(4,538)
Net cash generated by operating activities	**16,458**	**12,106**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(968)	(1,299)
Deposits placed with corporation	(579)	(636)
Redemption of deposits placed with corporation	357	439
Interest and dividend received	1,217	973
Payment towards acquisition of business, net of cash acquired	(3,155)	-
Payment of contingent consideration pertaining to acquisition of business	-	(59)
Other receipts	5	127
Payments to acquire Investments		
Tax free bonds and government bonds	(2)	-
Liquid mutual fund units	(33,517)	(33,038)
Certificates of deposit	(1,885)	(2,179)
Commercial Papers	(2,227)	(2,903)
Non-convertible debentures	(1,051)	(104)
Other Investments	(17)	(5)
Proceeds on sale of Investments		
Liquid mutual funds	34,012	31,292
Certificates of deposit	3,970	4,912
Commercial Papers	7,135	1,254
Non-convertible debentures	1,030	875
Government securities	200	299
Net cash generated / (used in) from investing activities	**4,525**	**(52)**
Cash flows from financing activities:		
Payment of lease liabilities	(1,190)	(920)
Payment of dividends	(11,592)	(7,246)
Loan repayment of in-tech Holding GmbH	(985)	-
Payment of dividend to non-controlling interest of subsidiary	(2)	(2)
Shares issued on exercise of employee stock options	3	3
Other receipts	-	20
Other payments	(265)	(334)
Net cash used in financing activities	**(14,031)**	**(8,479)**
Net increase / (decrease) in cash and cash equivalents	6,952	3,575
Effect of exchange rate changes on cash and cash equivalents	61	(35)
Cash and cash equivalents at the beginning of the period	14,786	12,173
Cash and cash equivalents at the end of the period	**21,799**	**15,713**
Supplementary information:		
Restricted cash balance	407	365

The disclosure is an extract of the audited Consolidated Statement of Cash flows for the half year ended September 30, 2024 and September 30, 2023 prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting.

5. Segment reporting (Consolidated - Audited)

(in ₹ crore)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2024	2024	2023	2024	2023	2024
Revenue by business segment						
Financial Services [1]	11,156	10,816	10,705	21,971	21,366	42,158
Retail [2]	5,446	5,428	5,913	10,873	11,426	22,504
Communication [3]	4,879	4,744	4,463	9,622	8,904	17,991
Energy, Utilities, Resources and Services	5,546	5,220	4,957	10,767	9,846	20,035
Manufacturing	6,424	5,778	5,574	12,201	10,924	22,298
Hi-Tech	3,266	3,147	3,053	6,414	6,109	12,411
Life Sciences [4]	3,004	2,866	3,050	5,871	5,799	11,515
All other segments [5]	1,265	1,316	1,279	2,581	2,553	4,758
Total	**40,986**	**39,315**	**38,994**	**80,300**	**76,927**	**153,670**
Less: Inter-segment revenue	-	-	-	-	-	-
Net revenue from operations	**40,986**	**39,315**	**38,994**	**80,300**	**76,927**	**153,670**
Segment profit before tax, depreciation and non-controlling interests:						
Financial Services [1]	2,860	2,612	2,579	5,472	5,124	9,324
Retail [2]	1,768	1,751	1,674	3,519	3,303	6,882
Communication [3]	892	796	1,035	1,688	2,019	3,688
Energy, Utilities , Resources and Services	1,435	1,557	1,352	2,992	2,642	5,523
Manufacturing	1,297	1,006	1,033	2,303	2,005	4,197
Hi-Tech	794	814	788	1,608	1,590	3,153
Life Sciences [4]	614	611	799	1,226	1,501	2,898
All other segments [5]	149	290	180	439	320	760
Total	**9,809**	**9,437**	**9,440**	**19,247**	**18,504**	**36,425**
Less: Other Unallocable expenditure	1,160	1,149	1,166	2,310	2,339	4,678
Add: Unallocable other income	712	838	632	1,551	1,193	4,711
Less: Finance cost	108	105	138	214	228	470
Profit before tax and non-controlling interests	**9,253**	**9,021**	**8,768**	**18,274**	**17,130**	**35,988**

[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*

Notes on segment information

Business segments

Based on the "management approach" as required by 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 September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2024	2024	2023	2024	2023	2024
Revenue from operations	34,257	33,283	32,629	67,540	64,440	128,933
Profit before tax	9,407	8,128	8,517	17,535	16,663	35,953
Profit for the period	6,813	5,768	6,245	12,581	12,202	27,234

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

Bengaluru, India

October 17, 2024

Salil Parekh

Chief Executive Officer and Managing Director

The Board has also taken on record the consolidated results of Infosys Limited and its subsidiaries for the quarter and half-year ended September 30, 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 September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2024	2024	2023	2024	2023	2024
	Audited	Audited	Audited	Audited	Audited	Audited
Revenues	4,894	4,714	4,718	9,608	9,334	18,562
Cost of sales	3,400	3,259	3,271	6,659	6,481	12,975
Gross profit	**1,494**	**1,455**	**1,447**	**2,949**	**2,853**	**5,587**
Operating expenses	461	461	447	923	892	1,753
Operating profit	**1,033**	**994**	**1,000**	**2,026**	**1,961**	**3,834**
Other income, net	85	101	77	186	145	568
Finance cost	13	13	17	26	28	56
Profit before income taxes	**1,105**	**1,082**	**1,060**	**2,186**	**2,078**	**4,346**
Income tax expense	327	318	309	644	603	1,177
Net profit	**778**	**764**	**751**	**1,542**	**1,475**	**3,169**
Earnings per equity share *						
Basic (in $ per share)	0.19	0.18	0.18	0.37	0.36	0.77
Diluted (in $ per share)	0.19	0.18	0.18	0.37	0.36	0.76
Total assets	16,928	17,270	15,689	16,928	15,689	16,523
Cash and cash equivalents and current investments	3,488	3,022	2,805	3,488	2,805	3,321

** EPS is not annualized for the quarter and half year ended September 30, 2024, quarter ended June 30, 2024 and quarter and half year ended September 30, 2023.*

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, the McCamish cybersecurity incident and the related 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, increased competition for talent, our ability to attract and retain personnel, increase in wages, investments to reskill our employees, our ability to effectively implement a hybrid working model, economic uncertainties and geo-political situations, technological disruptions and 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, the amount of any additional costs, including indemnities or damages or claims, resulting directly or indirectly from the McCamish cybersecurity incident and the outcome and effect of pending litigation. 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, 2024. 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®
Navigate your next

Q2 FY 25
Financial
Results

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Statement of Audited results of Infosys Limited for the quarter and half-year ended September 30, 2024 prepared in compliance with the Indian Accounting Standards (Ind-AS)

(in ₹ crore, except per equity share data)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2024	2024	2023	2024	2023	2024
	Audited	Audited	Audited	Audited	Audited	Audited
Revenue from operations	34,257	33,283	32,629	67,540	64,440	128,933
Other income, net	1,737	721	1,350	2,458	2,352	7,417
Total income	**35,994**	**34,004**	**33,979**	**69,998**	**66,792**	**136,350**
Expenses						
Employee benefit expenses	16,864	16,495	16,435	33,359	32,788	65,139
Cost of technical sub-contractors	4,751	4,831	4,645	9,583	9,321	18,638
Travel expenses	354	371	345	725	705	1,372
Cost of software packages and others	2,380	2,117	1,809	4,497	2,982	6,891
Communication expenses	125	105	131	229	260	489
Consultancy and professional charges	299	266	275	565	490	1,059
Depreciation and amortization expense	670	698	738	1,368	1,484	2,944
Finance cost	61	59	89	120	132	277
Other expenses	1,083	934	995	2,017	1,967	3,588
Total expenses	**26,587**	**25,876**	**25,462**	**52,463**	**50,129**	**100,397**
Profit before tax	**9,407**	**8,128**	**8,517**	**17,535**	**16,663**	**35,953**
Tax expense:						
Current tax	2,956	2,686	2,180	5,643	4,245	7,306
Deferred tax	(362)	(326)	92	(689)	216	1,413
Profit for the period	**6,813**	**5,768**	**6,245**	**12,581**	**12,202**	**27,234**
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement of the net defined benefit liability / asset, net	81	19	(68)	100	19	128
Equity instruments through other comprehensive income, net	(9)	14	40	5	40	19
Items that will be reclassified subsequently to profit or loss						
Fair value changes on derivatives designated as cash flow hedges, net	(21)	(3)	23	(24)	29	11
Fair value changes on investments, net	83	36	(22)	119	46	129
Total other comprehensive income/ (loss), net of tax	**134**	**66**	**(27)**	**200**	**134**	**287**
Total comprehensive income for the period	**6,947**	**5,834**	**6,218**	**12,781**	**12,336**	**27,521**
Paid-up share capital (par value ₹5/- each fully paid)	2,076	2,076	2,075	2,076	2,075	2,075
Other Equity*	79,101	79,101	65,671	79,101	65,671	79,101
Earnings per equity share (par value ₹5 /- each)**						
Basic (in ₹ per share)	16.41	13.90	15.05	30.30	29.40	65.62
Diluted (in ₹ per share)	16.38	13.87	15.04	30.25	29.38	65.56

** Balances for the quarter and half year ended September 30, 2024 and quarter ended June 30, 2024 represent balances as per the audited Balance Sheet as at March 31, 2024 and balances for the quarter and half year ended September 30, 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 and half year ended September 30, 2024, quarter ended June 30, 2024 and quarter and half year ended September 30, 2023.*

1. Notes pertaining to the current quarter

a) The audited interim condensed standalone financial statements for the quarter and half-year ended September 30, 2024 have been taken on record by the Board of Directors at its meeting held on October 17, 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. Those 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 employee stock grants

The Board, on October 17, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved grant of 22,880 RSUs to six eligible employees under the 2015 Stock Incentive Compensation Plan w.e.f November 1, 2024. The RSUs would vest equally over a period of two to four years and the exercise price will be equal to the par value of the share.

c) Merger of wholly owned subsidiaries

On October 17, 2024, the Board approved the merger of WongDoody Inc, a wholly owned subsidiary of Infosys Limited with Infosys Nova Holdings LLC (Infosys Nova) , a wholly owned subsidiary of Infosys Limited at book value as at the date of merger. Blue Acorn iCi Inc, Outbox Systems Inc.,d.b.a Simplus and Kaleidoscope Animation Inc which are wholly owned subsidiaries of Infosys Nova will also be merged with Infosys Nova.

2. Information on dividends for the quarter and half-year ended September 30, 2024

The Board of Directors declared an interim dividend of ₹21/- per equity share. The record date for the payment is October 29, 2024.The interim dividend will be paid on November 8, 2024. The interim dividend declared in the previous year was ₹18/- per equity share.

(in ₹)

Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Half-year ended September 30,		Year ended March 31,
	2024	2024	2023	2024	2023	2024
Dividend per share (par value ₹5/- each)						
Interim dividend	21.00	-	18.00	21.00	18.00	18.00
Final dividend	-	-	-	-	-	20.00
Special dividend	-	-	-	-	-	8.00

3. Audited Standalone Balance Sheet

(In ₹ crore)

Particulars	As at	
	September 30, 2024	March 31, 2024
ASSETS		
Non-current assets		
Property, plant and equipment	10,139	10,813
Right of use assets	3,269	3,303
Capital work-in-progress	467	277
Goodwill	211	211
Financial assets		
Investments	26,272	23,352
Loans	35	34
Other financial assets	2,022	1,756
Deferred tax assets (net)	60	-
Income tax assets (net)	3,340	2,583
Other non-current assets	1,724	1,669
Total non-current assets	**47,539**	**43,998**
Current assets		
Financial assets		
Investments	6,183	11,307
Trade receivables	26,748	25,152
Cash and cash equivalents	13,917	8,191
Loans	214	208
Other financial assets	11,246	10,129
Income tax assets (net)	2,394	6,329
Other current assets	9,863	9,636
Total current assets	**70,565**	**70,952**
Total assets	**118,104**	**114,950**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,076	2,075
Other equity	80,673	79,101
Total equity	**82,749**	**81,176**
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Lease liabilities	3,021	3,088
Other financial liabilities	1,876	1,941
Deferred tax liabilities (net)	887	1,509
Other non-current liabilities	88	150
Total non - current liabilities	**5,872**	**6,688**
Current liabilities		
Financial liabilities		
Lease liabilities	815	678
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	126	92
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,695	2,401
Other financial liabilities	13,145	11,808
Other current liabilities	7,896	7,681
Provisions	1,083	1,464
Income tax liabilities (net)	3,723	2,962
Total current liabilities	**29,483**	**27,086**
Total equity and liabilities	**118,104**	**114,950**

The disclosure is an extract of the audited Balance Sheet as at September 30, 2024 and March 31, 2024 prepared in compliance with the Indian Accounting Standards (Ind-AS).

4. Audited Standalone Statement of Cash flows

(In ₹ crore)

Particulars	Half-year ended September 30,	
	2024	2023
Cash flow from operating activities:		
Profit for the period	12,581	12,202
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and Amortization	1,368	1,484
Income tax expense	4,954	4,461
Impairment loss recognized / (reversed) under expected credit loss model	67	184
Finance cost	120	132
Interest and dividend income	(2,196)	(1,999)
Stock compensation expense	370	246
Provision for post sale client support	19	-
Exchange differences on translation of assets and liabilities, net	53	40
Other adjustments	(75)	343
Changes in assets and liabilities		
Trade receivables and unbilled revenue	(3,047)	(1,688)
Loans, other financial assets and other assets	(568)	(359)
Trade payables	328	(332)
Other financial liabilities, other liabilities and provisions	1,688	142
Cash generated from operations	**15,662**	**14,856**
Income taxes paid	(1,703)	(4,108)
Net cash generated by operating activities	**13,959**	**10,748**
Cash flow from investing activities:		
Expenditure on property, plant and equipment	(651)	(1,101)
Deposits placed with corporation	(467)	(555)
Redemption of deposits with corporation	284	389
Interest and dividend received	1,014	809
Dividend received from subsidiary	1,123	1,192
Loan given to subsidiaries	(10)	-
Loan repaid by subsidiaries	-	3
Receipt towards business transfer for entities under common control	1	-
Investment in subsidiaries	(4,348)	(63)
Payment towards acquisition	(181)	-
Receipt / (payment) from entities under liquidation	-	80
Other receipts	-	123
Payments to acquire investments		
Liquid mutual fund units	(30,198)	(29,092)
Commercial papers	(2,077)	(2,419)
Certificates of deposit	(1,811)	(1,252)
Non-convertible debentures	(1,051)	(104)
Other investments	(1)	(2)
Proceeds on sale of investments		
Liquid mutual fund units	30,707	27,279
Non-convertible debentures	890	775
Certificates of deposit	3,845	3,662
Commercial papers	6,660	700
Government Securities	200	-
Net cash (used in) / from investing activities	**3,929**	**424**
Cash flow from financing activities:		
Payment of lease liabilities	(461)	(362)
Shares issued on exercise of employee stock options	3	1
Other (payments)/receipts	(75)	(93)
Payment of dividends	(11,620)	(7,266)
Net cash used in financing activities	**(12,153)**	**(7,720)**
Net increase / (decrease) in cash and cash equivalents	5,735	3,452
Effect of exchange rate changes on cash and cash equivalents	(9)	(22)
Cash and cash equivalents at the beginning of the period	8,191	6,534
Cash and cash equivalents at the end of the period	**13,917**	**9,964**
Supplementary information:		
Restricted cash balance	61	58

The disclosure is an extract of the audited Statement of Cash flows for the half year ended September 30, 2024 and September 30, 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 half-year ended September 30, 2024.

By order of the Board
for Infosys Limited

Bengaluru, India
October 17, 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, the McCamish cybersecurity incident and the related 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, increased competition for talent, our ability to attract and retain personnel, increase in wages, investments to reskill our employees, our ability to effectively implement a hybrid working model, economic uncertainties and geo-political situations, technological disruptions and 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, the amount of any additional costs, including indemnities or damages or claims, resulting directly or indirectly from the McCamish cybersecurity incident and the outcome and effect of pending litigation. 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, 2024. 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.

Strong performance with broad based revenue growth in CC of 3.1% sequentially and 3.3% YoY
FY25 revenue guidance revised to 3.75%-4.50%; Margin guidance retained at 20%-22%

Bengaluru, India – October 17, 2024: Infosys (NSE, BSE, NYSE: INFY), a global leader in next-generation digital services and consulting, delivered broad based growth performance with $4,894 million in Q2 revenues, sequential growth of 3.1% and year on year growth of 3.3% in constant currency. Operating margin for Q2 was at 21.1%. Free cash flow for Q2 was at $839 million, growing 25.2% year on year. TCV of large deal wins was $2.4 billion, 41% being net new.

H1 revenues grew at 2.9% year over year in constant currency. Operating margin for H1 was at 21.1%.

"We had strong growth of 3.1% quarter-on-quarter in constant current in Q2. The growth was broad based with good momentum in financial services. This stems from our strength in industry expertise, market leading capabilities in cloud with Cobalt and generative AI with Topaz, resulting in growing client preference to partner with us", **said Salil Parekh, CEO and MD**. "Our large deals at $2.4 billion in Q2 reflect our differentiated position. I am grateful to our employees for their unwavering commitment to our client as we further strengthen our market leadership" **he added**.

3.1% QoQ 3.3% YoY CC Growth	21.1% Operating Margin	4.7% YoY EPS Increase (₹ terms)	$2.4 Bn Large Deal TCV	$839 Mn Free Cash Flow

Guidance for FY25:

- Revenue growth of 3.75%-4.50% in constant currency
- Operating margin of 20%-22%

Key highlights:

For the quarter ended September 30, 2024	For six months ended September 30, 2024
• Revenues in CC terms grew by 3.3% YoY and 3.1% QoQ	• Revenues in CC terms grew by 2.9% YoY
• Reported revenues at ₹40,986 crore, growth of 5.1% YoY	• Reported revenues at ₹80,300 crore, growth of 4.4% YoY
• Operating margin at 21.1%, decline of 0.1% YoY and flat QoQ	• Operating margin at 21.1%, growth of 0.1% YoY
• Basic EPS at ₹15.71, growth of 4.7% YoY	• Basic EPS at ₹31.09, growth of 5.8% YoY
• FCF at ₹7,010 crore, growth of 26.6% YoY; FCF conversion at 107.6% of net profit	• FCF at ₹16,165 crore, growth of 43.2% YoY; FCF conversion at 125.4% of net profit

"We continue to focus on accelerating revenue growth with a sharp focus on margin performance. Operating margins for the quarter was at 21.1%, driven by continued benefits from value-based pricing and utilization despite higher employee payouts. Our focus on cash generation resulted in another quarter of over 100% Free Cash Flow conversion to net profits" **said Jayesh Sanghrajka, CFO. "**The Board announced an interim dividend of ₹21 per share, 16.7% increase from last year**" he added.**

1. Client wins & Testimonials

- Infosys announced that it has entered into a long-term collaboration with Metro Bank to enhance some of its IT and support functions, while digitally transforming the bank's business operations. **Daniel Frumkin, Metro Bank Chief Executive Officer,** said, "This collaboration with a world class provider like Infosys builds on the solid foundations we have already laid, unleashing our true potential, and creating a sustainably profitable and scalable organization that is fit for the future. At the end of this transformation, we will be a very different business, but the true essence of Metro Bank will remain the same – a high-quality service organization putting customers centre-stage. Metro Bank expects to deliver £80m of annualized cost savings this year across multiple initiatives, as it progresses towards the target of reaching mid-to-high teen Return on Tangible Equity by 2027. Our vision for Metro Bank in 2025 and beyond, places our store network firmly at its heart, as we continue with our plans to open new stores and bring the Metro Bank experience to the north of England."

- Infosys announced a strategic collaboration with Proximus to help unlock new business opportunities. **Antonietta Mastroianni, Chief Digital & IT Officer at Proximus, said:** "We are delighted to strengthen our long-standing collaboration with Infosys. By leveraging Infosys' global reach and our expertise in CPaaS and DI Solutions, the collaboration will drive innovation and deliver superior customer experiences for our joint customers. We are confident that our mutual deep expertise and proven track record will be instrumental in this two-way partnership."

- Infosys announced its collaboration with TDC Net to help them transform from a traditional infrastructure company to a leading customer-centric technology company. **Campbell Fraser, CTIO, TDC Net** said, "At TDC Net, we are committed to delivering exceptional value to our customers through a transformation in our IT landscape. Our collaboration with Infosys will enable us to leverage industry-standard processes and platform to create better customer experiences. Infosys' deep expertise in the telecommunications domain, coupled with their proven capabilities in driving end-to-end transformations, gives us confidence in achieving our goals. This collaboration represents a significant milestone in our journey towards becoming a fully digital and customer-centric technology company."

- Infosys announced the extension of its existing collaboration with Posti to help it enhance customer experience and operational efficiency while continuing to innovate, scale, and grow its IT operations. **Petteri Naulapää, CIO & SVP, ICT and Digitalization, Posti Group,** said, "We are pleased to announce the renewal of our collaboration with Infosys for another seven years. By harnessing the power of AI through Infosys Topaz and cloud capabilities through Infosys Cobalt, we aim to create a more efficient and customer centric organization. The collaboration with Infosys will accelerate our digital transformation journey and help us deliver exceptional services, optimize our operations, and strengthen our position as a leading delivery and logistics provider."

- Infosys announced a strategic collaboration with Sally Beauty Holdings, Inc. (SBH) to drive enterprise-scale IT transformation and implement best practices in IT operations to bring efficiencies through the optimization of IT service delivery. **Scott Lindblom, CIO, Sally Beauty,** said "We are excited to be collaborating with Infosys as we take SBH into the future by modernizing our IT service delivery and meeting the goals set by our "Fuel for Growth" initiative. Embracing AI-amplified IT is a significant step forward for us in enabling us to, in turn, deliver exceptional experiences for our customers."

- Infosys announced a strategic collaboration with Polestar to create a base for Polestar's development of in-car infotainment, Software and Electrical/ Electronics (SW&EE) engineering, user experience (UX), and cloud-powered digital services. **Sven Bauer, Head of Software at Polestar,** said, “Polestar is starting a new chapter in the company’s global setup with our partner Infosys in Bengaluru. We look forward to building automotive competence in the Polestar Tech Hub to support our growing vehicle portfolio and new model launches.”

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2. Recognitions & Awards

Brand

- Recognized as India’s Best Workplaces™ for Women 2024: Top 50 (Large) for the fourth consecutive year by Great Place to Work® Institute
- Recognized as India's Best Workplaces™ in Diversity, Equity, Inclusion & Belonging 2024: Top 25 by Great Place to Work® Institute
- Recognized among 'Best Companies for Women in India (BCWI) study, 2024' by Avtar & Seramount, and among 'Best Companies - Hall of Fame' for having featured in the list, six editions in a row
- Recognized as the ‘Champion of Inclusion’ in the Most Inclusive Companies Index 2024 by Avtar and Seramount for the fifth year

AI and Cloud Services

- Positioned as a leader in 2024 Gartner Magic Quadrant for Public Cloud IT Transformation Services
- Rated as a leader in End-to-End Cloud Infrastructure Management Services NEAT 2024 by NelsonHall
- Recognized as a leader in Constellation Shortlist 2024: Artificial Intelligence and Machine Learning Best-of-Breed Platforms
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Key Digital Services

- Recognized as a leader in Global In-house Center (GIC) Setup Capabilities in India - Provider PEAK Matrix® Assessment 2024 by Everest
- Recognized as a leader in Digital Transformation Consulting Services PEAK Matrix® Assessment 2024 – North America by Everest
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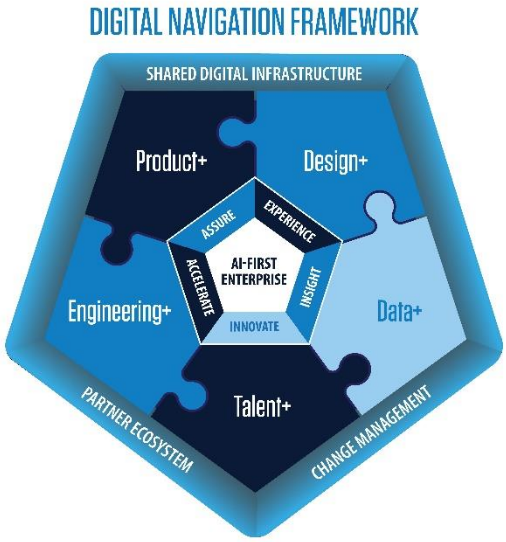
Vendor Assessment; North America Digital Core Banking Platforms 2024 Vendor Assessment; Europe, Middle East, and Africa Digital Core Banking Platforms 2024 Vendor Assessment; Asia/Pacific Digital Core Banking Platforms 2024 Vendor Assessment

- Infosys McCamish ranked as a leader in ISG Provider LensTM Insurance Platform Solutions study in North America
- Infosys Finacle won Excellence in Corporate Digital Banking with Zand Bank at the Finnovex Awards Middle East 2024
- Infosys Finacle won 2 industry awards at Finnovex Awards Southern Africa 2024: 'Excellence in Customer Experience with Standard Bank', 'Excellence in Payment Solutions for Finacle Payments'

Read more about our Awards & Recognitions here.

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, the McCamish cybersecurity incident and the related 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, increased competition for talent, our ability to attract and retain personnel, increase in wages, investments to reskill our employees, our ability to effectively implement a hybrid working model, economic uncertainties and geo-political situations, technological disruptions and 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, the amount of any additional costs, including indemnities or damages or claims, resulting directly or indirectly from the McCamish cybersecurity incident and the outcome and effect of pending litigation. 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, 2024. 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: *(in ₹ crore)*

	September 30, 2024	March 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	21,799	14,786
Current investments	7,432	12,915
Trade receivables	32,013	30,193
Unbilled revenue	13,066	12,768
Other current assets	15,221	18,770
Total current assets	**89,531**	**89,432**
Non-current assets		
Property, plant and equipment and Right-of-use assets	19,148	19,370
Goodwill and other Intangible assets	13,445	8,700
Non-current investments	9,962	11,708
Unbilled revenue	2,135	1,780
Other non-current assets	7,649	6,824
Total non-current assets	**52,339**	**48,382**
Total assets	**141,870**	**137,814**
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables	3,841	3,956
Unearned revenue	7,209	7,341
Employee benefit obligations	2,872	2,622
Other current liabilities and provisions	26,908	24,875
Total current liabilities	**40,830**	**38,794**
Non-current liabilities		
Lease liabilities	6,336	6,400
Other non-current liabilities	3,874	4,159
Total non-current liabilities	**10,210**	**10,559**
Total liabilities	**51,040**	**49,353**
Total equity attributable to equity holders of the company	**90,463**	**88,116**
Non-controlling interests	367	345
Total equity	**90,830**	**88,461**
Total liabilities and equity	**141,870**	**137,814**

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

(In ₹crore except per equity share data)

	3 months ended September 30, 2024	3 months ended September 30, 2023	6 months ended September 30, 2024	6 months ended September 30, 2023
Revenues	**40,986**	**38,994**	**80,300**	**76,927**
Cost of sales	28,474	27,031	55,651	53,412
Gross profit	**12,512**	**11,963**	**24,649**	**23,515**
Operating expenses:				
Selling and marketing expenses	1,855	1,754	3,792	3,538
Administrative expenses	2,008	1,935	3,920	3,812
Total operating expenses	3,863	3,689	7,712	7,350
Operating profit	**8,649**	**8,274**	**16,937**	**16,165**
Other income, net [3]	604	494	1,337	965
Profit before income taxes	**9,253**	**8,768**	**18,274**	**17,130**
Income tax expense	2,737	2,553	5,384	4,970
Net profit (before minority interest)	**6,516**	**6,215**	**12,890**	**12,160**
Net profit (after minority interest)	6,506	6,212	12,874	12,157
Basic EPS (₹)	**15.71**	**15.01**	**31.09**	**29.38**
Diluted EPS (₹)	15.68	14.99	31.02	29.34

NOTES:

1. *The above information is extracted from the audited condensed consolidated Balance sheet and Statement of Comprehensive Income for the quarter and six months ended September 30, 2024, which have been taken on record at the Board meeting held on October 17, 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. *As the quarter and six months 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 six months ended figures reported in this statement.*

Infosys® Navigate your next

IFRS – USD

Press Release

Strong performance with broad based revenue growth in CC of 3.1% sequentially and 3.3% YoY

FY25 revenue guidance revised to 3.75%-4.50%; Margin guidance retained at 20%-22%

Bengaluru, India – October 17, 2024: Infosys (NSE, BSE, NYSE: INFY), a global leader in next-generation digital services and consulting, delivered broad based growth performance with $4,894 million in Q2 revenues, sequential growth of 3.1% and year on year growth of 3.3% in constant currency. Operating margin for Q2 was at 21.1%. Free cash flow for Q2 was at $839 million, growing 25.2% year on year. TCV of large deal wins was $2.4 billion, 41% being net new.

H1 revenues grew at 2.9% year over year in constant currency. Operating margin for H1 was at 21.1%.

"We had strong growth of 3.1% quarter-on-quarter in constant current in Q2. The growth was broad based with good momentum in financial services. This stems from our strength in industry expertise, market leading capabilities in cloud with Cobalt and generative AI with Topaz, resulting in growing client preference to partner with us", **said Salil Parekh, CEO and MD**. "Our large deals at $2.4 billion in Q2 reflect our differentiated position. I am grateful to our employees for their unwavering commitment to our client as we further strengthen our market leadership" **he added**.

3.1% QoQ **3.3% YoY** CC Growth	**21.1%** Operating Margin	**4.7% YoY** EPS Increase (₹ terms)	**$2.4 Bn** Large Deal TCV	**$839 Mn** Free Cash Flow

Guidance for FY25:

- Revenue growth of 3.75%-4.50% in constant currency
- Operating margin of 20%-22%

Key highlights:

For the quarter ended September 30, 2024

- Revenues in CC terms grew by 3.3% YoY and 3.1% QoQ
- Reported revenues at $4,894 million, growth of 3.7% YoY
- Operating margin at 21.1%, decline of 0.1% YoY and flat QoQ
- Basic EPS at $0.19, growth of 3.4% YoY
- FCF at $839 million, growth of 25.2% YoY; FCF conversion at 107.8% of net profit

For six months ended September 30, 2024

- Revenues in CC terms grew by 2.9% YoY
- Reported revenues at $9,608 million, growth of 2.9% YoY
- Operating margin at 21.1%, growth of 0.1% YoY
- Basic EPS at $0.37, growth of 4.4% YoY
- FCF at $1,933 million, growth of 41.2% YoY; FCF conversion at 125.3% of net profit

"We continue to focus on accelerating revenue growth with a sharp focus on margin performance. Operating margins for the quarter was at 21.1%, driven by continued benefits from value-based pricing and utilization despite higher employee payouts. Our focus on cash generation resulted in another quarter of over 100% Free Cash Flow conversion to net profits" **said Jayesh Sanghrajka, CFO. "**The Board announced an interim dividend of ₹21 per share, 16.7% increase from last year**" he added.**

1. Client wins & Testimonials

- Infosys announced that it has entered into a long-term collaboration with Metro Bank to enhance some of its IT and support functions, while digitally transforming the bank's business operations. **Daniel Frumkin, Metro Bank Chief Executive Officer,** said, "This collaboration with a world class provider like Infosys builds on the solid foundations we have already laid, unleashing our true potential, and creating a sustainably profitable and scalable organization that is fit for the future. At the end of this transformation, we will be a very different business, but the true essence of Metro Bank will remain the same – a high-quality service organization putting customers centre-stage. Metro Bank expects to deliver £80m of annualized cost savings this year across multiple initiatives, as it progresses towards the target of reaching mid-to-high teen Return on Tangible Equity by 2027. Our vision for Metro Bank in 2025 and beyond, places our store network firmly at its heart, as we continue with our plans to open new stores and bring the Metro Bank experience to the north of England."
- Infosys announced a strategic collaboration with Proximus to help unlock new business opportunities. **Antonietta Mastroianni, Chief Digital & IT Officer at Proximus, said:** "We are delighted to strengthen our long-standing collaboration with Infosys. By leveraging Infosys' global reach and our expertise in CPaaS and DI Solutions, the collaboration will drive innovation and deliver superior customer experiences for our joint customers. We are confident that our mutual deep expertise and proven track record will be instrumental in this two-way partnership."
- Infosys announced its collaboration with TDC Net to help them transform from a traditional infrastructure company to a leading customer-centric technology company. **Campbell Fraser, CTIO, TDC Net** said, "At TDC Net, we are committed to delivering exceptional value to our customers through a transformation in our IT landscape. Our collaboration with Infosys will enable us to leverage industry-standard processes and platform to create better customer experiences. Infosys' deep expertise in the telecommunications domain, coupled with their proven capabilities in driving end-to-end transformations, gives us confidence in achieving our goals. This collaboration represents a significant milestone in our journey towards becoming a fully digital and customer-centric technology company."
- Infosys announced the extension of its existing collaboration with Posti to help it enhance customer experience and operational efficiency while continuing to innovate, scale, and grow its IT operations. **Petteri Naulapää, CIO & SVP, ICT and Digitalization, Posti Group,** said, "We are pleased to announce the renewal of our collaboration with Infosys for another seven years. By harnessing the power of AI through Infosys Topaz and cloud capabilities through Infosys Cobalt, we aim to create a more efficient and customer centric organization. The collaboration with Infosys will accelerate our digital transformation journey and help us deliver exceptional services, optimize our operations, and strengthen our position as a leading delivery and logistics provider."
- Infosys announced a strategic collaboration with Sally Beauty Holdings, Inc. (SBH) to drive enterprise-scale IT transformation and implement best practices in IT operations to bring efficiencies through the optimization of IT service delivery. **Scott Lindblom, CIO, Sally Beauty,** said "We are excited to be collaborating with Infosys as we take SBH into the future by modernizing our IT service delivery and meeting the goals set by our "Fuel for Growth" initiative. Embracing AI-amplified IT is a significant step forward for us in enabling us to, in turn, deliver exceptional experiences for our customers."
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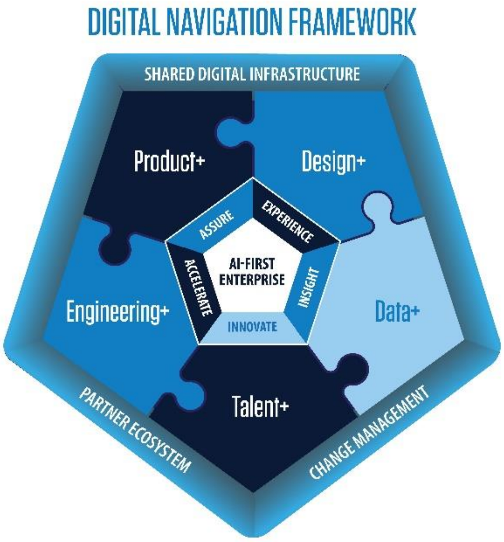
About Infosys



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

	September 30, 2024	March 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	2,601	1,773
Current investments	887	1,548
Trade receivables	3,820	3,620
Unbilled revenue	1,559	1,531
Other current assets	1,817	2,250
Total current assets	**10,684**	**10,722**
Non-current assets		
Property, plant and equipment and Right-of-use assets	2,284	2,323
Goodwill and other Intangible assets	1,604	1,042
Non-current investments	1,189	1,404
Unbilled revenue	255	213
Other non-current assets	912	819
Total non-current assets	**6,244**	**5,801**
Total assets	**16,928**	**16,523**
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables	458	474
Unearned revenue	860	880
Employee benefit obligations	343	314
Other current liabilities and provisions	3,210	2,983
Total current liabilities	**4,871**	**4,651**
Non-current liabilities		
Lease liabilities	756	767
Other non-current liabilities	463	500
Total non-current liabilities	**1,219**	**1,267**
Total liabilities	**6,090**	**5,918**
Total equity attributable to equity holders of the company	**10,789**	**10,559**
Non-controlling interests	49	46
Total equity	**10,838**	**10,605**
Total liabilities and equity	**16,928**	**16,523**

Extracted from the Condensed Consolidated statement of Comprehensive Income under IFRS for:
(Dollars in millions except per equity share data)

	3 months ended September 30, 2024	3 months ended September 30, 2023	6 months ended September 30, 2024	6 months ended September 30, 2023
Revenues	**4,894**	**4,718**	**9,608**	**9,334**
Cost of sales	3,400	3,271	6,659	6,481
Gross profit	**1,494**	**1,447**	**2,949**	**2,853**
Operating expenses:				
Selling and marketing expenses	221	213	454	429
Administrative expenses	240	234	469	463
Total operating expenses	461	447	923	892
Operating profit	**1,033**	**1,000**	**2,026**	**1,961**
p	72	60	160	117
Profit before income taxes	**1,105**	**1,060**	**2,186**	**2,078**
Income tax expense	327	309	644	603
Net profit (before minority interest)	**778**	**751**	**1,542**	**1,475**
Net profit (after minority interest)	777	751	1,540	1,475
Basic EPS ($)	**0.19**	**0.18**	**0.37**	**0.36**
Diluted EPS ($)	0.19	0.18	0.37	0.36

NOTES:

1. *The above information is extracted from the audited condensed consolidated Balance sheet and Statement of Comprehensive Income for the quarter and six months ended September 30, 2024, which have been taken on record at the Board meeting held on October 17, 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. *As the quarter and six months 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 six months ended figures reported in this statement.*

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 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 September 30, 2024, the Condensed Consolidated Statement of Comprehensive Income for the three months and six months ended on that date, the Condensed Consolidated Statement of Changes in Equity and the Condensed Consolidated Statement of Cash Flows for the six months 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 September 30, 2024, its consolidated profit and its consolidated total comprehensive income for the three months and six months ended on that date, its consolidated changes in equity and its consolidated cash flows for the six months 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") 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.

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 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 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 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)

Vikas Bagaria
Partner
(Membership No.060408)
UDIN:

Place: Bengaluru
Date: October 17, 2024

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Financial Statements under International Financial Reporting Standards (IFRS) in US Dollars for the three months and six months ended September 30, 2024

Index	**Page No.**

Infosys Limited and subsidiaries

(Dollars in millions except equity share data)

Condensed Consolidated Balance Sheet as at	Note	September 30, 2024	March 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	2.1	2,601	1,773
Current investments	2.2	887	1,548
Trade receivables		3,820	3,620
Unbilled revenue	2.17	1,559	1,531
Prepayments and other current assets	2.4	1,520	1,473
Income tax assets	2.12	289	767
Derivative financial instruments	2.3	8	10
Total current assets		**10,684**	**10,722**
Non-current assets			
Property, plant and equipment	2.7	1,486	1,537
Right-of-use assets	2.8	798	786
Goodwill	2.9	1,216	875
Intangible assets		388	167
Non-current investments	2.2	1,189	1,404
Unbilled revenue	2.17	255	213
Deferred income tax assets	2.12	66	55
Income tax assets	2.12	461	365
Other non-current assets	2.4	385	399
Total Non-current assets		**6,244**	**5,801**
Total assets		**16,928**	**16,523**
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		458	474
Lease liabilities	2.8	295	235
Derivative financial instruments	2.3	19	4
Current income tax liabilities	2.12	524	430
Unearned revenue		860	880
Employee benefit obligations		343	314
Provisions	2.6	171	215
Other current liabilities	2.5	2,201	2,099
Total current liabilities		**4,871**	**4,651**
Non-current liabilities			
Lease liabilities	2.8	756	767
Deferred income tax liabilities	2.12	201	216
Employee benefit obligations		13	11
Other non-current liabilities	2.5	249	273
Total Non-current liabilities		**1,219**	**1,267**
Total liabilities		**6,090**	**5,918**
Equity			
Share capital - ₹5 ($0.16) par value 4,800,000,000 (4,800,000,000) equity shares authorized, issued and outstanding 4,141,909,556 (4,139,950,635) equity shares fully paid up, net of 10,237,261 (10,916,829) treasury shares as at September 30, 2024 (March 31, 2024)	2.18	325	325
Share premium		473	425
Retained earnings		13,095	12,557
Cash flow hedge reserves		(2)	1
Other reserves		1,237	1,623
Capital redemption reserve		24	24
Other components of equity		(4,363)	(4,396)
Total equity attributable to equity holders of the Company		**10,789**	**10,559**
Non-controlling interests		49	46
Total equity		**10,838**	**10,605**
Total liabilities and equity		**16,928**	**16,523**

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
October 17, 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		Six months ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Revenues	2.16	**4,894**	**4,718**	**9,608**	**9,334**
Cost of sales	2.19	3,400	3,271	6,659	6,481
Gross profit		**1,494**	**1,447**	**2,949**	**2,853**
Operating expenses					
Selling and marketing expenses	2.19	221	213	454	429
Administrative expenses	2.19	240	234	469	463
Total operating expenses		**461**	**447**	**923**	**892**
Operating profit		**1,033**	**1,000**	**2,026**	**1,961**
Other income, net	2.19	85	77	186	145
Finance cost		13	17	26	28
Profit before income taxes		**1,105**	**1,060**	**2,186**	**2,078**
Income tax expense	2.12	327	309	644	603
Net profit		**778**	**751**	**1,542**	**1,475**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		10	(8)	12	3
Equity instruments through other comprehensive income, net		(1)	5	1	5
		9	(3)	13	8
Items that will be reclassified subsequently to profit or loss					
Fair value changes on investments, net		10	(3)	15	6
Fair value changes on derivatives designated as cash flow hedge, net		(3)	3	(3)	4
Exchange differences on translation of foreign operations		17	(113)	6	(97)
		24	(113)	18	(87)
Total other comprehensive income/(loss), net of tax		**33**	**(116)**	**31**	**(79)**
Total comprehensive income		**811**	**635**	**1,573**	**1,396**
Profit attributable to					
Owners of the Company		777	751	1,540	1,475
Non-controlling interests		1	-	2	-
		778	**751**	**1,542**	**1,475**
Total comprehensive income attributable to:					
Owners of the Company		809	635	1,570	1,397
Non-controlling interests		2	-	3	(1)
		811	**635**	**1,573**	**1,396**
Earnings per equity share					
Basic ($)		0.19	0.18	0.37	0.36
Diluted ($)		0.19	0.18	0.37	0.36
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.13	4,141,806,535	4,138,636,582	4,141,043,772	4,137,939,496
Diluted (in shares)	2.13	4,150,537,764	4,142,819,712	4,150,210,087	4,142,711,523

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
October 17, 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, 2023	**4,136,387,925**	**325**	**366**	**11,401**	**1,370**	**24**	**-**	**(4,314)**	**9,172**	**52**	**9,224**
Changes in equity for the six months ended September 30, 2023											
Net profit	-	-	-	1,475	-	-	-	-	1,475	-	1,475
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	3	3	-	3
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	5	5	-	5
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	4	-	4	-	4
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(96)	(96)	(1)	(97)
Fair value changes on investments, net*	-	-	-	-	-	-	-	6	6	-	6
Total comprehensive income for the period	**-**	**-**	**-**	**1,475**	**-**	**-**	**4**	**(82)**	**1,397**	**(1)**	**1,396**
Shares issued on exercise of employee stock options (Refer to note 2.11)	2,437,333	-	-	-	-	-	-	-	-	-	-
Employee stock compensation expense (Refer to note 2.11)	-	-	33	-	-	-	-	-	33	-	33
Transfer on account of options not exercised	-	-	(1)	1	-	-	-	-	-	-	-
Transferred to other reserves	-	-	-	(184)	184	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	39	(39)	-	-	-	-	-	-
Dividends[#]	-	-	-	(882)	-	-	-	-	(882)	-	(882)
Balance as at September 30, 2023	**4,138,825,258**	**325**	**398**	**11,850**	**1,515**	**24**	**4**	**(4,396)**	**9,720**	**51**	**9,771**

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, 2024	**4,139,950,635**	**325**	**425**	**12,557**	**1,623**	**24**	**1**	**(4,396)**	**10,559**	**46**	**10,605**
Changes in equity for the six months ended September 30, 2024											
Net profit	-	-	-	1,540	-	-	-	-	1,540	2	1,542
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	12	12	-	12
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	1	1	-	1
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	(3)	-	(3)	-	(3)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	5	5	1	6
Fair value changes on investments, net*	-	-	-	-	-	-	-	15	15	-	15
Total comprehensive income for the period	**-**	**-**	**-**	**1,540**	**-**	**-**	**(3)**	**33**	**1,570**	**3**	**1,573**
Shares issued on exercise of employee stock options (Refer to note 2.11)	1,958,921	-	-	-	-	-	-	-	-	-	-
Employee stock compensation expense (Refer to note 2.11)	-	-	49	-	-	-	-	-	49	-	49
Transferred on account of options not exercised	-	-	(1)	1	-	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	28	(28)	-	-	-	-	-	-
Transferred from other reserves to retained earnings	-	-	-	358	(358)	-	-	-	-	-	-
Dividends[#]	-	-	-	(1,389)	-	-	-	-	(1,389)	-	(1,389)
Balance as at September 30, 2024	**4,141,909,556**	**325**	**473**	**13,095**	**1,237**	**24**	**(2)**	**(4,363)**	**10,789**	**49**	**10,838**

** net of tax*

 # net of treasury shares

[(1)] *excludes treasury shares of 10,237,261 as at September 30, 2024, 10,916,829 as at April 1, 2024, 11,558,862 as at September 30, 2023 and 12,172,119 as at April 1, 2023 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 and on behalf of the Board of Directors of Infosys Limited

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
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Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
October 17, 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	Six months ended	
		September 30, 2024	September 30, 2023
Operating activities			
Net Profit		1,542	1,475
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization		276	284
Interest and dividend income		(73)	(64)
Finance cost		26	28
Income tax expense	2.12	644	603
Exchange differences on translation of assets and liabilities, net		(35)	-
Impairment loss recognized/(reversed) under expected credit loss model		11	25
Stock compensation expense		50	34
Provision for post sale client support		3	20
Other adjustments		105	91
Changes in working capital			
Trade receivables and unbilled revenue		(327)	(213)
Prepayments and other assets		(25)	(33)
Trade payables		(18)	(80)
Unearned revenue		(16)	(18)
Other liabilities and provisions		146	(75)
Cash generated from operations		**2,309**	**2,077**
Income taxes paid		(259)	(550)
Net cash generated by operating activities		**2,050**	**1,527**
Investing activities			
Expenditure on property, plant and equipment and intangibles		(117)	(158)
Deposits placed with Corporation		(69)	(77)
Redemption of deposits placed with Corporation		43	53
Interest and dividend received		65	59
Payment for acquisition of business, net of cash acquired	2.10	(377)	-
Payment of contingent consideration pertaining to acquisition of business		-	(7)
Payments to acquire Investments			
Liquid mutual funds units		(4,010)	(4,007)
Certificates of deposit		(225)	(264)
Quoted debt securities		(126)	(13)
Commercial paper		(266)	(352)
Other investments		(2)	(1)
Proceeds on sale of investments			
Quoted debt securities		148	142
Certificates of deposit		475	596
Commercial paper		854	152
Liquid mutual funds units		4,069	3,796
Other receipts		-	16
Net cash used in investing activities		**462**	**(65)**
Financing activities			
Payment of lease liabilities		(142)	(112)
Payment of dividends		(1,386)	(883)
Loan repayment of in-tech Holding GmbH *(Refer to note 2.10)*		(118)	-
Other payments		(32)	(40)
Other receipts		-	3
Net cash used in financing activities		**(1,678)**	**(1,032)**
Net increase/(decrease) in cash and cash equivalents		834	430
Effect of exchange rate changes on cash and cash equivalents		(6)	(19)
Cash and cash equivalents at the beginning of the period	2.1	1,773	1,481
Cash and cash equivalents at the end of the period	2.1	**2,601**	**1,892**
Supplementary information:			
Restricted cash balance	2.1	49	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
Chartered Accountants
Firm's Registration No:
117366W/ W-100018

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

Vikas Bagaria
Partner
Membership No. 060408

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Chairman

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Chief Executive and Managing Director

Bobby Parikh
Director

Bengaluru
October 17, 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 October 17, 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, 2024. 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 interim 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 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 us to fair value identifiable intangible assets and contingent consideration to ascertain the net 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 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 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Amendments to the Classification and Measurement of Financial Instruments

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.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

On May 30, 2024, IASB has issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, which clarifies the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, derecognition of financial liability settled through electronic payment systems and also introduces additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

The effective date for adoption of this amendment is annual reporting periods beginning on or after January 1, 2026, 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	
	September 30, 2024	March 31, 2024
Cash and bank deposits	2,601	1,773
Total Cash and cash equivalents	**2,601**	**1,773**

Cash and cash equivalents as at September 30, 2024 and March 31, 2024 include restricted cash and bank balances of $49 million and $42 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	
	September 30, 2024	March 31, 2024
(i) Current Investments		
Amortized Cost		
Quoted debt securities	14	-
Fair Value through other comprehensive income		
Quoted Debt Securities	476	291
Certificates of deposits	125	365
Commercial Paper	-	579
Fair Value through profit or loss		
Liquid mutual fund units	272	313
Total current investments	**887**	**1,548**
(ii) Non-current Investments		
Amortized Cost		
Quoted debt securities	196	211
Fair Value through other comprehensive income		
Quoted debt securities	889	1,093
Quoted equity securities	14	14
Unquoted equity and preference securities	11	11
Fair Value through profit or loss		
Target maturity fund units	53	51
Others[(1)]	26	24
Total Non-current investments	**1,189**	**1,404**
Total investments	**2,076**	**2,952**
Investments carried at amortized cost	210	211
Investments carried at fair value through other comprehensive income	1,515	2,353
Investments carried at fair value through profit or loss	351	388

[(1)] *Uncalled capital commitments outstanding as on September 30, 2024 and March 31, 2024 was $13 million and $9 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	
		September 30, 2024	March 31, 2024
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	272	313
Target maturity fund units - carried at fair value through profit or loss	Quoted price	53	51
Quoted debt securities- carried at amortized cost	Quoted price and market observable inputs	230	236
Quoted debt securities- carried at fair value through other comprehensive income	Quoted price and market observable inputs	1,365	1,384
Commercial Paper - carried at fair value through other comprehensive income	Market observable inputs	-	579
Certificates of Deposit - carried at fair value through other comprehensive income	Market observable inputs	125	365
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	11	11
Quoted equity securities - carried at fair value through other comprehensive income	Quoted price	14	14
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	26	24
Total		**2,096**	**2,977**

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 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 September 30, 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)	2,601	-	-	-	-	2,601	2,601
Investments (Refer to note 2.2)							
Liquid mutual fund units	-	-	272	-	-	272	272
Target maturity fund units	-	-	53	-	-	53	53
Quoted debt securities	210	-	-	-	1,365	1,575	1,595 [1]
Certificates of deposit	-	-	-	-	125	125	125
Quoted equity securities	-	-	-	14	-	14	14
Unquoted equity and preference securities	-	-	-	11	-	11	11
Unquoted investment others	-	-	26	-	-	26	26
Trade receivables	3,820	-	-	-	-	3,820	3,820
Unbilled revenues (Refer to note 2.17)[3]	1,192	-	-	-	-	1,192	1,192
Prepayments and other assets (Refer to note 2.4)	760	-	-	-	-	760	753 [2]
Derivative financial instruments	-	-	6	-	2	8	8
Total	**8,583**	**-**	**357**	**25**	**1,492**	**10,457**	**10,470**
Liabilities:							
Trade payables	458	-	-	-	-	458	458
Lease liabilities (Refer to note 2.8)	1,051	-	-	-	-	1,051	1,051
Derivative financial instruments	-	-	16	-	3	19	19
Financial liability under option arrangements (Refer to note 2.5)	-	-	75	-	-	75	75
Other liabilities including contingent consideration (Refer to note 2.5)	1,934	-	3	-	-	1,937	1,937
Total	**3,443**	**-**	**94**	**-**	**3**	**3,540**	**3,540**

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

[2] *Excludes interest accrued on quoted debt securities carried at amortized cost of $7 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, 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 investments 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*

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 September 30, 2024 is as follows:

(Dollars in millions)

Particulars	**As at September 30, 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	272	272	-	-
Investments in target maturity fund units	53	53	-	-
Investments in quoted debt securities	1,595	1,470	125	-
Investments in certificates of deposit	125	-	125	-
Investments in unquoted equity and preference securities	11	-	-	11
Investments in quoted equity securities	14	14	-	-
Investments in unquoted investments others	26	-	-	26
Others				
Derivative financial instruments- gain on outstanding foreign exchange forward and option contracts	8	-	8	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts	19	-	19	-
Financial liability under option arrangements (Refer to note 2.5)(1)	75	-	-	75
Liability towards contingent consideration (Refer to note 2.5)(2)	3	-	-	3

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

(2) *Discount rate - 6%*

During the six months ended September 30, 2024, quoted debt securities of $34 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 $121 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, 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 unquoted equity and preference securities	11	-	-	11
Investments in certificates of deposit	365	-	365	-
Investments in commercial paper	579	-	579	-
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 (Refer to note 2.5)(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.

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 September 30, 2024	As at March 31, 2024
Current		
Security deposits[1]	10	9
Loans to employees[1]	30	30
Prepaid expenses[2]	375	399
Interest accrued and not due[1]	57	64
Withholding taxes and others[2]	450	424
Advance payments to vendors for supply of goods[2]	20	43
Deposit with corporations[1][3]	327	304
Deferred contract cost		
Cost of obtaining a contract[2]	32	24
Cost of fulfillment[2]	54	43
Other non financial assets [2]	18	21
Other financial assets[1][4]	147	112
Total Current prepayment and other assets	**1,520**	**1,473**
Non-current		
Security deposits[1]	32	31
Loans to employees[1]	3	4
Prepaid expenses[2]	28	41
Deposit with corporations[1][3]	8	6
Defined benefit plan assets[2]	4	4
Deferred contract cost		
Cost of obtaining a contract [2]	28	16
Cost of fulfillment[2]	73	82
Withholding taxes and others[2]	63	81
Other financial assets[1][4]	146	134
Total Non- current prepayment and other assets	**385**	**399**
Total prepayment and other assets	**1,905**	**1,872**
[1] Financial assets carried at amortized cost	760	694

[2] Non financial assets

[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] Primarily includes net investment in lease arising on assets that are leased to customers for a contract term normally ranging between 3 to 4 years, with lease payments generally due in monthly installments.

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

2.5 Other liabilities

Other liabilities comprise the following:

(Dollars in millions)

Particulars	As at	
	September 30, 2024	March 31, 2024
Current		
Accrued compensation to employees[1]	583	534
Accrued expenses[1]	1007	986
Accrued defined benefit liability[3]	1	1
Withholding taxes and others[3]	415	382
Liabilities of controlled trusts[1]	25	25
Liability towards contingent consideration[2]	1	-
Capital Creditors[1]	23	37
Financial liability under option arrangements[2][4]	62	60
Other non-financial liabilities[3]	1	1
Other financial liabilities[1][5]	83	73
Total current other liabilities	**2,201**	**2,099**
Non-current		
Accrued compensation to employees[1]	2	1
Accrued expenses[1]	208	213
Accrued defined benefit liability [3]	12	19
Liability towards contingent consideration[2]	2	-
Financial liability under option arrangements[2][4]	13	12
Other non-financial liabilities[3]	9	10
Other financial liabilities[1][5]	3	18
Total non-current other liabilities	**249**	**273**
Total other liabilities	**2,450**	**2,372**
[1] Financial liability carried at amortized cost	1,934	1,887
[2] Financial liability carried at fair value through profit or loss	78	72

[3] Non financial liabilities

[4] Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries.

[5] The Group entered into financing arrangements with a third party towards technology assets taken over by the Group from a customer as a part of transformation project which was not considered as distinct goods or services as the control related to those assets was not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. As at September 30, 2024 and March 31, 2024, the financial liability pertaining to such arrangements amounts to $20 million and $45 million, respectively.

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	
	September 30, 2024	**March 31, 2024**
Post sales client support and other provisions	171	215
Total provisions	**171**	**215**

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 September 30, 2024 and March 31, 2024, claims against the Group, not acknowledged as debts, (excluding demands from income tax authorities- Refer to Note 2.12) amounted to $98 million (₹818 crore) and $95 million (₹789 crore), respectively.

2.6.2 McCamish Cybersecurity incident

In November 2023, certain systems of Infosys McCamish Systems LLC (“McCamish”), a subsidiary of Infosys BPM Limited (a wholly owned subsidiary of Infosys Limited), were encrypted by ransomware, resulting in the nonavailability 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.

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 processes personal data on behalf of its corporate customers. McCamish may incur additional costs including from indemnities or damages/claims, which are indeterminable at this time. See the section titled “Legal proceedings” below for information on certain legal proceedings related to the McCamish cybersecurity incident.

2.6.3 Legal proceedings

From March 6, 2024 through July 25, 2024, six complaints were filed in the U.S. District Court for the Northern District of Georgia against McCamish. The complaints arise out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. Five of the complaints were purportedly filed on behalf of individuals whose personally identifiable information was exposed to unauthorized third parties as a result of the incident. The sixth complaint was filed by an individual proceeding on their own behalf. As of August 7, 2024, all six actions have been consolidated into the first-filed action.

Apart from claims arising from the McCamish cybersecurity incident and the foregoing actions, 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 September 30, 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 July 1, 2024	**171**	**1,408**	**639**	**1,034**	**401**	**6**	**3,659**
Additions	-	2	10	20	8	-	40
Additions - Business Combination (Refer to Note 2.10)	-	-	1	1	3	-	5
Deletions**	-	-	(4)	(13)	(4)	-	(21)
Translation difference	-	(2)	(2)	(2)	1	-	(5)
Gross carrying value as at September 30, 2024	**171**	**1,408**	**644**	**1,040**	**409**	**6**	**3,678**
Accumulated depreciation as at July 1, 2024	**-**	**(602)**	**(507)**	**(785)**	**(325)**	**(5)**	**(2,224)**
Depreciation	-	(14)	(12)	(37)	(10)	-	(73)
Accumulated depreciation on deletions**	-	-	4	12	4	-	20
Translation difference	-	1	2	2	-	-	5
Accumulated depreciation as at September 30, 2024	**-**	**(615)**	**(513)**	**(808)**	**(331)**	**(5)**	**(2,272)**
Capital work-in progress as at July 1, 2024							69
Carrying value as at July 1, 2024	**171**	**806**	**132**	**249**	**76**	**1**	**1,504**
Capital work-in progress as at September 30, 2024							80
Carrying value as at September 30, 2024	**171**	**793**	**131**	**232**	**78**	**1**	**1,486**

The changes in the carrying value of property, plant and equipment for the three months ended September 30, 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 July 1, 2023	**174**	**1,403**	**627**	**1,033**	**411**	**5**	**3,653**
Additions	-	-	7	19	8	-	34
Deletions*	-	-	(2)	(16)	(2)	-	(20)
Translation difference	(2)	(15)	(9)	(13)	(6)	1	(44)
Gross carrying value as at September 30, 2023	**172**	**1,388**	**623**	**1,023**	**411**	**6**	**3,623**
Accumulated depreciation as at July 1, 2023	**-**	**(564)**	**(477)**	**(722)**	**(308)**	**(5)**	**(2,076)**
Depreciation	-	(14)	(15)	(42)	(12)	-	(83)
Accumulated depreciation on deletions*	-	-	2	16	2	-	20
Translation difference	-	6	7	9	4	-	26
Accumulated depreciation as at September 30, 2023	**-**	**(572)**	**(483)**	**(739)**	**(314)**	**(5)**	**(2,113)**
Capital work-in progress as at July 1, 2023							61
Carrying value as at July 1, 2023	**174**	**839**	**150**	**311**	**103**	**0**	**1,638**
Capital work-in progress as at September 30, 2023							77
Carrying value as at September 30, 2023	**172**	**816**	**140**	**284**	**97**	**1**	**1,587**

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2024	**171**	**1,411**	**637**	**1,032**	**406**	**6**	3,663
Additions	-	4	15	42	11	-	72
Additions - Business Combination (Refer to Note 2.10)	-	-	1	1	3	-	5
Deletions**	-	(5)	(7)	(32)	(11)	-	(55)
Translation difference	-	(2)	(2)	(3)	-	-	(7)
Gross carrying value as at September 30, 2024	**171**	**1,408**	**644**	**1,040**	**409**	**6**	**3,678**
Accumulated depreciation as at April 1, 2024	**-**	**(590)**	**(498)**	**(765)**	**(322)**	**(5)**	**(2,180)**
Depreciation	-	(27)	(24)	(77)	(20)	-	(148)
Accumulated depreciation on deletions**	-	1	7	31	11	-	50
Translation difference	-	1	2	3	-	-	6
Accumulated depreciation as at September 30, 2024	**-**	**(615)**	**(513)**	**(808)**	**(331)**	**(5)**	**(2,272)**
Capital work-in progress as at April 1, 2024							54
Carrying value as at April 1, 2024	**171**	**821**	**139**	**267**	**84**	**1**	**1,537**
Capital work-in progress as at September 30, 2024							80
Carrying value as at September 30, 2024	**171**	**793**	**131**	**232**	**78**	**1**	**1,486**

** During the three months and six months ended September 30, 2024, certain assets which were not in use having gross book value of $12 million (net book value: Nil) and $ 27 million (net book value: Nil) respectively, were retired.

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2023	**174**	**1,407**	**625**	**1,037**	**409**	**6**	**3,658**
Additions	-	1	14	46	13	-	74
Deletions*	-	-	(8)	(48)	(6)	-	(62)
Translation difference	(2)	(20)	(8)	(12)	(5)	-	(47)
Gross carrying value as at September 30, 2023	**172**	**1,388**	**623**	**1,023**	**411**	**6**	**3,623**
Accumulated depreciation as at April 1, 2023	**-**	**(552)**	**(468)**	**(709)**	**(300)**	**(5)**	**(2,034)**
Depreciation	-	(27)	(29)	(86)	(24)	-	(166)
Accumulated depreciation on deletions*	-	-	8	48	5	-	61
Translation difference	-	7	6	8	5	-	26
Accumulated depreciation as at September 30, 2023	**-**	**(572)**	**(483)**	**(739)**	**(314)**	**(5)**	**(2,113)**
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 September 30, 2023							77
Carrying value as at September 30, 2023	**172**	**816**	**140**	**284**	**97**	**1**	**1,587**

*During the three months and six months ended September 30, 2023, certain assets which were not in use having gross book value of $16 million (net book value: Nil) and $55 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 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 has filed an appeal against this order before Income Tax Appellate Tribunal.

The Group had contractual commitments for capital expenditure primarily comprising of commitments for infrastructure facilities and computer equipments aggregating to $110 million and $94 million as at September 30, 2024 and March 31, 2024, 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 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 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 September 30, 2024

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of July 1, 2024	**72**	**406**	**2**	**301**	**781**
Additions*	-	13	1	47	61
Addition due to Business Combination *(Refer to Note 2.10)*	-	19	1	-	20
Deletions	-	(4)	(1)	(20)	(25)
Depreciation	-	(20)	(1)	(26)	(47)
Translation difference	-	1	1	6	8
Balance as of September 30, 2024	**72**	**415**	**3**	**308**	**798**

* *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 September 30, 2023

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of July 1, 2023	**75**	**481**	**2**	**301**	**859**
Additions*	-	8	1	50	59
Deletions	-	(4)	-	(21)	(25)
Depreciation	-	(22)	(1)	(24)	(47)
Translation difference	(1)	(4)	-	(4)	(9)
Balance as of September 30, 2023	**74**	**459**	**2**	**302**	**837**

* *Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2024

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2024	**72**	**396**	**2**	**316**	**786**
Additions*	-	46	1	81	128
Addition due to Business Combination *(Refer to Note 2.10)*	-	19	1	-	20
Deletions	-	(4)	(1)	(38)	(43)
Depreciation	-	(42)	(1)	(56)	(99)
Translation difference	-	-	1	5	6
Balance as of September 30, 2024	**72**	**415**	**3**	**308**	**798**

* *Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2023

(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*	-	38	1	118	157
Deletions	-	(5)	-	(49)	(54)
Depreciation	-	(44)	(1)	(48)	(93)
Translation difference	(2)	(4)	-	(4)	(10)
Balance as of September 30, 2023	**74**	**459**	**2**	**302**	**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 September 30, 2024 and March 31, 2024

(Dollars in millions)

Particulars	As at	
	September 30, 2024	March 31, 2024
Current lease liabilities	295	235
Non-current lease liabilities	756	767
Total	**1,051**	**1,002**

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	
	September 30, 2024	**March 31, 2024**
Carrying value at the beginning	**875**	**882**
Goodwill on acquisitions *(Refer to note 2.10)*	309	-
Translation differences	32	(7)
Carrying value at the end	**1,216**	**875**

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.

2.9.2 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 interim condensed 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.

Acquisition

InSemi

On May 10, 2024, Infosys Ltd acquired 100% voting interests in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India. This acquisition is expected to strengthen our expertise in semiconductor ecosystem and Engineering R&D services.

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

(Dollars in million)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets[(1)]	5	-	5
Intangible assets:			
Customer contracts and relationships[#]	-	7	7
Brand[#]	-	2	2
Deferred tax liabilities on intangible assets	-	(2)	(2)
Total			**12**
Goodwill			12
Total purchase price			**24**

[(1)] Includes cash and cash equivalents acquired of $5 million.

[#] The estimated useful life is around 1 year to 5 years

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.

The purchase consideration of $24 million includes cash of $20 million and contingent consideration with an estimated fair value of $4 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 5.9%. The undiscounted value of contingent consideration as of September 30, 2024 was $3 million.

Additionally, this acquisition has retention bonus and management incentive payable to the employees of the acquiree over three years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Bonus and incentives are recognized in employee benefit expenses in the Consolidated Statement of Comprehensive Income over the period of service.

Fair value of trade receivables acquired is $4 million as of acquisition date and as of September 30, 2024 the amounts are substantially 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 less than a million related to the acquisition have been included under administrative expenses in the Consolidated Statement of Comprehensive Income for the three months ended June 30, 2024.

in-tech Holding GmbH

On July 17, 2024, Infosys Germany GmbH wholly owned step down subsidiary of Infosys Limited acquired 100% voting interests in in-tech Holding GmbH, a leading provider of engineering R&D services headquartered in Germany. This acquisition is expected to strengthen Infosys' engineering R&D capabilities and reaffirms its continued commitment to global clients to navigate their digital engineering journey.

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

(Dollars in million)

Component	**Acquiree's carrying amount**	**Fair value adjustments**	**Purchase price allocated**
Assets[(1)]	87	-	87
Liabilities	(43)	-	(43)
Intangible assets:			
Customer contracts and relationships[#]	-	205	205
Brand[#]	-	18	18
Deferred tax liabilities on intangible assets	-	(61)	(61)
Goodwill			297
Loan	(118)	-	(118)
Total purchase price			**385**
Loan repayment			118
Total cash outflow			**503**

[(1)] *Includes cash and cash equivalents acquired of $23 million.*

[#] *The estimated useful life is around 3 year to 10 years*

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.

The total purchase consideration of $385 million comprises the cash consideration paid to selling shareholders at the acquisition date.

Additionally, this acquisition has retention bonus and management incentive payable to the employees of the acquiree over two to five years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Bonus and incentives are recognized in employee benefit expenses in the Statement of Profit and loss over the period of service.

Fair value of trade receivables acquired is $17 million as of acquisition date and as of September 30, 2024 the amounts are majorly 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 Consolidated Statement of Comprehensive Income for the quarter ended September 30, 2024.

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 interim condensed 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 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 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 10,237,261 and 10,916,829 shares as at September 30, 2024 and March 31, 2024, 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 September 30, 2024 and March 31, 2024.

The following is the summary of grants during three months and six months ended September 30, 2024 and September 30, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended September 30,		Six months ended September 30,		Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity settled RSUs								
Key Management Personnel (KMP)	-	-	70,699	78,281	-	-	295,168	333,596
Employees other than KMP	-	-	6,848	-	32,850	23,780	129,340	28,280
Total Grants	**-**	**-**	**77,547**	**78,281**	**32,850**	**23,780**	**424,508**	**361,876**

Notes on grants to KMP:

CEO & MD

Under the 2015 plan:

The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2025. In accordance with such approval the following grants were made effective May 2, 2024.

- 245,679 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.

- 14,140 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.

- 35,349 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.

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 September 30, 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 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2025 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 70,699 performance based RSU’s were granted effective May 2, 2024.

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

(Dollars in millions)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Granted to:				
KMP	2	2	4	4
Employees other than KMP	23	14	46	30
Total [(1)]	**25**	**16**	**50**	**34**
[(1)] *Cash settled stock compensation expense included in the above*	1	1	1	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 2025-Equity Shares-RSU	**Fiscal 2025-ADS-RSU**	**Fiscal 2024-Equity Shares-RSU**	**Fiscal 2024-ADS-RSU**
Weighted average share price (₹) / ($ ADS)	1,428	18.09	1,588	19.19
Exercise price (₹)/ ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	21-26	23-28	23-31	25-33
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	7	4-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,311	16.59	1,317	16.27

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. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. 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 interim condensed consolidated statement of comprehensive income comprises:

(Dollars in million)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Current taxes				
Domestic taxes	279	213	555	421
Foreign taxes	97	88	180	161
	376	**301**	**735**	**582**
Deferred taxes				
Domestic taxes	(31)	22	(59)	45
Foreign taxes	(18)	(14)	(32)	(24)
	(49)	**8**	**(91)**	**21**
Income tax expense	**327**	**309**	**644**	**603**

Income tax expense for the three months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversals) of $10 million and reversals (net of provisions) of $7 million. Income tax expense for the six months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversals) of $17 million and reversals (net of provisions) of of $9 million. These provisions and 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.

Deferred income tax for the three months and six months ended September 30, 2024 and September 30, 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 September 30, 2024, claims against the Group not acknowledged as debts from the Income tax authorities amounted to $343 million (₹2,877 crore). 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).

Amount paid to statutory authorities against the tax claims amounted to $627 million (₹5,254 crore) and $1,048 million (₹8,743 crore) as at September 30, 2024 and March 31, 2024 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 2024 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 six months ended September 30, 2024, the following are the changes in the subsidiaries:

- Danske IT and Support Services India Private Limited renamed as IDUNN Information Technology Private Limited
- On May 10, 2024 Infosys Ltd. acquired 100% of voting interests in InSemi Technology Services Private Limited along with its subsidiary Elbrus Labs Private Limited
- Infosys Services (Thailand) Limited, a Wholly-owned subsidiary of Infosys Limited was incorporated on July 26, 2024.
- Infy tech SAS, a Wholly-owned subsidiary of Infosys Singapore Pte Limited was incorporated on July 03, 2024.
- On July 17, 2024, Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in in-tech Holding GmbH along with its subsidiary in-tech GmbH along with its six subsidiaries in-tech Automotive Engineering SL, ProIT, in-tech Automotive Engineering de R.L. de C.V, drivetech Fahrversuch GmbH, Friedrich Wagner Holding Inc along with its two subsidiaries (in-tech Automotive Engineering LLC and in-tech Services LLC) and Friedrich & Wagner Asia Pacific GmbH along with its five subsidiaries in-tech engineering s.r.o, in-tech engineering GmbH, in-tech engineering services S.R.L, in-tech Group Ltd along with its subsidiary (in-tech Group India Private Limited) and In-tech Automotive Engineering Shenyang Co., Ltd along with its subsidiary (In-tech Automotive Engineering Bejing Co., Ltd)

Change in key management personnel

The following are the changes in the key management personnel:

Executive Officers:

- 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 September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Salaries and other short term employee benefits to whole-time directors and executive officers(1)(2)	4	3	7	7
Commission and other benefits to non-executive/ independent directors	-	1	1	1
Total	**4**	**4**	**8**	**8**

(1) Total employee stock compensation expense for the three months ended September 30, 2024 and September 30, 2023 includes a charge of $2 million and $2 million respectively, towards key management personnel. For the six months ended September 30, 2024 and September 30, 2023, includes a charge of $4 million and $4 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 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

For the three months ended September 30, 2024 and September 30, 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	1,332	650	583	662	767	390	359	151	4,894
	1,295	*716*	*540*	*598*	*676*	*369*	*369*	*155*	*4,718*
Identifiable operating expenses	747	322	378	378	486	226	223	100	2,860
	737	*396*	*317*	*324*	*439*	*211*	*216*	*96*	*2,736*
Allocated expenses	243	117	98	113	126	70	63	33	863
	246	*117*	*98*	*112*	*111*	*63*	*57*	*37*	*841*
Segment Profit	**342**	**211**	**107**	**171**	**155**	**94**	**73**	**18**	**1,171**
	312	*203*	*125*	*162*	*126*	*95*	*96*	*22*	*1,141*
Unallocable expenses									138
									141
Operating profit									1,033
									1,000
Other income, net *(Refer to note 2.19)*									85
									77
Finance Cost									13
									17
Profit before income taxes									**1,105**
									1,060
Income tax expense									327
									309
Net profit									**778**
									751
Depreciation and amortization									**138**
									141
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 six months ended September 30, 2024 and September 30, 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	2,629	1,301	1,151	1,288	1,460	767	703	309	9,608
	2,593	*1,387*	*1,080*	*1,193*	*1,327*	*741*	*703*	*310*	*9,334*
Identifiable operating expenses	1,477	645	751	704	940	439	434	191	5,581
	1,485	*745*	*638*	*651*	*868*	*424*	*409*	*195*	*5,415*
Allocated expenses	497	235	198	226	244	136	123	66	1,725
	486	*241*	*197*	*223*	*214*	*125*	*112*	*76*	*1,674*
Segment Profit	**655**	**421**	**202**	**358**	**276**	**192**	**146**	**52**	**2,302**
	622	*401*	*245*	*319*	*245*	*192*	*182*	*39*	*2,245*
Unallocable expenses									276
									284
Operating profit									2,026
									1,961
Other income, net *(Refer to note 2.19)*									186
									145
Finance Cost									26
									28
Profit before income taxes									**2,186**
									2,078
Income tax expense									644
									603
Net profit									**1,542**
									1,475
Depreciation and amortization									276
									284
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 Revenue for the three months and six months ended September 30, 2024 and September 30, 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 six months ended September 30, 2024 and September 30, 2023 is as follows

(Dollars in millions)

Particulars	**Three months ended September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Revenue from software services	4,673	4,443	9,169	8,792
Revenue from products and platforms	221	275	439	542
Total revenue from operations	**4,894**	**4,718**	**9,608**	**9,334**

Products & platforms

The Group also derives revenues from the sale of products and platforms like Finacle – core banking solution, Edge Suite of products, Panaya platform, 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.

Three months and six months ended September 30, 2024 and September 30, 2023

(Dollars in millions)

Particulars	**Three months ended September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Revenues by Geography*				
North America	2,807	2,881	5,582	5,690
Europe	1,458	1,249	2,799	2,484
India	154	134	301	258
Rest of the world	475	454	926	902
Total	**4,894**	**4,718**	**9,608**	**9,334**

* *Geographical revenue is based on the domicile of customer*

The percentage of revenue from fixed-price contracts for the three months ended September 30, 2024 and September 30, 2023 is 54% and 53%, respectively. The percentage of revenue from fixed-price contracts for the six months ended September 30, 2024 and September 30, 2023 is 54% 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 balance sheet.

2.17 Unbilled Revenue

(Dollars in millions)

Particulars	**As at**	
	September 30, 2024	**March 31, 2024**
Unbilled financial asset (1)	1,192	1,151
Unbilled non financial asset (2)	622	593
Total	**1,814**	**1,744**

(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.

Share capital and share premium

The amount received in excess of the par value 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.

The Company has only one class of shares referred to as equity shares having a par value of ₹5/-.

Retained earnings

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

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 interim condensed 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. 10,237,261 shares and 10,916,829 shares were held by controlled trust, as at September 30, 2024 and March 31, 2024, respectively.

2.18.5 Capital allocation policy

Effective fiscal 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.

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 September 30, 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:

Particulars	Six months ended September 30, 2024		Six months ended September 30, 2023	
	in ₹	in US Dollars	in ₹	in US Dollars
Final dividend for fiscal 2023	-	-	17.50	0.21
Special dividend for fiscal 2024	8.00	0.10	-	-
Final dividend for fiscal 2024	20.00	0.24	-	-

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 same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 26, 2024 which resulted in a net cash outflow of $1,386 million, excluding dividend paid on treasury shares.

The Board of Directors in their meeting held on October 17, 2024 declared an interim dividend of ₹21/- per equity share (approximately $0.25 per equity share) which would result in a net cash outflow of approximately ₹8,698 crore ($1,038 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, its Indian subsidiaries 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 September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Employee benefit costs	2,316	2,267	4,573	4,547
Depreciation and amortization	138	141	276	284
Travelling costs	36	38	75	77
Cost of technical sub-contractors	381	372	761	752
Cost of software packages for own use	69	60	136	117
Third party items bought for service delivery to clients	398	345	742	617
Consultancy and professional charges	8	4	21	8
Communication costs	11	11	19	21
Repairs and maintenance	14	14	29	28
Provision for post-sales client support	16	14	3	20
Others	13	5	24	10
Total	**3,400**	**3,271**	**6,659**	**6,481**

Selling and marketing expenses

(Dollars in millions)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Employee benefit costs	173	168	343	336
Travelling costs	12	9	24	20
Branding and marketing	30	28	72	60
Consultancy and professional charges	5	5	9	8
Others	1	3	6	5
Total	**221**	**213**	**454**	**429**

Administrative expenses

(Dollars in millions)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Employee benefit costs	86	82	169	163
Consultancy and professional charges	41	38	77	73
Repairs and maintenance	31	30	62	60
Power and fuel	7	6	15	12
Communication costs	10	11	19	22
Travelling costs	7	6	13	13
Rates and taxes	11	8	25	20
Insurance charges	9	7	18	13
Commission to non-whole time directors	-	1	1	1
Impairment loss recognized/(reversed) under expected credit loss model	11	14	11	25
Contribution towards Corporate Social Responsibility	19	17	39	26
Others	8	14	20	35
Total	**240**	**234**	**469**	**463**

Other income for the three months and six months ended September 30, 2024 and September 30, 2023 is as follows:

(Dollars in millions)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Interest income on financial assets carried at amortized cost	45	33	85	67
Interest income on financial assets carried at fair value through other comprehensive income	26	26	65	55
Gain/(loss) on investments carried at fair value through profit or loss	9	6	22	12
Exchange gains / (losses) on forward and options contracts	(48)	(9)	(43)	8
Exchange gains / (losses) on translation of other assets and liabilities	46	15	46	(2)
Others	7	6	11	5
Total	**85**	**77**	**186**	**145**

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

Nandan M. Nilekani
Chairman

Salil Parekh
Chief Executive Officer
and Managing Director

Bobby Parikh
Director

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Bengaluru
October 17, 2024

Deloitte Haskins & Sells LLP

Chartered Accountants
Prestige Trade Tower, Level 19
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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 September 30, 2024, the Condensed Consolidated Statement of Comprehensive Income for the three months and six months ended on that date, the Condensed Consolidated Statement of Changes in Equity and the Condensed Consolidated Statement of Cash Flows for the six months 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 September 30, 2024, its consolidated profit and its consolidated total comprehensive income for the three months and six months ended on that date, its consolidated changes in equity and its consolidated cash flows for the six months 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") 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.

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 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.

Deloitte
Haskins & Sells LLP

In preparing the Interim Condensed Consolidated Financial Statements, the respective Boards of Directors 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 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)

Vikas Bagaria
Partner
(Membership No.060408)
UDIN:

Place: Bengaluru
Date: October 17, 2024

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Financial Statements under International Financial Reporting Standards (IFRS) in Indian Rupee for the three months and six months ended September 30, 2024

Index	**Page No.**

Infosys Limited and subsidiaries

(In ₹ crore except equity share data)

Condensed Consolidated Balance Sheet as at	Note	September 30, 2024	March 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	2.1	21,799	14,786
Current investments	2.2	7,432	12,915
Trade receivables		32,013	30,193
Unbilled revenue	2.17	13,066	12,768
Prepayments and other current assets	2.4	12,738	12,289
Income tax assets	2.12	2,418	6,397
Derivative financial instruments	2.3	65	84
Total current assets		**89,531**	**89,432**
Non-current assets			
Property, plant and equipment	2.7	12,456	12,818
Right-of-use assets	2.8	6,692	6,552
Goodwill	2.9	10,191	7,303
Intangible assets		3,254	1,397
Non-current investments	2.2	9,962	11,708
Unbilled revenue	2.17	2,135	1,780
Deferred income tax assets	2.12	556	454
Income tax assets	2.12	3,864	3,045
Other non-current assets	2.4	3,229	3,325
Total non-current assets		**52,339**	**48,382**
Total assets		**141,870**	**137,814**
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		3,841	3,956
Lease liabilities	2.8	2,468	1,959
Derivative financial instruments	2.3	163	31
Current income tax liabilities	2.12	4,391	3,585
Unearned revenue		7,209	7,341
Employee benefit obligations		2,872	2,622
Provisions	2.6	1,436	1,796
Other current liabilities	2.5	18,450	17,504
Total current liabilities		**40,830**	**38,794**
Non-current liabilities			
Lease liabilities	2.8	6,336	6,400
Deferred income tax liabilities	2.12	1,686	1,794
Employee benefit obligations		105	89
Other non-current liabilities	2.5	2,083	2,276
Total non-current liabilities		**10,210**	**10,559**
Total liabilities		**51,040**	**49,353**
Equity			
Share capital - ₹5 par value 4,800,000,000 (4,800,000,000) equity shares authorized, issued and outstanding 4,141,909,556 (4,139,950,635) equity shares fully paid up, net of 10,237,261 (10,916,829) treasury shares as at September 30, 2024 (March 31, 2024)	2.18	2,072	2,071
Share premium		1,948	1,550
Retained earnings		74,200	69,674
Cash flow hedge reserves		(18)	6
Other reserves		8,873	12,104
Capital redemption reserve		169	169
Other components of equity		3,219	2,542
Total equity attributable to equity holders of the Company		**90,463**	**88,116**
Non-controlling interests		367	345
Total equity		**90,830**	**88,461**
Total liabilities and equity		**141,870**	**137,814**

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
October 17, 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 Comprehensive Income for the	Note	Three months ended September 30,		Six months ended September 30,	
		2024	2023	2024	2023
Revenues	2.16	**40,986**	**38,994**	**80,300**	**76,927**
Cost of sales	2.19	28,474	27,031	55,651	53,412
Gross profit		**12,512**	**11,963**	**24,649**	**23,515**
Operating expenses					
Selling and marketing expenses	2.19	1,855	1,754	3,792	3,538
Administrative expenses	2.19	2,008	1,935	3,920	3,812
Total operating expenses		3,863	3,689	7,712	7,350
Operating profit		**8,649**	**8,274**	**16,937**	**16,165**
Other income, net	2.19	712	632	1,551	1,193
Finance cost		108	138	214	228
Profit before income taxes		**9,253**	**8,768**	**18,274**	**17,130**
Income tax expense	2.12	2,737	2,553	5,384	4,970
Net profit		**6,516**	**6,215**	**12,890**	**12,160**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		78	(64)	98	23
Equity instruments through other comprehensive income, net	2.2	(9)	40	5	40
		69	(24)	**103**	63
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		(21)	23	(24)	29
Exchange differences on translation of foreign operations		560	5	456	21
Fair value changes on investments, net	2.2	86	(20)	126	55
		625	8	558	105
Total other comprehensive income/(loss), net of tax		**694**	**(16)**	**661**	**168**
Total comprehensive income		**7,210**	**6,199**	**13,551**	**12,328**
Profit attributable to:					
Owners of the Company		6,506	6,212	12,874	12,157
Non-controlling interests		10	3	16	3
		6,516	**6,215**	**12,890**	**12,160**
Total comprehensive income attributable to:					
Owners of the Company		7,190	6,196	13,527	12,328
Non-controlling interests		20	3	24	-
		7,210	**6,199**	**13,551**	**12,328**
Earnings per equity share					
Equity shares of par value ₹5/- each					
Basic (₹)		15.71	15.01	31.09	29.38
Diluted (₹)		15.68	14.99	31.02	29.34
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.13	4,141,806,535	4,138,636,582	4,141,043,772	4,137,939,496
Diluted (in shares)	2.13	4,150,537,764	4,142,819,712	4,150,210,087	4,142,711,523

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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Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Infosys Limited and subsidiaries

(In ₹ crore except equity share data)

Condensed 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 the six months ended September 30, 2023											
Net profit	-	-	-	12,157	-	-	-	-	12,157	3	12,160
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	23	-	23	-	23
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	40	-	40	-	40
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	-	29	29	-	29
Exchange differences on translation of foreign operations	-	-	-	-	-	-	24	-	24	(3)	21
Fair value changes on investments, net*	-	-	-	-	-	-	55	-	55	-	55
Total comprehensive income for the period	**-**	**-**	**-**	**12,157**	**-**	**-**	**142**	**29**	**12,328**	**-**	**12,328**
Shares issued on exercise of employee stock options (Refer to note 2.11)	2,437,333	1	2	-	-	-	-	-	3	-	3
Employee stock compensation expense (Refer to note 2.11)	-	-	272	-	-	-	-	-	272	-	272
Transfer on account of options not exercised	-	-	(6)	6	-	-	-	-	-	-	-
Transferred to other reserves	-	-	-	(1,520)	1,520	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	325	(325)	-	-	-	-	-	-
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(2)	(2)
Dividends#	-	-	-	(7,242)	-	-	-	-	(7,242)	-	(7,242)
Balance as at September 30, 2023	**4,138,825,258**	**2,070**	**1,333**	**63,789**	**11,209**	**169**	**2,174**	**24**	**80,768**	**386**	**81,154**

Infosys Limited and subsidiaries

(In ₹ crore except equity share data)

Condensed 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, 2024	**4,139,950,635**	**2,071**	**1,550**	**69,674**	**12,104**	**169**	**2,542**	**6**	**88,116**	**345**	**88,461**
Changes in equity for the six months ended September 30, 2024											
Net profit	-	-	-	12,874	-	-	-	-	12,874	16	12,890
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	98	-	98	-	98
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	5	-	5	-	5
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	(24)	(24)	-	(24)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	448	-	448	8	456
Fair value changes on investments, net*	-	-	-	-	-	-	126	-	126	-	126
Total comprehensive income for the period	**-**	**-**	**-**	**12,874**	**-**	**-**	**677**	**(24)**	**13,527**	**24**	**13,551**
Shares issued on exercise of employee stock options (Refer to note 2.11)	1,958,921	1	2	-	-	-	-	-	3	-	3
Employee stock compensation expense (Refer to note 2.11)	-	-	408	-	-	-	-	-	408	-	408
Income tax benefit arising on exercise of stock options (Refer to note 2.12)	-	-	6	-	-	-	-	-	6	-	6
Transferred on account of options not exercised	-	-	(18)	18	-	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	233	(233)	-	-	-	-	-	-
Transferred from other reserves to retained earnings	-	-	-	2,998	(2,998)	-	-	-	-	-	-
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(2)	(2)
Dividends[#]	-	-	-	(11,597)	-	-	-	-	(11,597)	-	(11,597)
Balance as at September 30, 2024	**4,141,909,556**	**2,072**	**1,948**	**74,200**	**8,873**	**169**	**3,219**	**(18)**	**90,463**	**367**	**90,830**

** net of tax*

 # net of treasury shares

[(1)] *excludes treasury shares of 10,237,261 as at September 30, 2024, 10,916,829 as at April 1, 2024, 11,558,862 as at September 30, 2023 and 12,172,119 as at April 1, 2023 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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Partner
Membership No. 060408

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Chairman

Salil Parekh
Chief Executive Officer and Managing Director

Bobby Parikh
Director

Bengaluru
October 17, 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	Six months ended September	
		2024	2023
Operating activities			
Net Profit		12,890	12,160
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization		2,310	2,339
Income tax expense	2.12	5,384	4,970
Finance cost		214	228
Interest and dividend income		(608)	(526)
Exchange differences on translation of assets and liabilities, net		(298)	(1)
Impairment loss recognized/(reversed) under expected credit loss model		95	206
Stock compensation expense		420	279
Provision for post sale client support		26	168
Other adjustments		876	738
Changes in working capital			
Trade receivables and unbilled revenue		(2,735)	(1,751)
Prepayments and other assets		(207)	(259)
Trade payables		(147)	(661)
Unearned revenue		(138)	(152)
Other liabilities and provisions		1,216	(616)
Cash generated from operations		**19,298**	**17,122**
Income taxes paid		(2,165)	(4,538)
Net cash generated by operating activities		**17,133**	**12,584**
Investing activities			
Expenditure on property, plant and equipment and intangibles		(968)	(1,299)
Deposits placed with corporation		(579)	(636)
Redemption of deposits placed with corporation		357	439
Interest and dividend received		542	495
Payment for acquisition of business, net of cash acquired	2.10	(3,155)	-
Payment of contingent consideration pertaining to acquisition of business		-	(59)
Payments to acquire Investments			
- Quoted debt securities		(1,053)	(104)
- Liquid mutual fund units		(33,517)	(33,038)
- Certificates of deposit		(1,885)	(2,179)
- Commercial paper		(2,227)	(2,903)
- Other investments		(17)	(5)
Proceeds on sale of investments			
- Quoted debt securities		1,230	1,174
- Liquid mutual fund units		34,012	31,292
- Certificates of deposit		3,970	4,912
- Commercial paper		7,135	1,254
Other receipts		5	127
Net cash generated/(used) in investing activities		**3,850**	**(530)**

Financing activities			
Payment of lease liabilities		(1,190)	(920)
Payment of dividends		(11,592)	(7,246)
Loan repayment of in-tech Holding GmbH *(Refer to note 2.10)*		(985)	-
Payment of dividends to non-controlling interests of subsidiary		(2)	(2)
Other payments		(265)	(334)
Shares issued on exercise of employee stock options		3	3
Other receipts		-	20
Net cash used in financing activities		**(14,031)**	**(8,479)**
Net increase/(decrease) in cash and cash equivalents		6,952	3,575
Effect of exchange rate changes on cash and cash equivalents		61	(35)
Cash and cash equivalents at the beginning of the period	2.1	14,786	12,173
Cash and cash equivalents at the end of the period	2.1	**21,799**	**15,713**
Supplementary information:			
Restricted cash balance	2.1	407	365

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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Membership No. 060408

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Director

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

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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 October 17, 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, 2024. 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 interim condensed consolidated 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 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 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. 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 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 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 us to fair value identifiable intangible assets and contingent consideration to ascertain the net 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.

1.6 Recent accounting pronouncements

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

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 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Amendments to the Classification and Measurement of Financial Instruments

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.

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

On May 30, 2024, IASB has issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, which clarifies the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, derecognition of financial liability settled through electronic payment systems and also introduces additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

The effective date for adoption of this amendment is annual reporting periods beginning on or after January 1, 2026, 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:

(In ₹ crore)

Particulars	As at	
	September 30, 2024	March 31, 2024
Cash and bank deposits	21,799	14,786
Total Cash and cash equivalents	**21,799**	**14,786**

Cash and cash equivalents as at Septemeber 30, 2024 and March 31, 2024 include restricted cash and bank balances of ₹407 crore and ₹348 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	
	September 30, 2024	March 31, 2024
(i) Current Investments		
Amortized Cost		
Quoted debt securities	117	-
Fair Value through other comprehensive income		
Quoted debt securities	3,987	2,427
Commercial papers	-	4,830
Certificate of deposit	1,046	3,043
Fair Value through profit or loss		
Liquid mutual fund units	2,282	2,615
Total current investments	**7,432**	**12,915**
(ii) Non-current Investments		
Amortized Cost		
Quoted debt securities	1,639	1,759
Fair Value through other comprehensive income		
Quoted debt securities	7,449	9,114
Quoted equity securities	116	113
Unquoted equity and preference securities	93	93
Fair Value through profit or loss		
Target maturity fund units	448	431
Others(1)	217	198
Total non-current investments	**9,962**	**11,708**
Total investments	**17,394**	**24,623**
Investments carried at amortized cost	1,756	1,759
Investments carried at fair value through other comprehensive income	12,691	19,620
Investments carried at fair value through profit or loss	2,947	3,244

(1) *Uncalled capital commitments outstanding as at September 30, 2024 and March 31, 2024 was ₹109 crore and ₹79 crore, respectively.*

Refer to note 2.3 for accounting policies on financial instruments.

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

Class of investment	Method	Fair value as at	
		September 30, 2024	March 31, 2024
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	2,282	2,615
Target maturity fund units - carried at fair value through profit or loss	Quoted price	448	431
Quoted debt securities- carried at amortized cost	Quoted price and market observable inputs	1,923	1,973
Quoted debt securities- carried at fair value through other comprehensive income	Quoted price and market observable inputs	11,436	11,541
Commercial papers- carried at fair value through other comprehensive income	Market observable inputs	-	4,830
Certificates of deposit- carried at fair value through other comprehensive income	Market observable inputs	1,046	3,043
Quoted equity securities carried at fair value through other comprehensive income	Quoted price	116	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	93
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, option pricing model	217	198
Total		**17,561**	**24,837**

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 interim 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 interim condensed consolidated statement of comprehensive income.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at September 30, 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)*	21,799	-	-	-	-	21,799	21,799
Investments *(Refer to note 2.2)*							
Liquid mutual fund units	-	-	2,282	-	-	2,282	2,282
Target maturity fund units	-	-	448	-	-	448	448
Quoted debt securities	1,756	-	-	-	11,436	13,192	13,359 [(1)]
Certificates of deposit	-	-	-	-	1,046	1,046	1,046
Quoted equity securities	-	-	-	116	-	116	116
Unquoted equity and preference securities	-	-	-	93	-	93	93
Unquoted investment others	-	-	217	-	-	217	217
Trade receivables	32,013	-	-	-	-	32,013	32,013
Unbilled revenues *(Refer to note 2.17)* [(3)]	9,988	-	-	-	-	9,988	9,988
Prepayments and other assets *(Refer to note 2.4)*	6,365	-	-	-	-	6,365	6,309 [(2)]
Derivative financial instruments	-	-	51	-	14	65	65
Total	**71,921**	**-**	**2,998**	**209**	**12,496**	**87,624**	**87,735**
Liabilities:							
Trade payables	3,841	-	-	-	-	3,841	3,841
Lease liabilities *(Refer to note 2.8)*	8,804	-	-	-	-	8,804	8,804
Derivative financial instruments	-	-	137	-	26	163	163
Financial liability under option arrangements *(Refer to note 2.5)*	-	-	626	-	-	626	626
Other liabilities including contingent consideration *(Refer to note 2.5)*	16,202	-	31	-	-	16,233	16,233
Total	**28,847**	**-**	**794**	**-**	**26**	**29,667**	**29,667**

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

[(2)] *Excludes interest accrued on quoted debt securities carried at amortized cost of ₹56 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, 2024 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 2.1)*	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 investments others	-	-	198	-	-	198	198
Trade receivables	30,193	-	-	-	-	30,193	30,193
Unbilled revenue *(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*

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 September 30, 2024 is as follows:

(In ₹ crore)

Particulars	As at September 30, 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	2,282	2,282	-	-
Investments in target maturity fund units	448	448	-	-
Investments in quoted debt securities	13,359	12,311	1,048	-
Investments in certificates of deposit	1,046	-	1,046	-
Investments in quoted equity securities	116	116	-	-
Investments in unquoted equity and preference securities	93	-	-	93
Investments in unquoted investments others	217	-	-	217
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts	65	-	65	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts	163	-	163	-
Financial liability under option arrangements *(Refer to note 2.5)* [(1)]	626	-	-	626
Liability towards contingent consideration *(Refer to note 2.5)* [(2)]	31	-	-	31

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

[(2)] *Discount rate - 6%*

During the six month ended September 30, 2024, quoted debt securities of ₹288 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 ₹1,012 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, 2024 was 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 unquoted equity and preference securities	93	-	-	93
Investments in quoted equity securities	113	113	-	-
Investments in certificates of deposit	3,043	-	3,043	-
Investments in commercial papers	4,830	-	4,830	-
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.

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:

(In ₹ crore)

Particulars	As at	
	September 30, 2024	March 31, 2024
Current		
Security deposits[1]	81	75
Loans to employees[1]	255	248
Prepaid expenses[2]	3,140	3,329
Interest accrued and not due[1]	483	537
Withholding taxes and others[2]	3,767	3,540
Advance payments to vendors for supply of goods[2]	167	356
Deposit with corporations[1][3]	2,739	2,535
Deferred contract cost		
Cost of obtaining a contract [2]	269	200
Cost of fulfillment [2]	453	358
Other non financial assets [2]	155	180
Other financial assets[1][4]	1,229	931
Total current prepayment and other assets	**12,738**	**12,289**
Non-current		
Security deposits[1]	266	259
Loans to employees[1]	25	34
Prepaid expenses[2]	240	343
Withholding taxes and others[2]	528	673
Deposit with corporations[1][3]	65	47
Deferred contract cost		
Cost of obtaining a contract [2]	233	129
Cost of fulfillment [2]	617	687
Defined benefit plan assets[2]	33	31
Other financial assets[1][4]	1,222	1,122
Total non- current prepayment and other assets	**3,229**	**3,325**
Total prepayment and other assets	**15,967**	**15,614**
[1] Financial assets carried at amortized cost	**6,365**	**5,788**

[2] Non financial assets

[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] Primarily includes net investment in lease arising on assets that are leased to customers for a contract term normally ranging between 3 to 4 years, with lease payments generally due in monthly installments.

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

2.5 Other liabilities

Other liabilities comprise the following:

(In ₹ crore)

Particulars	As at	
	September 30, 2024	**March 31, 2024**
Current		
Accrued compensation to employees[(1)]	4,882	4,454
Accrued defined benefit liability [(3)]	10	5
Accrued expenses[(1)]	8,434	8,224
Withholding taxes and others[(3)]	3,478	3,185
Liabilities of controlled trusts[(1)]	211	211
Liability towards contingent consideration[(2)]	11	-
Capital Creditors[(1)]	194	310
Financial liability under option arrangements[(2)(4)]	522	499
Other non-financial liabilities [(3)]	9	8
Other financial liabilities[(1)(5)]	699	608
Total current other liabilities	**18,450**	**17,504**
Non-current		
Accrued expenses[(1)]	1,742	1,779
Accrued defined benefit liability [(3)]	101	159
Accrued compensation to employees[(1)]	18	7
Liability towards contingent consideration[(2)]	20	-
Financial liability under option arrangements[(2)(4)]	104	98
Other financial liabilities[(1)(5)]	22	157
Other non-financial liabilities[(3)]	76	76
Total non-current other liabilities	**2,083**	**2,276**
Total other liabilities	**20,533**	**19,780**
[(1)] Financial liability carried at amortized cost	16,202	15,750
[(2)] Financial liability carried at fair value through profit or loss	657	597

[(3)]Non financial liabilities

[(4)] Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries

[(5)] The Group entered into financing arrangements with a third party towards technology assets taken over by the Group from a customer as a part of transformation project which was not considered as distinct goods or services as the control related to those assets was not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. As at September 30, 2024 and March 31, 2024, the financial liability pertaining to such arrangements amounts to ₹165 crore and ₹372 crore, respectively.

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	
	September 30, 2024	**March 31, 2024**
Post sales client support and other provisions	1,436	1,796
Total provisions	**1,436**	**1,796**

Provision for post sales client support and other provisions majorly 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 interim condensed consolidated statement of comprehensive income.

As at September 30, 2024 and March 31, 2024 claims against the Group, not acknowledged as debts, (excluding demands from income tax authorities - Refer to note 2.12) amounted to ₹818 crore and ₹789 crore respectively.

2.6.2 McCamish Cybersecurity incident

In November 2023, certain systems of Infosys McCamish Systems LLC ("McCamish"), a subsidiary of Infosys BPM Limited (a wholly owned subsidiary of Infosys Limited), were encrypted by ransomware, resulting in the nonavailability 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.

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 processes personal data on behalf of its corporate customers. McCamish may incur additional costs including from indemnities or damages/claims, which are indeterminable at this time. See the section titled "Legal proceedings" below for information on certain legal proceedings related to the McCamish cybersecurity incident.

2.6.3 Legal proceedings

From March 6, 2024 through July 25, 2024, six complaints were filed in the U.S. District Court for the Northern District of Georgia against McCamish. The complaints arise out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. Five of the complaints were purportedly filed on behalf of individuals whose personally identifiable information was exposed to unauthorized third parties as a result of the incident. The sixth complaint was filed by an individual proceeding on their own behalf. As of August 7, 2024, all six actions have been consolidated into the first-filed action.

Apart from claims arising from the McCamish cybersecurity incident and the foregoing actions, 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 interim condensed 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 September 30, 2024 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at July 1, 2024	**1,430**	**11,743**	**5,361**	**8,617**	**3,346**	**45**	**30,542**
Additions	-	17	84	176	73	-	350
Additions on Business Combinations (Refer to Note 2.10)	-	1	11	5	23	2	42
Deletions*	-	(4)	(33)	(101)	(29)	-	(167)
Translation difference	-	43	6	17	19	-	85
Gross carrying value as at September 30, 2024	**1,430**	**11,800**	**5,429**	**8,714**	**3,432**	**47**	**30,852**
Accumulated depreciation as at July 1, 2024	**-**	**(5,026)**	**(4,259)**	**(6,538)**	**(2,710)**	**(42)**	**(18,575)**
Depreciation	-	(113)	(99)	(321)	(79)	-	(612)
Accumulated depreciation on deletions*	-	1	33	96	29	-	159
Translation difference	-	(13)	(6)	(8)	(17)	-	(44)
Accumulated depreciation as at September 30, 2024	**-**	**(5,151)**	**(4,331)**	**(6,771)**	**(2,777)**	**(42)**	**(19,072)**
Capital work-in progress as at July 1, 2024							573
Carrying value as at July 1, 2024	**1,430**	**6,717**	**1,102**	**2,079**	**636**	**3**	**12,540**
Capital work-in progress as at September 30, 2024							676
Carrying value as at September 30, 2024	**1,430**	**6,649**	**1,098**	**1,943**	**655**	**5**	**12,456**

The changes in the carrying value of property, plant and equipment for the three months ended September 30, 2023 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at July 1, 2023	**1,429**	**11,514**	**5,170**	**8,471**	**3,373**	**45**	**30,002**
Additions	-	4	50	164	66	-	284
Deletions*	-	-	(19)	(134)	(17)	-	(170)
Translation difference	-	9	-	(5)	(1)	-	3
Gross carrying value as at September 30, 2023	**1,429**	**11,527**	**5,201**	**8,496**	**3,421**	**45**	**30,119**
Accumulated depreciation as at July 1, 2023	**-**	**(4,631)**	**(3,939)**	**(5,922)**	**(2,530)**	**(41)**	**(17,063)**
Depreciation	-	(116)	(118)	(349)	(100)	(1)	(684)
Accumulated depreciation on deletions*	-	-	19	134	15	-	168
Translation difference	-	(2)	(2)	5	1	-	2
Accumulated depreciation as at September 30, 2023	**-**	**(4,749)**	**(4,040)**	**(6,132)**	**(2,614)**	**(42)**	**(17,577)**
Capital work-in progress as at July 1, 2023							499
Carrying value as at July 1, 2023	**1,429**	**6,883**	**1,231**	**2,549**	**843**	**4**	**13,438**
Capital work-in progress as at September 30, 2023							637
Carrying value as at September 30, 2023	**1,429**	**6,778**	**1,161**	**2,364**	**807**	**3**	**13,179**

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2024	**1,430**	**11,770**	**5,341**	**8,611**	**3,390**	**45**	**30,587**
Additions	-	**32**	127	354	94	**1**	608
Additions - Business Combination (Refer to Note 2.10)	-	1	11	6	23	2	43
Deletions*	-	(42)	(55)	(265)	(90)	(1)	(453)
Translation difference	-	39	5	8	15	-	67
Gross carrying value as at September 30, 2024	**1,430**	**11,800**	**5,429**	**8,714**	**3,432**	**47**	**30,852**
Accumulated depreciation as at April 1, 2024	**-**	**(4,921)**	**(4,182)**	**(6,380)**	**(2,692)**	**(42)**	**(18,217)**
Depreciation	-	(224)	(199)	(648)	(161)	(1)	(1,233)
Accumulated depreciation on deletions*	-	6	55	259	89	1	410
Translation difference	-	(12)	(5)	(2)	(13)	-	(32)
Accumulated depreciation as at September 30, 2024	**-**	**(5,151)**	**(4,331)**	**(6,771)**	**(2,777)**	**(42)**	**(19,072)**
Capital work-in progress as at April 1, 2024							448
Carrying value as at April 1, 2024	**1,430**	**6,849**	**1,159**	**2,231**	**698**	**3**	**12,818**
Capital work-in progress as at September 30, 2024							676
Carrying value as at September 30, 2024	**1,430**	**6,649**	**1,098**	**1,943**	**655**	**5**	**12,456**

* During the three months and six months ended September 30, 2024, certain assets which were not in use having gross book value of ₹103 crore (net book value: Nil) and ₹229 crore (net book value: Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2023	**1,429**	**11,562**	**5,169**	**8,519**	**3,365**	**45**	**30,089**
Additions	-	9	108	383	111	1	612
Deletions*	-	-	(70)	(400)	(46)	(1)	(517)
Translation difference	-	(44)	(6)	(6)	(9)	-	(65)
Gross carrying value as at September 30, 2023	**1,429**	**11,527**	**5,201**	**8,496**	**3,421**	**45**	**30,119**
Accumulated depreciation as at April 1, 2023	**-**	**(4,535)**	**(3,877)**	**(5,826)**	**(2,465)**	**(40)**	**(16,743)**
Depreciation	-	(225)	(235)	(711)	(200)	(2)	(1,373)
Accumulated depreciation on deletions*	-	-	69	399	43	-	511
Translation difference	-	11	3	6	8	-	28
Accumulated depreciation as at September 30, 2023	**-**	**(4,749)**	**(4,040)**	**(6,132)**	**(2,614)**	**(42)**	**(17,577)**
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 September 30, 2023							637
Carrying value as at September 30, 2023	**1,429**	**6,778**	**1,161**	**2,364**	**807**	**3**	**13,179**

* During the three months and six months ended September 30, 2023, certain assets which were not in use having gross book value of ₹137 crore (net book value: Nil) and ₹457 crore (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 interim condensed 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 has filed an appeal against this order before Income Tax Appellate Tribunal.

The Group had contractual commitments for capital expenditure primarily comprising of commitments for infrastructure facilities and computer equipment aggregating to ₹920 crore and ₹780 crore as at September 30, 2024 and March 31, 2024, 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 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 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 September 30, 2024:

(In ₹ crore)

Particulars	**Category of ROU asset**				**Total**
	Land	**Buildings**	**Vehicles**	**Computers**	
Balance as of July 1, 2024	**603**	**3,387**	**17**	**2,505**	**6,512**
Additions[1]	-	112	3	390	505
Addition due to business combination *(Refer to note 2.10)*	-	155	5	-	160
Deletions	-	(35)	(6)	(166)	(207)
Depreciation	(1)	(167)	(4)	(225)	(397)
Translation difference	2	29	8	80	119
Balance as of September 30, 2024	**604**	**3,481**	**23**	**2,584**	**6,692**

[1] *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 September 30, 2023:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of July 1, 2023	**617**	**3,947**	**15**	**2,470**	**7,049**
Additions[(1)]	-	82	3	418	503
Deletions	-	(32)	-	(174)	(206)
Depreciation	(1)	(179)	(3)	(202)	(385)
Translation difference	-	(7)	-	(4)	(11)
Balance as of September 30, 2023	**616**	**3,811**	**15**	**2,508**	**6,950**

[(1)] *Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2024:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as of April 1, 2024	**605**	**3,298**	**17**	**2,632**	**6,552**
Additions[(1)]	-	385	6	674	1,065
Addition due to Business Combination *(Refer to note 2.10)*	-	155	5	-	160
Deletions	-	(35)	(6)	(315)	(356)
Depreciation	(3)	(348)	(6)	(473)	(830)
Translation difference	2	26	7	66	101
Balance as of September 30, 2024	**604**	**3,481**	**23**	**2,584**	**6,692**

[(1)] *Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2023:

(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)]	-	326	5	975	1,306
Deletions	-	(40)	-	(407)	(447)
Depreciation	(3)	(363)	(5)	(394)	(765)
Translation difference	(4)	(8)	-	(14)	(26)
Balance as of September 30, 2023	**616**	**3,811**	**15**	**2,508**	**6,950**

[(1)] *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 September 30, 2024 and March 31, 2024:

(In ₹ crore)

Particulars	As at	
	September 30, 2024	March 31, 2024
Current lease liabilities	2,468	1,959
Non-current lease liabilities	6,336	6,400
Total	**8,804**	**8,359**

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	
	September 30, 2024	March 31, 2024
Carrying value at the beginning	**7,303**	**7,248**
Goodwill on acquisitions *(Refer to note 2.10)*	2,593	-
Translation differences	295	55
Carrying value at the end	**10,191**	**7,303**

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.

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.

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 interim condensed 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.

Acquisition

InSemi

On May 10, 2024, Infosys Ltd acquired 100% voting interests in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India. This acquisition is expected to strengthen our expertise in semiconductor ecosystem and Engineering R&D services.

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

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets[(1)]	40	-	40
Intangible assets :			
Customer contracts and relationships[#]	-	60	60
Brand[#]	-	13	13
Deferred tax liabilities on intangible assets	-	(18)	(18)
Total			95
Goodwill			103
Total purchase price			**198**

[(1)] *Includes cash and cash equivalents acquired of ₹ 41 crore.*

 # The estimated useful life is around 1 year to 5 years

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.

The purchase consideration of ₹198 crore includes cash of ₹168 crore and contingent consideration with an estimated fair value of ₹30 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 5.9%. The undiscounted value of contingent consideration as of September 30, 2024 was ₹31 crore.

Additionally, this acquisition has retention bonus and management incentive payable to the employees of the acquiree over three years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Bonus and incentives are recognized in employee benefit expenses in the Statement of Comprehensive Income over the period of service.

Fair value of trade receivables acquired is ₹32 crore as of acquisition date and as of September 30, 2024 the amounts are substantially 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 ₹2 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Comprehensive Income for the three months ended June 30, 2024.

in-tech Holding GmbH

On July 17, 2024, Infosys Germany GmbH wholly owned step down subsidiary of Infosys Limited acquired 100% voting interests in in-tech Holding GmbH, a leading provider of engineering R&D services headquartered in Germany. This acquisition is expected to strengthen Infosys' engineering R&D capabilities and reaffirms its continued commitment to global clients to navigate their digital engineering journey.

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

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Assets(1)	731	-	731
Liabilities	(364)	-	(364)
Intangible assets:			
Customer contracts and relationships#	-	1,720	1,720
Brand#	-	147	147
Deferred tax liabilities on intangible assets	-	(511)	(511)
Goodwill			2,490
Loan	(985)	-	(985)
Total purchase price			**3,228**
Loan repayment			985
Total cash outflow			**4,213**

(1) *Includes cash and cash equivalents acquired of ₹197 crore.*

The estimated useful life is around 3 year to 10 years

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.

The total purchase consideration of EUR 356 million (₹3,228 crore) comprises the cash consideration paid to selling shareholders at the acquisition date.

Additionally, this acquisition has retention bonus and management incentive payable to the employees of the acquiree over two to five years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Bonus and incentives are recognized in employee benefit expenses in the Statement of Profit and loss over the period of service.

Fair value of trade receivables acquired is ₹139 crore as of acquisition date and as of September 30, 2024 the amounts are majorly 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 ₹4 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Comprehensive Income for the quarter ended September 30, 2024.

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 interim condensed 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 10,237,261 and 10,916,829 shares as at September 30, 2024 and March 31, 2024, respectively under the 2015 plan, out of which 200,000 equity shares each have been earmarked for welfare activities of the employees as at September 30, 2024 and March 31, 2024.

The following is the summary of grants made during the three months and six months ended September 30, 2024 and September 30, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended September 30,		Six months ended September 30,		Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity settled RSUs								
Key Management Personnel (KMP)	-	-	70,699	78,281	-	-	295,168	333,596
Employees other than KMP	-	-	6,848	-	32,850	23,780	129,340	28,280
Total Grants	**-**	**-**	**77,547**	**78,281**	**32,850**	**23,780**	**424,508**	**361,876**

Notes on grants to KMP:

CEO & MD

Under the 2015 plan:

The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2025. In accordance with such approval the following grants were made effective May 2, 2024.

- 245,679 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.

- 14,140 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.

- 35,349 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.

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 September 30, 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 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2025 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 70,699 performance based RSU's were granted effective May 2, 2024.

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

(in ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Granted to:				
KMP	17	17	35	37
Employees other than KMP	191	116	385	242
Total [(1)]	**208**	**133**	**420**	**279**
[(1)] *Cash settled stock compensation expense included in the above*	8	5	12	7

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 2025-Equity Shares-RSU	**Fiscal 2025-ADS-RSU**	**Fiscal 2024-Equity Shares-RSU**	**Fiscal 2024-ADS-RSU**
Weighted average share price (₹) / ($ ADS)	1,428	18.09	1,588	19.19
Exercise price (₹)/ ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	21-26	23-28	23-31	25-33
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	7	4-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,311	16.59	1,317	16.27

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 interim condensed 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. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. 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 September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Current taxes				
Domestic taxes	2,336	1,759	4,643	3,467
Foreign taxes	810	732	1,501	1,331
	3,146	**2,491**	**6,144**	**4,798**
Deferred taxes				
Domestic taxes	(262)	183	(496)	375
Foreign taxes	(147)	(121)	(264)	(203)
	(409)	**62**	**(760)**	**172**
Income tax expense	**2,737**	**2,553**	**5,384**	**4,970**

Income tax expense for the three months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversal) of ₹83 crore and reversal (net of provisions) of ₹58 crore, respectively. Income tax expense for the six months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversal) of ₹143 crore and reversal (net of provisions) of ₹73 crore, respectively. These provisions and 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.

Deferred income tax for the three months and six months ended September 30, 2024 and September 30, 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 September 30, 2024, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹2,877 crore.

As at March 31, 2024, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹2,794 crore.

The amount paid to statutory authorities against the tax claims amounted to ₹5,254 crore and ₹8,743 crore as at September 30, 2024 and March 31, 2024, 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.

2.14 Related party transactions

Refer to note 2.14 "Related party transactions" in the Company's 2024 Consolidated financial statements under IFRS in Indian rupee for the full names and other details of the Company's subsidiaries and controlled trusts.

Changes in Subsidiaries

During the six months ended September 30, 2024, the following are the changes in the subsidiaries.

- Danske IT and Support Services India Private Limited renamed as IDUNN Information Technology Private Limited
- On May 10, 2024 Infosys Ltd. acquired 100% of voting interests in InSemi Technology Services Private Limited along with its subsidiary Elbrus Labs Private Limited
- Infosys Services (Thailand) Limited, a Wholly-owned subsidiary of Infosys Limited was incorporated on July 26, 2024.
- Infy tech SAS, a Wholly-owned subsidiary of Infosys Singapore Pte Limited was incorporated on July 03, 2024.
- On July 17, 2024, Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in in-tech Holding GmbH along with its subsidiary in-tech GmbH along with its six subsidiaries in-tech Automotive Engineering SL, ProIT, in-tech Automotive Engineering de R.L. de C.V, drivetech Fahrversuch GmbH, Friedrich Wagner Holding Inc along with its two subsidiaries (in-tech Automotive Engineering LLC and in-tech Services LLC) and Friedrich & Wagner Asia Pacific GmbH along with its five subsidiaries in-tech engineering s.r.o, in-tech engineering GmbH, in-tech engineering services S.R.L, in-tech Group Ltd along with its subsidiary (in-tech Group India Private Limited) and In-tech Automotive Engineering Shenyang Co., Ltd along with its subsidiary (In-tech Automotive Engineering Bejing Co., Ltd)

Change in key management personnel

The following are the changes in the key management personnel:

Executive Officers:

- 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 September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Salaries and other employee benefits to whole-time directors and executive officers(1)(2)	28	26	56	58
Commission and other benefits to non-executive/ independent directors	5	4	9	8
Total	**33**	**30**	**65**	**66**

(1) For the three months ended September 30, 2024 and September 30, 2023, includes a charge of ₹17 crore and ₹17 crore respectively, towards employee stock compensation expense. For the six months ended September 30, 2024 and September 30, 2023, includes a charge of ₹35 crore and ₹37 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 September 30, 2024 and September 30, 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	11,156	5,446	4,879	5,546	6,424	3,266	3,004	1,265	40,986
	10,705	*5,913*	*4,463*	*4,957*	*5,574*	*3,053*	*3,050*	*1,279*	*38,994*
Identifiable operating expenses	6,258	2,696	3,165	3,166	4,074	1,889	1,865	840	23,953
	6,089	*3,270*	*2,616*	*2,680*	*3,631*	*1,749*	*1,781*	*793*	*22,609*
Allocated expenses	2,038	982	822	945	1,053	583	525	276	7,224
	2,037	*969*	*812*	*925*	*910*	*516*	*470*	*306*	*6,945*
Segment Profit	**2,860**	**1,768**	**892**	**1,435**	**1,297**	**794**	**614**	**149**	**9,809**
	2,579	*1,674*	*1,035*	*1,352*	*1,033*	*788*	*799*	*180*	*9,440*
Unallocable expenses									1,160
									1,166
Operating profit									**8,649**
									8,274
Other income, net *(Refer to note 2.19)*									712
									632
Finance cost									108
									138
Profit before income taxes									**9,253**
									8,768
Income tax expense									2,737
									2,553
Net profit									**6,516**
									6,215
Depreciation and amortization									**1,160**
									1,166
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*

Six months ended September 30, 2024 and September 30, 2023

(In ₹ crore)

Particulars	Financial	Retail[2]	Communic	Energy,	Manufact	Hi-Tech	Life	All other	Total
Revenue	21,971	10,873	9,622	10,767	12,201	6,414	5,871	2,581	80,300
	21,366	*11,426*	*8,904*	*9,846*	*10,924*	*6,109*	*5,799*	*2,553*	*76,927*
Identifiable operating expenses	12,346	5,392	6,278	5,882	7,857	3,673	3,622	1,591	46,641
	12,236	*6,139*	*5,256*	*5,370*	*7,154*	*3,492*	*3,374*	*1,612*	*44,633*
Allocated expenses	4,153	1,962	1,656	1,893	2,041	1,133	1,023	551	14,412
	4,006	*1,984*	*1,629*	*1,834*	*1,765*	*1,027*	*924*	*621*	*13,790*
Segment Profit	**5,472**	**3,519**	**1,688**	**2,992**	**2,303**	**1,608**	**1,226**	**439**	**19,247**
	5,124	*3,303*	*2,019*	*2,642*	*2,005*	*1,590*	*1,501*	*320*	*18,504*
Unallocable expenses									2,310
									2,339
Operating profit									**16,937**
									16,165
Other income, net *(Refer to note 2.19)*									1,551
									1,193
Finance cost									214
									228
Profit before income taxes									**18,274**
									17,130
Income tax expense									5,384
									4,970
Net profit									**12,890**
									12,160
Depreciation and amortization									**2,310**
									2,339
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 six months ended September 30, 2024 and September 30, 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 interim condensed Consolidated Statement of Comprehensive Income.

Revenues for the three months and six months ended September 30, 2024 and September 30, 2023 is as follows:

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Revenue from software services	39,133	36,720	76,629	72,455
Revenue from products and platforms	1,853	2,274	3,671	4,472
Total revenue from operations	**40,986**	**38,994**	**80,300**	**76,927**

Products & platforms

The Group also derives revenues from the sale of products and platforms like Finacle – core banking solution, Edge Suite of products, Panaya platform, 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 six months ended September 30, 2024 and September 30, 2023

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Revenues by Geography*				
North America	23,507	23,810	46,649	46,894
Europe	12,208	10,325	23,394	20,473
India	1,288	1,108	2,515	2,128
Rest of the world	3,983	3,751	7,742	7,432
Total	**40,986**	**38,994**	**80,300**	**76,927**

* *Geographical revenues is based on the domicile of customer.*

The percentage of revenue from fixed-price contracts for the quarter ended September 30, 2024 and September 30, 2023 is 54% and 53%, respectively. The percentage of revenue from fixed-price contracts for the six months ended September 30, 2024 and September 30, 2023 is 54% 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.

2.17 Unbilled Revenue

(In ₹ crore)

Particulars	As at	
	September 30, 2024	**March 31, 2024**
Unbilled financial asset [(1)]	9,988	9,600
Unbilled non financial asset [(2)]	5,213	4,948
Total	**15,201**	**14,548**

[(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 interim condensed 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 interim condensed 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. 10,237,261 shares and 10,916,829 shares were held by controlled trust, as at September 30, 2024 and March 31, 2024, respectively.

2.18.5 Capital allocation policy

Effective fiscal 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.

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 September 30, 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 September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Final dividend for fiscal 2023	-	-	-	17.50
Special dividend for fiscal 2024	-	-	8.00	-
Final dividend for fiscal 2024	-	-	20.00	-

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 same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 26, 2024 which resulted in a net cash outflow of ₹11,597 crore, excluding dividend paid on treasury shares.

The Board of Directors in their meeting held on October 17, 2024 declared an interim dividend of ₹21/- per equity share which would result in a net cash outflow of approximately ₹8,698 crore, excluding dividend paid on treasury shares.

2.19 Break-up of expenses and other income, net

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.

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.

Foreign currency

Accounting policy

Functional currency

The functional currency of Infosys, its Indian subsidiaries 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 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.

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.

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

Cost of sales

(In ₹ crore)

Particulars	Three months ended September		Six months ended September 30,	
	2024	2023	2024	2023
Employee benefit costs	19,395	18,732	38,218	37,468
Depreciation and amortization	1,160	1,166	2,310	2,339
Travelling costs	307	314	630	632
Cost of technical sub-contractors	3,190	3,074	6,359	6,197
Cost of software packages for own use	581	499	1,140	964
Third party items bought for service delivery to clients	3,337	2,856	6,203	5,086
Consultancy and professional charges	65	33	174	63
Communication costs	84	87	155	176
Repairs and maintenance	116	111	239	229
Provision for post-sales client support	134	118	26	168
Others	105	41	197	90
Total	**28,474**	**27,031**	**55,651**	**53,412**

Selling and marketing expenses

(In ₹ crore)

Particulars	Three months ended September		Six months ended September 30,	
	2024	2023	2024	2023
Employee benefit costs	1,455	1,387	2,871	2,767
Travelling costs	96	75	199	164
Branding and marketing	253	234	603	498
Communication costs	3	3	6	7
Consultancy and professional charges	41	40	74	71
Others	7	15	39	31
Total	**1,855**	**1,754**	**3,792**	**3,538**

Administrative expenses

(In ₹ crore)

Particulars	Three months ended September		Six months ended September 30,	
	2024	2023	2024	2023
Employee benefit costs	714	677	1,409	1,342
Consultancy and professional charges	345	314	647	601
Repairs and maintenance	261	250	519	499
Power and fuel	58	52	122	101
Communication costs	82	89	155	178
Travelling costs	55	50	107	105
Impairment loss recognized/(reversed) under expected credit loss model	99	115	95	206
Rates and taxes	90	67	207	161
Insurance charges	76	54	149	106
Commission to non-whole time directors	4	4	8	7
Contribution towards Corporate Social Responsibility	158	143	329	214
Others	66	120	173	292
Total	**2,008**	**1,935**	**3,920**	**3,812**

Other income for the three months and six months ended September 30, 2024 and September 30, 2023 is as follows:

(In ₹ crore)

Particulars	Three months ended September		Six months ended September 30,	
	2024	2023	2024	2023
Interest income on financial assets carried at amortized cost	373	275	710	549
Interest income on financial assets carried at fair value through other comprehensive income	218	214	547	457
Gain/(loss) on investments carried at fair value through other comprehensive income	2	-	2	-
Gain/(loss) on investments carried at fair value through profit or loss	72	48	181	100
Exchange gains / (losses) on forward and options contracts	(399)	(71)	(365)	63
Exchange gains / (losses) on translation of other assets and liabilities	386	118	388	(19)
Others	60	48	88	43
Total	**712**	**632**	**1,551**	**1,193**

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

Nandan M. Nilekani
Chairman

Salil Parekh
Chief Executive Officer
and Managing Director

Bobby Parikh
Director

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary

Bengaluru
October 17, 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 September 30, 2024, the Condensed Statement of Profit and Loss (including Other Comprehensive Income) for the three months and six months ended on that date, the Condensed Statement of Changes in Equity and the Condensed Statement of Cash Flows for the six months 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 September 30, 2024 its profit and total comprehensive income for the three months and six months ended on that date, changes in equity and its cash flows for the six months 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)

Vikas Bagaria
Partner
(Membership No.060408)
UDIN:

Place: Bengaluru
Date: October 17, 2024

INFOSYS LIMITED

Condensed Standalone Financial Statements under Indian Accounting Standards (Ind AS) for the three months and six months ended September 30, 2024

INFOSYS LIMITED

(In ₹ crore)

Condensed Balance Sheet as at	Note No.	September 30, 2024	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	10,139	10,813
Right-of-use assets	2.3	3,269	3,303
Capital work-in-progress		467	277
Goodwill	2.2	211	211
Financial assets			
Investments	2.4	26,272	23,352
Loans	2.5	35	34
Other financial assets	2.6	2,022	1,756
Deferred tax assets (net)	2.16	60	-
Income tax assets (net)	2.16	3,340	2,583
Other non-current assets	2.9	1,724	1,669
Total non-current assets		**47,539**	**43,998**
Current assets			
Financial assets			
Investments	2.4	6,183	11,307
Trade receivables	2.7	26,748	25,152
Cash and cash equivalents	2.8	13,917	8,191
Loans	2.5	214	208
Other financial assets	2.6	11,246	10,129
Income tax assets (net)	2.16	2,394	6,329
Other current assets	2.9	9,863	9,636
Total current assets		**70,565**	**70,952**
Total assets		**118,104**	**114,950**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.11	2,076	2,075
Other equity		80,673	79,101
Total equity		**82,749**	**81,176**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	2.3	3,021	3,088
Other financial liabilities	2.12	1,876	1,941
Deferred tax liabilities (net)		887	1,509
Other non-current liabilities	2.14	88	150
Total non - current liabilities		**5,872**	**6,688**
Current liabilities			
Financial liabilities			
Lease liabilities	2.3	815	678
Trade payables	2.13		
Total outstanding dues of micro enterprises and small enterprises		126	92
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,695	2,401
Other financial liabilities	2.12	13,145	11,808
Other current liabilities	2.14	7,896	7,681
Provisions	2.15	1,083	1,464
Income tax liabilities (net)		3,723	2,962
Total current liabilities		**29,483**	**27,086**
Total equity and liabilities		**118,104**	**114,950**

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

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

Condensed Statement of Profit and Loss for the	Note No.	Three months ended September 30,		Six months ended September 30,	
		2024	**2023**	**2024**	**2023**
Revenue from operations	2.17	34,257	32,629	67,540	64,440
Other income, net	2.18	1,737	1,350	2,458	2,352
Total income		**35,994**	**33,979**	**69,998**	**66,792**
Expenses					
Employee benefit expenses	2.19	16,864	16,435	33,359	32,788
Cost of technical sub-contractors		4,751	4,645	9,583	9,321
Travel expenses		354	345	725	705
Cost of software packages and others	2.19	2,380	1,809	4,497	2,982
Communication expenses		125	131	229	260
Consultancy and professional charges		299	275	565	490
Depreciation and amortization expenses		670	738	1,368	1,484
Finance cost		61	89	120	132
Other expenses	2.19	1,083	995	2,017	1,967
Total expenses		**26,587**	**25,462**	**52,463**	**50,129**
Profit before tax		**9,407**	**8,517**	**17,535**	**16,663**
Tax expense:					
Current tax	2.16	2,956	2,180	5,643	4,245
Deferred tax	2.16	(362)	92	(689)	216
Profit for the period		**6,813**	**6,245**	**12,581**	**12,202**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		81	(68)	100	19
Equity instruments through other comprehensive income, net		(9)	40	5	40
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		(21)	23	(24)	29
Fair value changes on investments, net		83	(22)	119	46
Total other comprehensive income/ (loss), net of tax		**134**	**(27)**	**200**	**134**
Total comprehensive income for the period		**6,947**	**6,218**	**12,781**	**12,336**
Earnings per equity share					
Equity shares of par value ₹5/- each					
Basic (in ₹ per share)		16.41	15.05	30.30	29.40
Diluted (in ₹ per share)		16.38	15.04	30.25	29.38
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.20	4,152,049,056	4,150,281,476	4,151,564,079	4,149,722,579
Diluted (in shares)	2.20	4,159,157,472	4,152,882,245	4,158,951,829	4,152,824,424

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

INFOSYS LIMITED

Condensed Statement of Changes in Equity

(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 six months ended September 30, 2023													
Profit for the period	-	-	-	-	-	12,202	-	-	-	-	-	-	12,202
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	19	19
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	-	-	40	-	-	40
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	-	-	-	29	-	29
Fair value changes on investments, net*	-	-	-	-	-	-	-	-	-	-	-	46	46
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**12,202**	**-**	**-**	**-**	**40**	**29**	**65**	**12,336**
Transferred to Special Economic Zone Re-investment reserve	-	-	-	-	-	(1,520)	-	-	1,520	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	306	-	-	(306)	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.11)	-	-	-	-	325	-	-	(325)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	6	(6)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.11)	1	-	-	-	-	-	-	-	-	-	-	-	1
Employee stock compensation expense (Refer to note 2.11)	-	-	-	-	-	-	-	272	-	-	-	-	272
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves on common control transaction	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(7,262)	-	-	-	-	-	-	(7,262)
Balance as at September 30, 2023	**2,075**	**54**	**2,862**	**169**	**458**	**55,909**	**8**	**819**	**10,868**	**300**	**24**	**(454)**	**73,092**

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, 2024	**2,075**	**54**	**2,862**	**169**	**580**	**62,551**	**162**	**913**	**11,787**	**279**	**6**	**(262)**	**81,176**
Changes in equity for the three months ended September 30, 2024													
Profit for the period	-	-	-	-	-	12,581	-	-	-	-	-	-	12,581
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	100	100
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	-	-	5	-	-	5
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	-	-	-	(24)	-	(24)
Fair value changes on investments, net*	-	-	-	-	-	-	-	-	-	-	-	119	119
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**12,581**	**-**	**-**	**-**	**5**	**(24)**	**219**	**12,781**
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	205	-	-	(205)	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve to retained earnings	-	-	-	-	-	2,998	-	-	(2,998)	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.11)	-	-	-	-	233	-	-	(233)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	19	(19)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.11)	1	-	-	-	2	-	-	-	-	-	-	-	3
Employee stock compensation expense (Refer to note 2.11)	-	-	-	-	-	-	-	408	-	-	-	-	408
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	6	-	-	-	-	6
Dividends	-	-	-	-	-	(11,625)	-	-	-	-	-	-	(11,625)
Balance as at September 30, 2024	**2,076**	**54**	**2,862**	**169**	**815**	**66,710**	**181**	**1,075**	**8,584**	**284**	**(18)**	**(43)**	**82,749**

**net of tax*

[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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer
and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

Bengaluru
October 17, 2024

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.	Six months ended September 30, 2024	2023
Cash flow from operating activities			
Profit for the period		12,581	12,202
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and Amortization		1,368	1,484
Income tax expense	2.16	4,954	4,461
Impairment loss recognized / (reversed) under expected credit loss model		67	184
Finance cost		120	132
Interest and dividend income		(2,196)	(1,999)
Stock compensation expense		370	246
Provision for post sale client support		19	-
Exchange differences on translation of assets and liabilities, net		53	40
Other adjustments		(75)	343
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(3,047)	(1,688)
Loans, other financial assets and other assets		(568)	(359)
Trade payables		328	(332)
Other financial liabilities, other liabilities and provisions		1,688	142
Cash generated from operations		**15,662**	**14,856**
Income taxes paid		(1,703)	(4,108)
Net cash generated by operating activities		**13,959**	**10,748**
Cash flow from investing activities			
Expenditure on property, plant and equipment		(651)	(1,101)
Deposits placed with corporation		(467)	(555)
Redemption of deposits placed with corporation		284	389
Interest and dividend received		1,014	809
Dividend received from subsidiary		1,123	1,192
Loan given to subsidiaries		(10)	-
Loan repaid by subsidiaries		-	3
Investment in subsidiaries		(4,348)	(63)
Payment towards acquisition of entities		(181)	-
Receipt towards business transfer for entities under common control		1	-
Receipt / (payment) from entities under liquidation		-	80
Other receipts		-	123
Payments to acquire investments			
Liquid mutual fund units		(30,198)	(29,092)
Commercial papers		(2,077)	(2,419)
Certificates of deposit		(1,811)	(1,252)
Non-convertible debentures		(1,051)	(104)
Other investments		(1)	(2)
Proceeds on sale of investments			
Liquid mutual fund units		30,707	27,279
Non-convertible debentures		890	775
Certificates of deposit		3,845	3,662
Commercial papers		6,660	700
Government Securities		200	-
Net cash (used in) / generated from investing activities		**3,929**	**424**

(In ₹ crore)

Particulars	Note No.	Six months ended September 30, 2024	2023
Cash flow from financing activities			
Payment of Lease Liabilities		(461)	(362)
Shares issued on exercise of employee stock options		3	1
Other (payments)/receipts		(75)	(93)
Payment of dividends		(11,620)	(7,266)
Net cash used in financing activities		**(12,153)**	**(7,720)**
Net increase / (decrease) in cash and cash equivalents		5,735	3,452
Effect of exchange rate changes on cash and cash equivalents		(9)	(22)
Cash and cash equivalents at the beginning of the period	2.8	8,191	6,534
Cash and cash equivalents at the end of the period	2.8	**13,917**	**9,964**
Supplementary information:			
Restricted cash balance	2.8	61	58

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

Bengaluru
October 17, 2024

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 October 17, 2024.

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, 2024. 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 interim condensed standalone 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 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).

2.1 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 interim 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 interim 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 September 30, 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 July 1, 2024	**1,430**	**10,656**	**3,231**	**1,380**	**7,357**	**2,150**	**948**	**45**	**27,197**
Additions	-	10	14	35	131	17	21	-	228
Deletions**	-	(6)	(5)	(14)	(90)	(13)	(27)	1	(154)
Gross carrying value as at September 30, 2024	**1,430**	**10,660**	**3,240**	**1,401**	**7,398**	**2,154**	**942**	**46**	**27,271**
Accumulated depreciation as at July 1, 2024	**-**	**(4,671)**	**(2,777)**	**(1,161)**	**(5,630)**	**(1,737)**	**(744)**	**(42)**	**(16,762)**
Depreciation	-	(101)	(45)	(25)	(266)	(43)	(35)	-	(515)
Accumulated depreciation on deletions**	-	1	5	14	86	13	27	(1)	145
Accumulated depreciation as at September 30, 2024	**-**	**(4,771)**	**(2,817)**	**(1,172)**	**(5,810)**	**(1,767)**	**(752)**	**(43)**	**(17,132)**
Carrying value as at July 1, 2024	**1,430**	**5,985**	**454**	**219**	**1,727**	**413**	**204**	**3**	**10,435**
Carrying value as at September 30, 2024	**1,430**	**5,889**	**423**	**229**	**1,588**	**387**	**190**	**3**	**10,139**

The changes in the carrying value of property, plant and equipment for the three months ended September 30, 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 July 1, 2023	**1,429**	**10,450**	**3,147**	**1,325**	**7,198**	**2,135**	**983**	**45**	**26,712**
Additions	-	4	18	12	112	29	28	-	203
Additions through business transfer *(Refer to note 2.4)*	-	-	-	2	12	8	12	-	34
Deletions*	-	-	(5)	(6)	(111)	(9)	(2)	-	(133)
Gross carrying value as at September 30, 2023	**1,429**	**10,454**	**3,160**	**1,333**	**7,211**	**2,163**	**1,021**	**45**	**26,816**
Accumulated depreciation as at July 1, 2023	**-**	**(4,321)**	**(2,602)**	**(1,079)**	**(5,054)**	**(1,591)**	**(684)**	**(41)**	**(15,372)**
Depreciation	-	(106)	(57)	(28)	(284)	(60)	(45)	(1)	(581)
Accumulated depreciation on deletions*	-	-	5	6	108	8	2	-	129
Accumulated depreciation as at September 30, 2023	**-**	**(4,427)**	**(2,654)**	**(1,101)**	**(5,230)**	**(1,643)**	**(727)**	**(42)**	**(15,824)**
Carrying value as at July 1, 2023	**1,429**	**6,129**	**545**	**246**	**2,144**	**544**	**299**	**4**	**11,340**
Carrying value as at September 30, 2023	**1,429**	**6,027**	**506**	**232**	**1,981**	**520**	**294**	**3**	**10,992**

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2024	**1,430**	**10,679**	**3,214**	**1,370**	**7,379**	**2,160**	**963**	**45**	**27,240**
Additions	-	24	34	48	248	26	32	1	413
Deletions**	-	(43)	(8)	(17)	(229)	(32)	(53)	-	(382)
Gross carrying value as at September 30, 2024	**1,430**	**10,660**	**3,240**	**1,401**	**7,398**	**2,154**	**942**	**46**	**27,271**
Accumulated depreciation as at April 1, 2024	-	**(4,575)**	**(2,732)**	**(1,139)**	**(5,497)**	**(1,709)**	**(733)**	**(42)**	**(16,427)**
Depreciation	-	(202)	(93)	(50)	(537)	(89)	(72)	(1)	(1,044)
Accumulated depreciation on deletions**	-	6	8	17	224	31	53	-	339
Accumulated depreciation as at September 30, 2024	**-**	**(4,771)**	**(2,817)**	**(1,172)**	**(5,810)**	**(1,767)**	**(752)**	**(43)**	**(17,132)**
Carrying value as at April 1, 2024	**1,430**	**6,104**	**482**	**231**	**1,882**	**451**	**230**	**3**	**10,813**
Carrying value as at September 30, 2024	**1,430**	**5,889**	**423**	**229**	**1,588**	**387**	**190**	**3**	**10,139**

**During the three months and six months ended September 30, 2024, certain assets which were not in use having gross book value of ₹92 crore (net book value: ₹Nil) and ₹193 crore (net book value: ₹Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2023	**1,429**	**10,445**	**3,144**	**1,314**	**7,235**	**2,129**	**968**	**45**	**26,709**
Additions	-	9	34	33	299	53	50	-	478
Additions through business transfer *(Refer to note 2.4)*	-	-	-	2	12	8	12	-	34
Deletions*	-	-	(18)	(16)	(335)	(27)	(9)	-	(405)
Gross carrying value as at September 30, 2023	**1,429**	**10,454**	**3,160**	**1,333**	**7,211**	**2,163**	**1,021**	**45**	**26,816**
Accumulated depreciation as at April 1, 2023	-	**(4,223)**	**(2,558)**	**(1,060)**	**(4,977)**	**(1,549)**	**(646)**	**(40)**	**(15,053)**
Depreciation	-	(204)	(114)	(57)	(585)	(120)	(89)	(2)	(1,171)
Accumulated depreciation on deletions*	-	-	18	16	332	26	8	-	400
Accumulated depreciation as at September 30, 2023	**-**	**(4,427)**	**(2,654)**	**(1,101)**	**(5,230)**	**(1,643)**	**(727)**	**(42)**	**(15,824)**
Carrying value as at April 1, 2023	**1,429**	**6,222**	**586**	**254**	**2,258**	**580**	**322**	**5**	**11,656**
Carrying value as at September 30, 2023	**1,429**	**6,027**	**506**	**232**	**1,981**	**520**	**294**	**3**	**10,992**

* During the three months and six months ended September 30, 2023, certain assets which were not in use having gross book value of ₹111 crore (net book value: Nil) and ₹361 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	
	September 30, 2024	March 31, 2024
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 September 30, 2024:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at July 1, 2024	533	2,237	517	3,287
Additions*	-	(10)	175	165
Deletions	-	-	(26)	(26)
Depreciation	(1)	(94)	(62)	(157)
Balance as at September 30, 2024	**532**	**2,133**	**604**	**3,269**

** 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 September 30, 2023:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at July 1, 2023	547	2,801	338	3,686
Additions*	-	32	153	185
Deletions	-	(28)	(17)	(45)
Depreciation	(1)	(116)	(41)	(158)
Balance as at September 30, 2023	**546**	**2,689**	**433**	**3,668**

** Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2024:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at April 1, 2024	534	2,266	503	3,303
Additions*	-	78	284	362
Deletions	-	-	(69)	(69)
Depreciation	(2)	(211)	(114)	(327)
Balance as at September 30, 2024	**532**	**2,133**	**604**	**3,269**

** Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2023:

(In ₹ crore)

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at April 1, 2023	548	2,669	344	3,561
Additions*	-	288	225	513
Deletions	-	(30)	(63)	(93)
Depreciation	(2)	(238)	(73)	(313)
Balance as at September 30, 2023	**546**	**2,689**	**433**	**3,668**

** 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 September 30, 2024 and March 31, 2024:

(In ₹ crore)

Particulars	As at	
	September 30, 2024	March 31, 2024
Current lease liabilities	815	678
Non-current lease liabilities	3,021	3,088
Total	**3,836**	**3,766**

2.4 INVESTMENTS

(In ₹ crore)

Particulars	As at September 30, 2024	As at March 31, 2024
Non-current investments		
Equity instruments of subsidiaries	13,712	9,150
Redeemable Preference shares of subsidiary	2,831	2,831
Preference securities and equity securities	209	206
Target maturity fund units	448	431
Others	90	84
Tax free bonds	1,624	1,731
Government bonds	14	14
Non-convertible debentures	1,617	2,216
Government Securities	5,727	6,689
Total non-current investments	**26,272**	**23,352**
Current investments		
Liquid mutual fund units	1,540	1,913
Commercial Papers	-	4,507
Certificates of deposit	997	2,945
Tax free bonds	102	-
Government Securities	1,043	204
Non-convertible debentures	2,501	1,738
Total current investments	**6,183**	**11,307**
Total carrying value	**32,455**	**34,659**

(In ₹ crore, except as otherwise stated)

Particulars	As at September 30, 2024	As at March 31, 2024
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.	-	-
Nil (Nil) 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	4,327	10
2,73,19,411 (1,09,90,000) shares		
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	-	-
Nil (Nil) 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	26
30,000 (30,000) 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	79	48
1,508,060 (1,508,060) 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	82
3,27,788 (3,27,788) shares ₹ 10 per share fully paid up		
InSemi Technology Services Private Limited[(2)]	198	-
10,33,440 (Nil) shares ₹ 10 per share fully paid up		
in-tech Group India Private Limited	15	-
10,000 (Nil) shares ₹ 10 per share fully paid up		
Infosys Services (Thailand) Limited	1	-
1,99,998 (Nil) shares THB 10 per share fully paid up		
Investments in Redeemable Preference shares of subsidiary		
Infosys Singapore Pte Ltd	2,831	2,831
51,02,00,000 (51,02,00,000) shares		
	16,543	**11,981**

(In ₹ crore, except as otherwise stated)

Particulars	As at	
	September 30, 2024	March 31, 2024
Investments carried at fair value through profit or loss		
Target maturity fund units	448	431
Others [(1)]	90	84
	538	**515**
Investments carried at fair value through other comprehensive income		
Preference securities	91	91
Equity securities	2	2
	93	**93**
Quoted		
Investments carried at amortized cost		
Tax free bonds	1,624	1,731
Government bonds	14	14
	1,638	**1,745**
Investments carried at fair value through other comprehensive income		
Non-convertible debentures	1,617	2,216
Equity Securities	116	113
Government Securities	5,727	6,689
	7,460	**9,018**
Total non-current investments	**26,272**	**23,352**
Current investments		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	1,540	1,913
	1,540	**1,913**
Investments carried at fair value through other comprehensive income		
Commercial Papers	-	4,507
Certificates of deposit	997	2,945
	997	**7,452**
Quoted		
Investments carried at amortized cost		
Tax free bonds	102	-
	102	**-**
Investments carried at fair value through other comprehensive income		
Government Securities	1,043	204
Non-convertible debentures	2,501	1,738
	3,544	**1,942**
Total current investments	**6,183**	**11,307**
Total investments	**32,455**	**34,659**
Aggregate amount of quoted investments	12,744	12,705
Market value of quoted investments (including interest accrued), current	3,648	1,942
Market value of quoted investments (including interest accrued), non-current	9,271	10,978
Aggregate amount of unquoted investments	19,711	21,954
# 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	16,543	11,981
Investments carried at amortized cost	1,740	1,745
Investments carried at fair value through other comprehensive income	12,094	18,505
Investments carried at fair value through profit or loss	2,078	2,428

[(1)] *Uncalled capital commitments outstanding as of September 30, 2024 and March 31, 2024 was ₹5 crore and ₹5 crore, respectively.*

[(2)] *On May 10, 2024, Infosys Ltd acquired 100% voting interests in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India. This acquisition is expected to strengthen our expertise in semiconductor ecosystem and Engineering R&D services. The business acquisition was conducted by entering into a share purchase agreement for a total consideration of ₹198 crore as on acquisition date, which includes a cash consideration of ₹168 crore and contingent consideration of up to ₹35 crore. The fair value of contingent consideration as of June 30, 2024 is ₹30 crore.*

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	
		September 30, 2024	March 31, 2024
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	1,540	1,913
Target maturity fund units - carried at fair value through profit or loss	Quoted price	448	431
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	1,907	1,959
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	4,118	3,954
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	6,770	6,893
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	-	4,507
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	997	2,945
Quoted equity securities - carried at fair value through other comprehensive income	Quoted price	116	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	93
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	90	84
Total		**16,079**	**22,892**

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 September 30, 2024	As at March 31, 2024
Non- Current		
Loan to subsidiary [1]	10	-
Loans considered good - Unsecured		
Other Loans		
Loans to employees	25	34
	35	**34**
Loans credit impaired - Unsecured		
Other Loans		
Loans to employees	-	-
Less: Allowance for credit impairment	-	-
	-	-
Total non - current loans	**35**	**34**
Current		
Loans considered good - Unsecured		
Other Loans		
Loans to employees	214	208
Total current loans	**214**	**208**
Total Loans	**249**	**242**
[1] *Includes dues from subsidiaries*	10	-

2.6 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at September 30, 2024	As at March 31, 2024
Non-current		
Security deposits [1]	200	205
Unbilled revenues [1][5]#	1,600	1,366
Others[1]**	222	185
Total non-current other financial assets	**2,022**	**1,756**
Current		
Security deposits [1]	33	25
Restricted deposits [1]*	2,466	2,282
Unbilled revenues [1][5]#	5,369	4,993
Interest accrued but not due [1]	430	476
Foreign currency forward and options contracts [2][3]	49	81
Others [1][4]**	2,899	2,272
Total current other financial assets	**11,246**	**10,129**
Total other financial assets	**13,268**	**11,885**
[1] Financial assets carried at amortized cost	13,219	11,804
[2] Financial assets carried at fair value through other comprehensive income	14	23
[3] Financial assets carried at fair value through Profit or Loss	35	58
[4] *Includes dues from subsidiaries*	2,600	2,052
[5] *Includes dues from subsidiaries*	146	153

* 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 arising on assets that are leased to customers for a contract term normally ranging between 3 to 4 years, with lease payments generally due in monthly installments.

2.7 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at September 30, 2024	As at March 31, 2024
Current		
Trade Receivable considered good - Unsecured [1]	27,210	25,575
Less: Allowance for expected credit loss	462	423
Trade Receivable considered good - Unsecured	26,748	25,152
Trade Receivable - credit impaired - Unsecured	148	157
Less: Allowance for credit impairment	148	157
Trade Receivable - credit impaired - Unsecured	-	-
Total trade receivables [2]	**26,748**	**25,152**
[1] *Includes dues from subsidiaries*	283	259
[2] *Includes dues from companies where directors are interested*	-	-

2.8 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at September 30, 2024	As at March 31, 2024
Balances with banks		
In current and deposit accounts	13,917	8,191
Cash on hand	-	-
Total Cash and cash equivalents	**13,917**	**8,191**
Balances with banks in unpaid dividend accounts	42	37
Deposit with more than 12 months maturity	-	-

Cash and cash equivalents as at September 30, 2024 and March 31, 2024 include restricted cash and bank balances of ₹61 crore and ₹44 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 September 30, 2024	As at March 31, 2024
Non-current		
Capital advances	167	151
Advances other than capital advances		
Others		
Prepaid expenses	81	68
Defined benefit plan assets	8	9
Deferred contract cost		
Cost of obtaining a contract	196	88
Cost of fulfillment	564	640
Unbilled revenues[(2)]	203	58
Withholding taxes and others	505	655
Total non-current other assets	**1,724**	**1,669**
Current		
Advances other than capital advances		
Payment to vendors for supply of goods	101	325
Others		
Prepaid expenses [(1)]	1,834	1,886
Unbilled revenues[(2)]	4,553	4,397
Deferred contract cost		
Cost of obtaining a contract	206	154
Cost of fulfillment	338	266
Withholding taxes and others	2,818	2,593
Other receivables [(1)]	13	15
Total current other assets	**9,863**	**9,636**
Total other assets	**11,587**	**11,305**
[(1)] *Includes dues from subsidiaries*	130	155

[(2)] *Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.*

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 condensed standalone 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 standalone 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 September 30, 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)	13,917	-	-	-	-	13,917	13,917
Investments (Refer to note 2.4)							
Preference securities, Equity securities and others	-	-	90	209	-	299	299
Tax free bonds and government bonds	1,740	-	-	-	-	1,740	1,907 [1]
Liquid mutual fund units	-	-	1,540	-	-	1,540	1,540
Target maturity fund units	-	-	448	-	-	448	448
Certificates of deposit	-	-	-	-	997	997	997
Non convertible debentures	-	-	-	-	4,118	4,118	4,118
Government Securities	-	-	-	-	6,770	6,770	6,770
Trade receivables (Refer to note 2.7)	26,748	-	-	-	-	26,748	26,748
Loans (Refer to note 2.5)	249	-	-	-	-	249	249
Other financial assets (Refer to note 2.6) [3]	13,219	-	35	-	14	13,268	13,212 [2]
Total	**55,873**	**-**	**2,113**	**209**	**11,899**	**70,094**	**70,205**
Liabilities:	-	-	-	-	-	-	-
Trade payables (Refer to note 2.13)	2,821	-	-	-	-	2,821	2,821
Lease liabilities (Refer to note 2.3)	3,836	-	-	-	-	3,836	3,836
Other financial liabilities (Refer to note 2.12)	12,445	-	162	-	25	12,632	12,632
Total	**19,102**	**-**	**162**	**-**	**25**	**19,289**	**19,289**

[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 ₹56 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, 2024 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)	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]
Target maturity fund units	-	-	431	-	-	431	431
Liquid mutual fund units	-	-	1,913	-	-	1,913	1,913
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*

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 September 30, 2024 is as follows:

(In ₹ crore)

Particulars	**As at September 30, 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	1,892	1,296	596	-
Investments in government bonds	15	15	-	-
Investments in liquid mutual fund units	1,540	1,540	-	-
Investments in target maturity fund units	448	448	-	-
Investments in certificates of deposit	997	-	997	-
Investments in non convertible debentures	4,118	3,702	416	-
Investments in government securities	6,770	6,734	36	-
Investments in equity securities	118	-	-	118
Investments in preference securities	91	-	-	91
Other investments	90	-	-	90
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts (Refer to note 2.6)	49	-	49	-
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts (Refer to note 2.12)	156	-	156	-
Liability towards contingent consideration (Refer to note 2.12)[1]	31	-	-	31

[1] *Discount rate - 6%*

During the six months ended September 30, 2024, Government securities of ₹36 crore and non convertible debenture of ₹252 crore were transferred from Level 2 to Level 1 of fair value hierarchy since these were valued based on quoted price. Further Tax free bonds of ₹596 crore and non convertible debenture of ₹416 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, 2024 was 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 target maturity fund units	431	431	-	-
Investments in government bonds	15	15	-	-
Investments in liquid mutual fund units	1,913	1,913	-	-
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 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.

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 condensed standalone 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	
	September 30, 2024	**March 31, 2024**
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)]	2,076	2,075
415,21,46,817 (415,08,67,464) equity shares fully paid-up		
	2,076	**2,075**

[(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 September 30, 2024 and March 31, 2024 is set out below:

(in ₹ crore, except as stated otherwise)

Particulars	As at September 30, 2024		As at March 31, 2024	
	Number of shares	**Amount**	**Number of shares**	**Amount**
As at the beginning of the period	**4,15,08,67,464**	**2,075**	**4,14,85,60,044**	**2,074**
Add: Shares issued on exercise of employee stock options	1,279,353	1	2,307,420	1
As at the end of the period	**4,15,21,46,817**	**2,076**	**4,15,08,67,464**	**2,075**

Capital allocation policy

Effective fiscal 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.

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 September 30, 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 September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Final dividend for fiscal 2023	-	-	-	17.50
Special dividend for fiscal 2024	-	-	8.00	-
Final dividend for fiscal 2024	-	-	20.00	-

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 same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 26, 2024 which resulted in a net cash outflow of ₹11,625 crore.

The Board of Directors in their meeting held on October 17, 2024 declared an interim dividend of ₹21/- per equity share which would result in a net cash outflow of approximately ₹8,720 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 10,237,261 shares and 10,916,829 shares as at September 30, 2024 and March 31, 2024, 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 September 30, 2024 and March 31, 2024.

The following is the summary of grants made during the three months and six months ended September 30, 2024 and September 30, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended September 30,		Six months ended September 30,		Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity settled RSUs								
Key Management Personnel (KMP)	-	-	70,699	78,281	-	-	295,168	333,596
Employees other than KMP	-	-	6,848	-	32,850	23,780	129,340	28,280
Total Grants	**-**	**-**	**77,547**	**78,281**	**32,850**	**23,780**	**424,508**	**361,876**

Notes on grants to KMP:

CEO & MD

Under the 2015 plan:

The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2025. In accordance with such approval the following grants were made effective May 2, 2024.

- 245,679 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.
- 14,140 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.
- 35,349 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.

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 September 30, 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 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2025 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 70,699 performance based RSU's were granted effective May 2, 2024.

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

(in ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Granted to:				
KMP	17	17	35	37
Employees other than KMP	164	97	335	209
Total (1)	**181**	**114**	**370**	**246**
(1) *Cash settled stock compensation expense included in the above*	3	2	5	3

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 2025-Equity Shares-RSU	Fiscal 2025-ADR-RSU	Fiscal 2024-Equity Shares-RSU	Fiscal 2024-ADR-RSU
Weighted average share price (₹) / ($ ADS)	1,428	18.09	1,588	19.19
Exercise price (₹) / ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	21-26	23-28	23-31	25-33
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	7	4-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,311	16.59	1,317	16.27

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	
	September 30, 2024	March 31, 2024
Non-current		
Others		
Compensated absences	96	81
Accrued compensation to employees [(1)]	18	7
Accrued expenses [(1)]	1,742	1,779
Payable for acquisition of business - Contingent consideration [(2)]	20	-
Other payables [(1)]	-	74
Total non-current other financial liabilities	**1,876**	**1,941**
Current		
Unpaid dividends [(1)]	42	37
Others		
Accrued compensation to employees [(1)]	3,745	3,336
Accrued expenses [(1)(4)]	5,734	5,134
Capital creditors [(1)]	179	269
Compensated absences	2,293	2,078
Payable for acquisition of business - Contingent consideration [(2)]	11	-
Other payables [(1)(5)]	985	933
Foreign currency forward and options contracts [(2)(3)]	156	21
Total current other financial liabilities	**13,145**	**11,808**
Total other financial liabilities	**15,021**	**13,749**
[(1)] *Financial liability carried at amortized cost*	12,445	11,569
[(2)] *Financial liability carried at fair value through profit or loss*	162	20
[(3)] *Financial liability carried at fair value through other comprehensive income*	25	1
[(4)] *Includes dues to subsidiaries*	54	29
[(5)] *Includes dues to subsidiaries*	404	405

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	
	September 30, 2024	March 31, 2024
Outstanding dues of micro enterprises and small enterprises	126	92
Outstanding dues of creditors other than micro enterprises and small enterprises[(1)]	2,695	2,401
Total trade payables	**2,821**	**2,493**
[(1)] *Includes dues to subsidiaries*	*894*	*778*

2.14 OTHER LIABILITIES

(In ₹ crore)

Particulars	As at	
	September 30, 2024	March 31, 2024
Non-current		
Others		
Accrued defined benefit liability	63	123
Others	25	27
Total non - current other liabilities	**88**	**150**
Current		
Unearned revenue	5,707	5,698
Others		
Withholding taxes and others	2,180	1,974
Accrued defined benefit liability	2	2
Others	7	7
Total current other liabilities	**7,896**	**7,681**
Total other liabilities	**7,984**	**7,831**

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	
	September 30, 2024	**March 31, 2024**
Current		
Others		
Post-sales client support and other provisions	1,083	1,464
Total provisions	**1,083**	**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.

Provision for post sales client support and other provisions is included in cost of sales in the interim condensed standalone statement of profit and loss.

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. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. 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 September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Current taxes	2,956	2,180	5,643	4,245
Deferred taxes	(362)	92	(689)	216
Income tax expense	**2,594**	**2,272**	**4,954**	**4,461**

Income tax expense for the three months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversals) of ₹88 crores and reversal (net of provisions) of ₹35 crore. Income tax expense for the six months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversals) of ₹133 crore and reversal (net of provisions) of ₹80 crore. These provisions and 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.

Deferred income tax for the three months and six months ended September 30, 2024 and September 30, 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 six months ended September 30, 2024 and September 30, 2023 is as follows:

(In ₹ crore)

Particulars	**Three months ended September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Revenue from software services	34,000	32,544	67,017	64,292
Revenue from products and platforms	257	85	523	148
Total revenue from operations	**34,257**	**32,629**	**67,540**	**64,440**

The percentage of revenue from fixed-price contracts for the three months ended September 30, 2024 and September 30, 2023 is 57% and 55%, respectively. The percentage of revenue from fixed-price contracts for the six months ended September 30, 2024 and September 30, 2023 is 57% and 55% .

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 condensed standalone 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 ended September 30, 2024 and September 30, 2023 is as follows:

(In ₹ crore)

Particulars	**Three months ended September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Interest income on financial assets carried at amortized cost				
Tax free bonds and government bonds	31	34	61	68
Deposit with Bank and others	255	168	486	347
Interest income on financial assets carried at fair value through other comprehensive income				
Non-convertible debentures, commercial papers, certificates of deposit and government securities	211	188	526	392
Income on investments carried at fair value through profit or loss				
Gain / (loss) on liquid mutual funds and other investments	61	37	157	78
Income on investments carried at fair value through other comprehensive income	2	-	2	-
Dividend received from subsidiary	1,123	792	1,123	1,192
Exchange gains/(losses) on foreign currency forward and options contracts	(428)	(36)	(381)	99
Exchange gains/(losses) on translation of other assets and liabilities	410	116	373	50
Miscellaneous income, net	72	51	111	126
Total other income	**1,737**	**1,350**	**2,458**	**2,352**

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 September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Employee benefit expenses				
Salaries including bonus	16,079	15,756	31,830	31,464
Contribution to provident and other funds	508	493	1,018	992
Share based payments to employees (Refer to note 2.11)	181	114	370	246
Staff welfare	96	72	141	86
	16,864	**16,435**	**33,359**	**32,788**
Cost of software packages and others				
For own use	484	408	946	786
Third party items bought for service delivery to clients	1,896	1,401	3,551	2,196
	2,380	**1,809**	**4,497**	**2,982**
Other expenses				
Power and fuel	48	43	106	87
Brand and Marketing	218	195	528	419
Rates and taxes	69	55	163	131
Repairs and Maintenance	240	243	488	485
Consumables	8	4	15	11
Insurance	59	45	121	87
Provision for post-sales client support and others	129	120	19	174
Commission to non-whole time directors	4	4	8	7
Impairment loss recognized / (reversed) under expected credit loss model	63	98	67	184
Auditor's remuneration				
Statutory audit fees	2	2	4	3
Contributions towards Corporate Social Responsibility	144	130	304	190
Others	99	56	194	189
	1,083	**995**	**2,017**	**1,967**

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	
	September 30, 2024	March 31, 2024
Contingent liabilities:		
Claims against the Company, not acknowledged as debts[1]	2,706	2,649
[Amount paid to statutory authorities ₹4,873 crore (₹8,283 crore)]		
Commitments:		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)[2]	831	688
Other Commitments*	5	5

** Uncalled capital pertaining to investments*

[1] As at September 30, 2024 and March 31, 2024, claims against the Company not acknowledged as debts in respect of income tax matters amounted to ₹2,310 crore and ₹2,260 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's financial position and results of operations.

Amount paid to statutory authorities against the tax claims amounted to ₹4,872 crore and ₹8,273 crore as at September 30, 2024 and March 31, 2024, 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, 2024 for the full names and other details of the Company's subsidiaries and controlled trusts.

Changes in Subsidiaries

During the six months ended September 30, 2024, the following are the changes in the subsidiaries:

- Danske IT and Support Services India Private Limited renamed as IDUNN Information Technology Private Limited
- On May 10, 2024 Infosys Ltd. acquired 100% of voting interests in InSemi Technology Services Private Limited along with its subsidiary Elbrus Labs Private Limited
- Infosys Services (Thailand) Limited, a Wholly-owned subsidiary of Infosys Limited was incorporated on July 26, 2024.
- Infy tech SAS, a Wholly-owned subsidiary of Infosys Singapore Pte Limited was incorporated on July 03, 2024.
- On July 17, 2024, Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in in-tech Holding GmbH along with its subsidiary in-tech GmbH along with its six subsidiaries in-tech Automotive Engineering SL, ProIT, in-tech Automotive Engineering de R.L. de C.V, drivetech Fahrversuch GmbH, Friedrich Wagner Holding Inc along with its two subsidiaries (in-tech Automotive Engineering LLC and in-tech Services LLC) and Friedrich & Wagner Asia Pacific GmbH along with its five subsidiaries in-tech engineering s.r.o, in-tech engineering GmbH, in-tech engineering services S.R.L, in-tech Group Ltd along with its subsidiary (in-tech Group India Private Limited) and In-tech Automotive Engineering Shenyang Co., Ltd along with its subsidiary (In-tech Automotive Engineering Bejing Co., Ltd)

The Company’s related party transactions during the three months and six months ended September 30, 2024 and September 30, 2023 and outstanding balances as at September 30, 2024 and March 31, 2024 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:

Executive Officers:

- 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 September 30,		Six months ended September 30,	
	2024	**2023**	**2024**	**2023**
Salaries and other short term employee benefits to whole-time directors and executive officers[(1)(2)]	28	26	56	58
Commission and other benefits to non-executive / independent directors	5	4	9	8
Total	**33**	**30**	**65**	**66**

[(1)] *Total employee stock compensation expense for the three months ended September 30, 2024 and September 30, 2023 includes a charge of ₹17 crore and ₹17 crore, respectively, towards key management personnel.For the six months ended September 30, 2024 and September 30, 2023, includes a charge of ₹35 crore and ₹37 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

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer
and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

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 September 30, 2024, the Condensed Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the three months and six months ended on that date, the Condensed Consolidated Statement of Changes in Equity and the Condensed Consolidated Statement of Cash Flows for the six months 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 September 30, 2024, its consolidated profit and its consolidated total comprehensive income for the three months and six months ended on that date, its consolidated changes in equity and its consolidated cash flows for the six months 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.

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 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 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 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)

Vikas Bagaria
Partner
(Membership No.060408)
UDIN:

Place: Bengaluru
Date: October 17, 2024

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Financial Statements under Indian Accounting Standards (Ind AS) for the three months and six months ended September 30, 2024

Index	**Page No.**

INFOSYS LIMITED AND SUBSIDIARIES

(In ₹ crore)

Condensed Consolidated Balance Sheets as at	Note No.	September 30, 2024	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	2.2	11,780	12,370
Right-of-use assets	2.19	6,692	6,552
Capital work-in-progress		505	293
Goodwill	2.3	10,191	7,303
Other intangible assets		3,254	1,397
Financial assets			
Investments	2.4	9,962	11,708
Loans	2.5	25	34
Other financial assets	2.6	3,450	3,105
Deferred tax assets (net)		556	454
Income tax assets (net)		3,864	3,045
Other non-current assets	2.9	2,060	2,121
Total non-current assets		**52,339**	**48,382**
Current assets			
Financial assets			
Investments	2.4	7,432	12,915
Trade receivables	2.7	32,013	30,193
Cash and cash equivalents	2.8	21,799	14,786
Loans	2.5	255	248
Other financial assets	2.6	12,688	12,085
Income tax assets (net)		2,418	6,397
Other current assets	2.9	12,926	12,808
Total current assets		**89,531**	**89,432**
Total assets		**141,870**	**137,814**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.11	2,072	2,071
Other equity		88,391	86,045
Total equity attributable to equity holders of the Company		**90,463**	**88,116**
Non-controlling interests		367	345
Total equity		**90,830**	**88,461**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	2.19	6,336	6,400
Other financial liabilities	2.12	2,011	2,130
Deferred tax liabilities (net)		1,686	1,794
Other non-current liabilities	2.13	177	235
Total non-current liabilities		**10,210**	**10,559**
Current liabilities			
Financial Liabilities			
Lease liabilities	2.19	2,468	1,959
Trade payables		3,841	3,956
Other financial liabilities	2.12	17,988	16,959
Other current liabilities	2.13	10,706	10,539
Provisions	2.14	1,436	1,796
Income tax liabilities (net)		4,391	3,585
Total current liabilities		**40,830**	**38,794**
Total equity and liabilities		**141,870**	**137,814**

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer
and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

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 September 30,		Six months ended September 30,	
		2024	**2023**	**2024**	**2023**
Revenue from operations	2.16	40,986	38,994	80,300	76,927
Other income, net	2.17	712	632	1,551	1,193
Total income		**41,698**	**39,626**	**81,851**	**78,120**
Expenses					
Employee benefit expenses	2.18	21,564	20,796	42,498	41,577
Cost of technical sub-contractors		3,190	3,074	6,359	6,198
Travel expenses		458	439	936	901
Cost of software packages and others	2.18	3,949	3,387	7,404	6,106
Communication expenses		169	179	316	361
Consultancy and professional charges		451	387	895	734
Depreciation and amortization expenses		1,160	1,166	2,310	2,339
Finance cost		108	138	214	228
Other expenses	2.18	1,396	1,292	2,645	2,546
Total expenses		**32,445**	**30,858**	**63,577**	**60,990**
Profit before tax		**9,253**	**8,768**	**18,274**	**17,130**
Tax expense:					
Current tax	2.15	3,146	2,491	6,144	4,798
Deferred tax	2.15	(409)	62	(760)	172
Profit for the period		**6,516**	**6,215**	**12,890**	**12,160**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		78	(64)	98	23
Equity instruments through other comprehensive income, net		(9)	40	5	40
		69	**(24)**	**103**	**63**
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		(21)	23	(24)	29
Exchange differences on translation of foreign operations		560	5	456	21
Fair value changes on investments, net		86	(20)	126	55
		625	**8**	**558**	**105**
Total other comprehensive income /(loss), net of tax		**694**	**(16)**	**661**	**168**
Total comprehensive income for the period		**7,210**	**6,199**	**13,551**	**12,328**
Profit attributable to:					
Owners of the Company		6,506	6,212	12,874	12,157
Non-controlling interests		10	3	16	3
		6,516	**6,215**	**12,890**	**12,160**
Total comprehensive income attributable to:					
Owners of the Company		7,190	6,196	13,527	12,328
Non-controlling interests		20	3	24	—
		7,210	**6,199**	**13,551**	**12,328**
Earnings per equity share					
Equity shares of par value ₹5/- each					
Basic (₹)		15.71	15.01	31.09	29.38
Diluted (₹)		15.68	14.99	31.02	29.34
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.20	4,141,806,535	4,138,636,582	4,141,043,772	4,137,939,496
Diluted (in shares)	2.20	4,150,537,764	4,142,819,712	4,150,210,087	4,142,711,523

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

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, 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 six months ended September 30, 2023																
Profit for the period	—	—	—	—	12,157	—	—	—	—	—	—	—	—	12,157	3	12,160
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	23	23	—	23
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	40	—	—	—	40	—	40
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	29	—	29	—	29
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	24	—	—	24	(3)	21
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	55	55	—	55
Total Comprehensive income for the period	**—**	**—**	**—**	**—**	**12,157**	**—**	**—**	**—**	**—**	**40**	**24**	**29**	**78**	**12,328**	**—**	**12,328**
Shares issued on exercise of employee stock options *(Refer to Note 2.11)*	1	—	—	2	—	—	—	—	—	—	—	—	—	3	—	3
Employee stock compensation expense *(Refer to Note 2.11)*	—	—	—	—	—	—	272	—	—	—	—	—	—	272	—	272
Transferred on account of exercise of stock options (Refer to note 2.11)	—	—	—	325	—	—	(325)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	6	(6)	—	—	—	—	—	—	—	—	—
Dividends [1]	—	—	—	—	(7,242)	—	—	—	—	—	—	—	—	(7,242)	—	(7,242)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(2)	(2)
Transferred to Special Economic Zone Re-investment reserve	—	—	—	—	(1,520)	—	—	1,520	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	325	—	—	(325)	—	—	—	—	—	—	—	—
Balance as at September 30, 2023	**2,070**	**54**	**169**	**493**	**62,677**	**1,060**	**819**	**11,209**	**19**	**287**	**2,349**	**24**	**(462)**	**80,768**	**386**	**81,154**

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, 2024	**2,071**	**54**	**169**	**616**	**68,405**	**1,214**	**913**	**12,104**	**22**	**266**	**2,552**	**6**	**(276)**	**88,116**	**345**	**88,461**
Changes in equity for the six months ended September 30, 2024																
Profit for the period	—	—	—	—	12,874	—	—	—	—	—	—	—	—	12,874	16	12,890
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	98	98	—	98
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	5	—	—	—	5	—	5
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	(24)	—	(24)	—	(24)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	448	—	—	448	8	456
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	126	126	—	126
Total Comprehensive income for the period	**—**	**—**	**—**	**—**	**12,874**	**—**	**—**	**—**	**—**	**5**	**448**	**(24)**	**224**	**13,527**	**24**	**13,551**
Shares issued on exercise of employee stock options *(Refer to Note 2.11)*	1	—	—	2	—	—	—	—	—	—	—	—	—	3	—	3
Employee stock compensation expense *(Refer to Note 2.11)*	—	—	—	—	—	—	408	—	—	—	—	—	—	408	—	408
Transferred on account of exercise of stock options (Refer to Note 2.11)	—	—	—	234	—	—	(234)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	18	(18)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	6	—	—	—	—	—	—	6	—	6
Transfer to legal reserve	—	—	—	—	(2)	—	—	—	2	—	—	—	—	—	—	—
Dividends [1]	—	—	—	—	(11,597)	—	—	—	—	—	—	—	—	(11,597)	—	(11,597)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(2)	(2)
Transferred from Special Economic Zone Re-investment reserve to retained earnings	—	—	—	—	2,998	—	—	(2,998)	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	233	—	—	(233)	—	—	—	—	—	—	—	—
Balance as at September 30, 2024	**2,072**	**54**	**169**	**852**	**72,911**	**1,232**	**1,075**	**8,873**	**24**	**271**	**3,000**	**(18)**	**(52)**	**90,463**	**367**	**90,830**

** Net of tax*

[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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer
and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

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.	Six months ended September 30,	
		2024	2023
Cash flow from operating activities			
Profit for the period		12,890	12,160
Adjustments to reconcile net profit to net cash provided by operating activities:			
Income tax expense	2.15	5,384	4,970
Depreciation and amortization		2,310	2,339
Interest and dividend income		(1,257)	(1,006)
Finance cost		214	228
Impairment loss recognized / (reversed) under expected credit loss model		95	206
Exchange differences on translation of assets and liabilities, net		(298)	(1)
Stock compensation expense		420	279
Provision for post sale client support		26	168
Other adjustments		876	732
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(2,735)	(1,751)
Loans, other financial assets and other assets		(233)	(251)
Trade payables		(147)	(661)
Other financial liabilities, other liabilities and provisions		1,078	(768)
Cash generated from operations		**18,623**	**16,644**
Income taxes paid		(2,165)	(4,538)
Net cash generated by operating activities		**16,458**	**12,106**
Cash flows from investing activities			
Expenditure on property, plant and equipment and intangibles		(968)	(1,299)
Deposits placed with corporation		(579)	(636)
Redemption of deposits placed with Corporation		357	439
Interest and dividend received		1,217	973
Payment towards acquisition of business, net of cash acquired	2.1	(3,155)	—
Payment of contingent consideration pertaining to acquisition of business		—	(59)
Other receipts		5	127
Payments to acquire Investments			
Tax free bonds and government bonds		(2)	—
Liquid mutual fund units		(33,517)	(33,038)
Certificates of deposit		(1,885)	(2,179)
Commercial Papers		(2,227)	(2,903)
Non-convertible debentures		(1,051)	(104)
Other Investments		(17)	(5)
Proceeds on sale of Investments			
Liquid mutual funds units		34,012	31,292
Certificates of deposit		3,970	4,912
Commercial Papers		7,135	1,254
Non-convertible debentures		1,030	875
Government securities		200	299
Net cash generated / (used in) from investing activities		**4,525**	**(52)**

Cash flows from financing activities			
Payment of lease liabilities		(1,190)	(920)
Payment of dividends		(11,592)	(7,246)
Loan repayment of in-tech Holding GmbH *(Refer to Note 2.1)*		(985)	—
Payment of dividend to non-controlling interest of subsidiary		(2)	(2)
Shares issued on exercise of employee stock options		3	3
Other receipts		—	20
Other payments		(265)	(334)
Net cash used in financing activities		**(14,031)**	**(8,479)**
Net increase / (decrease) in cash and cash equivalents		6,952	3,575
Effect of exchange rate changes on cash and cash equivalents		61	(35)
Cash and cash equivalents at the beginning of the period	2.8	14,786	12,173
Cash and cash equivalents at the end of the period	2.8	**21,799**	**15,713**
Supplementary information:			
Restricted cash balance	2.8	407	365

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

Vikas Bagaria
Partner
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Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918

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 October 17, 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, 2024. 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 interim condensed consolidated 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 us to fair value identifiable intangible assets and contingent consideration to ascertain the net 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 2.3.2)* .

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 2.3).*

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 interim condensed 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.

Acquisition

InSemi

On May 10, 2024, Infosys Ltd acquired 100% voting interests in InSemi Technology Services Private Limited, a semiconductor design services company headquartered in India. This acquisition is expected to strengthen our expertise in semiconductor ecosystem and Engineering R&D services.

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

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets(1)	40	-	40
Intangible assets :			
Customer contracts and relationships #	-	60	60
Brand#	-	13	13
Deferred tax liabilities on intangible assets	-	(18)	(18)
Total			**95**
Goodwill			103
Total purchase price			**198**

(1) *Includes cash and cash equivalents acquired of ₹ 41 crore.*

The estimated useful life is around 1 year to 5 years

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.

The purchase consideration of ₹198 crore includes cash of ₹168 crore and contingent consideration with an estimated fair value of ₹30 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 5.9%. The undiscounted value of contingent consideration as of September 30, 2024 was ₹31 crore.

Additionally, this acquisition has retention bonus and management incentive payable to the employees of the acquiree over three years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Bonus and incentives are recognized in employee benefit expenses in the Statement of Profit and loss over the period of service.

Fair value of trade receivables acquired is ₹32 crore as of acquisition date and as of September 30, 2024 the amounts are substantially 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 ₹2 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Profit and loss for the three months ended June 30, 2024.

in-tech Holding GmbH

On July 17, 2024, Infosys Germany GmbH wholly owned step down subsidiary of Infosys Limited acquired 100% voting interests in in-tech Holding GmbH, a leading provider of engineering R&D services headquartered in Germany. This acquisition is expected to strengthen Infosys' engineering R&D capabilities and reaffirms its continued commitment to global clients to navigate their digital engineering journey.

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

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Assets[(1)]	731	-	731
Liabilities	(364)	-	(364)
Intangible assets :			
Customer contracts and relationships[#]	-	1,720	1,720
Brand[#]	-	147	147
Deferred tax liabilities on intangible assets	-	(511)	(511)
Goodwill	-	-	2,490
Loan	(985)		(985)
Total purchase price			**3,228**
Loan repayment			985
Total cash outflow			**4,213**

[(1)] *Includes cash and cash equivalents acquired of ₹197 crore.*

[#] *The estimated useful life is around 3 year to 10 years*

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.

The total purchase consideration of EUR 356 million (₹3,228 crore) comprises the cash consideration paid to selling shareholders at the acquisition date.

Additionally, this acquisition has retention bonus and management incentive payable to the employees of the acquiree over two to five years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Bonus and incentives are recognized in employee benefit expenses in the Statement of Profit and loss over the period of service.

Fair value of trade receivables acquired is ₹139 crore as of acquisition date and as of September 30, 2024 the amounts are majorly 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 ₹4 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Profit and loss for the quarter ended September 30, 2024.

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 September 30, 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 July 1, 2024	**1,432**	**11,743**	**3,445**	**1,538**	**8,617**	**2,309**	**1,413**	**45**	**30,542**
Additions	—	17	23	41	176	45	48	—	350
Additions on Business Combinations *(Refer to note 2.1)*	—	1	—	11	5	23	—	2	42
Deletions**	—	(4)	(6)	(15)	(101)	(14)	(27)	—	(167)
Translation difference	—	43	3	3	17	4	15	—	85
Gross carrying value as at September 30, 2024	**1,432**	**11,800**	**3,465**	**1,578**	**8,714**	**2,367**	**1,449**	**47**	**30,852**
Accumulated depreciation as at July 1, 2024	**—**	**(5,026)**	**(2,683)**	**(1,291)**	**(6,538)**	**(1,861)**	**(1,134)**	**(42)**	**(18,575)**
Depreciation	—	(113)	(55)	(30)	(321)	(50)	(43)	—	(612)
Accumulated depreciation on deletions**	—	1	6	15	96	14	27	—	159
Translation difference	—	(13)	(3)	(3)	(8)	(2)	(15)	—	(44)
Accumulated depreciation as at September 30, 2024	—	**(5,151)**	**(2,735)**	**(1,309)**	**(6,771)**	**(1,899)**	**(1,165)**	**(42)**	**(19,072)**
Carrying value as at July 1, 2024	**1,432**	**6,717**	**762**	**247**	**2,079**	**448**	**279**	**3**	**11,967**
Carrying value as at September 30, 2024	**1,432**	**6,649**	**730**	**269**	**1,943**	**468**	**284**	**5**	**11,780**

The changes in the carrying value of property, plant and equipment for the three months ended September 30, 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 July 1, 2023	**1,431**	**11,514**	**3,293**	**1,484**	**8,471**	**2,307**	**1,457**	**45**	**30,002**
Additions	—	4	19	17	164	39	41	—	284
Deletions*	—	—	(5)	(14)	(134)	(13)	(4)	—	(170)
Translation difference	—	9	—	—	(5)	(2)	1	—	3
Gross carrying value as at September 30, 2023	**1,431**	**11,527**	**3,307**	**1,487**	**8,496**	**2,331**	**1,495**	**45**	**30,119**
Accumulated depreciation as at July 1, 2023	**—**	**(4,631)**	**(2,472)**	**(1,208)**	**(5,922)**	**(1,716)**	**(1,073)**	**(41)**	**(17,063)**
Depreciation	**—**	(116)	(66)	(32)	(349)	(65)	(55)	(1)	(684)
Accumulated depreciation on deletions*	**—**	—	5	13	134	12	4	—	168
Translation difference	**—**	(2)	(1)	(1)	5	1	—	—	2
Accumulated depreciation as at September 30, 2023	—	**(4,749)**	**(2,534)**	**(1,228)**	**(6,132)**	**(1,768)**	**(1,124)**	**(42)**	**(17,577)**
Carrying value as at July 1, 2023	**1,431**	**6,883**	**821**	**276**	**2,549**	**591**	**384**	**4**	**12,939**
Carrying value as at September 30, 2023	**1,431**	**6,778**	**773**	**259**	**2,364**	**563**	**371**	**3**	**12,542**

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2024	**1,432**	**11,770**	**3,428**	**1,528**	**8,611**	**2,326**	**1,447**	**45**	**30,587**
Additions	—	32	44	57	354	57	63	1	**608**
Additions on Business Combinations *(Refer to note 2.1)*	—	1	—	11	6	23	—	2	**43**
Deletions**	—	(42)	(9)	(21)	(265)	(40)	(75)	(1)	**(453)**
Translation difference	—	39	2	3	8	1	14	—	**67**
Gross carrying value as at September 30, 2024	**1,432**	**11,800**	**3,465**	**1,578**	**8,714**	**2,367**	**1,449**	**47**	**30,852**
Accumulated depreciation as at April 1, 2024	**—**	**(4,921)**	**(2,630)**	**(1,269)**	**(6,380)**	**(1,837)**	**(1,138)**	**(42)**	**(18,217)**
Depreciation	—	(224)	(112)	(58)	(648)	(102)	(88)	(1)	**(1,233)**
Accumulated depreciation on deletions**	—	6	9	20	259	40	75	1	**410**
Translation difference	—	(12)	(2)	(2)	(2)	—	(14)	—	**(32)**
Accumulated depreciation as at September 30, 2024	**—**	**(5,151)**	**(2,735)**	**(1,309)**	**(6,771)**	**(1,899)**	**(1,165)**	**(42)**	**(19,072)**
Carrying value as at April 1, 2024	**1,432**	**6,849**	**798**	**259**	**2,231**	**489**	**309**	**3**	**12,370**
Carrying value as at September 30, 2024	**1,432**	**6,649**	**730**	**269**	**1,943**	**468**	**284**	**5**	**11,780**

** During the three months and six months ended September 30, 2024, certain assets which were not in use having gross book value of ₹103 crore (net book value: Nil) and ₹229 crore (net book value: Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 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, 2023	**1,431**	**11,562**	**3,302**	**1,482**	**8,519**	**2,303**	**1,445**	**45**	**30,089**
Additions	—	9	41	43	383	67	68	—	611
Deletions*	—	—	(32)	(36)	(400)	(37)	(11)	—	(516)
Translation difference	—	(44)	(4)	(2)	(6)	(2)	(7)	—	(65)
Gross carrying value as at September 30, 2023	**1,431**	**11,527**	**3,307**	**1,487**	**8,496**	**2,331**	**1,495**	**45**	**30,119**
Accumulated depreciation as at April 1, 2023	**—**	**(4,535)**	**(2,437)**	**(1,198)**	**(5,826)**	**(1,675)**	**(1,032)**	**(40)**	**(16,743)**
Depreciation	—	(225)	(132)	(65)	(711)	(130)	(108)	(2)	(1,373)
Accumulated depreciation on deletions*	—	—	32	35	399	36	9	—	511
Translation difference	—	11	3	—	6	1	7	—	28
Accumulated depreciation as at September 30, 2023	**—**	**(4,749)**	**(2,534)**	**(1,228)**	**(6,132)**	**(1,768)**	**(1,124)**	**(42)**	**(17,577)**
Carrying value as at April 1, 2023	**1,431**	**7,027**	**865**	**284**	**2,693**	**628**	**413**	**5**	**13,346**
Carrying value as at September 30, 2023	**1,431**	**6,778**	**773**	**259**	**2,364**	**563**	**371**	**3**	**12,542**

* During the three months and six months ended September 30, 2023, certain assets which were not in use having gross book value of ₹137 crore (net book value: Nil) and ₹457 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 has filed an appeal against this order before Income Tax Appellate Tribunal.

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	
	September 30, 2024	March 31, 2024
Carrying value at the beginning	**7,303**	**7,248**
Goodwill on acquisitions (Refer to note 2.1)	2,593	—
Translation differences	295	55
Carrying value at the end	**10,191**	**7,303**

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	
	September 30, 2024	March 31, 2024
Non-current Investments		
Unquoted		
Investments carried at fair value through other comprehensive income		
Preference securities	91	91
Equity instruments	2	2
	93	**93**
Investments carried at fair value through profit or loss		
Target maturity fund units	448	431
Others [(1)]	217	198
	665	**629**
Quoted		
Investments carried at amortized cost		
Government bonds	16	28
Tax free bonds	1,623	1,731
	1,639	**1,759**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	1,617	2,217
Equity securities	116	113
Government securities	5,832	6,897
	7,565	**9,227**
Total non-current investments	**9,962**	**11,708**
Current Investments		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	2,282	2,615
	2,282	**2,615**
Investments carried at fair value through other comprehensive income		
Commercial Paper	—	4,830
Certificates of deposit	1,046	3,043
	1,046	**7,873**
Quoted		
Investments carried at amortized cost		
Government bonds	15	—
Tax free bonds	102	-
	117	**—**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	2,579	1,962
Government securities	1,408	465
	3,987	**2,427**
Total current investments	**7,432**	**12,915**
Total investments	**17,394**	**24,623**
Aggregate amount of quoted investments	13,308	13,413
Market value of quoted investments (including interest accrued), current	4,091	2,428
Market value of quoted investments (including interest accrued), non current	9,392	11,201
Aggregate amount of unquoted investments	4,086	11,210
Investments carried at amortized cost	1,756	1,759
Investments carried at fair value through other comprehensive income	12,691	19,620
Investments carried at fair value through profit or loss	2,947	3,244

[(1)] *Uncalled capital commitments outstanding as at September 30, 2024 and March 31, 2024 was ₹109 crore and ₹79 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	
		September 30, 2024	March 31, 2024
Liquid mutual fund units - carried at fair value through profit or loss	Quoted price	2,282	2,615
Target maturity fund units - carried at fair value through profit or loss	Quoted price	448	431
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	1,923	1,973
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	4,196	4,179
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	7,240	7,362
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	—	4,830
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	1,046	3,043
Quoted Equity securities - carried at fair value through other comprehensive income	Quoted price	116	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	93
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	217	198
Total		**17,561**	**24,837**

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 September 30, 2024	As at March 31, 2024
Non Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	25	34
	25	**34**
Loans credit impaired - Unsecured		
Other loans		
Loans to employees	2	2
Less: Allowance for credit impairment	(2)	(2)
	—	—
Total non-current loans	**25**	**34**
Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	255	248
Total current loans	**255**	**248**
Total loans	**280**	**282**

2.6 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at September 30, 2024	As at March 31, 2024
Non Current		
Security deposits (1)	266	259
Unbilled revenues (1)#	1,897	1,677
Restricted deposits (1)*	65	47
Others (1)	1,222	1,122
Total non-current other financial assets	**3,450**	**3,105**
Current		
Security deposits (1)	81	75
Restricted deposits (1)*	2,739	2,535
Unbilled revenues (1)#	8,091	7,923
Interest accrued but not due (1)	483	537
Foreign currency forward and options contracts (2) (3)	65	84
Others (1)**	1,229	931
Total current other financial assets	**12,688**	**12,085**
Total other financial assets	**16,138**	**15,190**
(1) Financial assets carried at amortized cost	16,073	15,106
(2) Financial assets carried at fair value through other comprehensive income	14	23
(3) Financial assets carried at fair value through profit or loss	51	61

* 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 arising on assets that are leased to customers for a contract term normally ranging between 3 to 4 years, with lease payments generally due in monthly installments.

2.7 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at September 30, 2024	As at March 31, 2024
Current		
Trade Receivable considered good - Unsecured	32,603	30,713
Less: Allowance for expected credit loss	590	520
Trade Receivable considered good - Unsecured	32,013	30,193
Trade Receivable - credit impaired - Unsecured	186	196
Less: Allowance for credit impairment	186	196
Trade Receivable - credit impaired - Unsecured	—	—
Total trade receivables	**32,013**	**30,193**

2.8 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at	
	September 30, 2024	March 31, 2024
Balances with banks		
In current and deposit accounts	21,799	14,786
Cash on hand	—	—
Total cash and cash equivalents	**21,799**	**14,786**
Balances with banks in unpaid dividend accounts	42	37
Deposit with more than 12 months maturity	25	57

Cash and cash equivalents as at September 30, 2024 and March 31, 2024 include restricted cash and bank balances of ₹407 crore and ₹348 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	
	September 30, 2024	March 31, 2024
Non-current		
Capital advances	171	155
Advances other than capital advances		
Others		
Withholding taxes and others	528	673
Unbilled revenues #	238	103
Defined benefit plan assets	33	31
Prepaid expenses	240	343
Deferred Contract Cost		
Cost of obtaining a contract	233	129
Cost of fulfillment	617	687
Total non-current other assets	**2,060**	**2,121**
Current		
Advances other than capital advances		
Payment to vendors for supply of goods	167	356
Others		
Unbilled revenues #	4,975	4,845
Withholding taxes and others	3,767	3,540
Prepaid expenses	3,140	3,329
Deferred Contract Cost		
Cost of obtaining a contract	269	200
Cost of fulfillment	453	358
Other receivables	155	180
Total current other assets	**12,926**	**12,808**
Total other assets	**14,986**	**14,929**

Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

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 interim condensed 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 interim condensed 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 September 30, 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)*	21,799	—	—	—	—	21,799	21,799
Investments *(Refer to Note 2.4)*							
Equity and preference securities	—	—	—	209	—	209	209
Tax free bonds and government bonds	1,756	—	—	—	—	1,756	1,923 [1]
Liquid mutual fund units	—	—	2,282	—	—	2,282	2,282
Target maturity fund units	—	—	448	—	—	448	448
Non convertible debentures	—	—	—	—	4,196	4,196	4,196
Government securities	—	—	—	—	7,240	7,240	7,240
Certificates of deposit	—	—	—	—	1,046	1,046	1,046
Other investments	—	—	217	—	—	217	217
Trade receivables *(Refer to Note 2.7)*	32,013	—	—	—	—	32,013	32,013
Loans *(Refer to Note 2.5)*	280	—	—	—	—	280	280
Other financials assets *(Refer to Note 2.6)* [3]	16,073	—	51	—	14	16,138	16,082 [2]
Total	**71,921**	**—**	**2,998**	**209**	**12,496**	**87,624**	**87,735**
Liabilities:							
Trade payables	3,841	—	—	—	—	3,841	3,841
Lease liabilities *(Refer to Note 2.19)*	8,804	—	—	—	—	8,804	8,804
Financial Liability under option arrangements *(Refer to Note 2.12)*	—	—	626	—	—	626	626
Other financial liabilities *(Refer to Note 2.12)*	16,202	—	168	—	26	16,396	16,396
Total	**28,847**	**—**	**794**	**—**	**26**	**29,667**	**29,667**

[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 ₹56 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, 2024 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)*	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 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 2.7)*	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*

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 September 30, 2024 is as follows:

(In ₹ crore)

Particulars	As at September 30, 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 fund units	2,282	2,282	—	—
Investments in target maturity fund units	448	448	—	—
Investments in tax free bonds	1,892	1,296	596	—
Investments in government bonds	31	31	—	—
Investments in non convertible debentures	4,196	3,780	416	—
Investment in government securities	7,240	7,204	36	—
Investments in equity instruments	118	116	—	2
Investments in preference securities	91	—	—	91
Investments in certificates of deposit	1,046	—	1,046	—
Other investments	217	—	—	217
Others				
Derivative financial instruments - gain on outstanding foreign exchange forward and option contracts *(Refer to Note 2.6)*	65	—	65	—
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward and option contracts *(Refer to Note 2.12)*	163	—	163	—
Financial liability under option arrangements *(Refer to Note 2.12)* [(1)]	626	—	—	626
Liability towards contingent consideration *(Refer to Note 2.12)* [(2)]	31	—	—	31

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

[(2)] *Discount rate - 6%*

During the six months ended September 30, 2024, government securities and non convertible debentures of ₹288 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 and tax free bonds of ₹1,012 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, 2024 was 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 fund units	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 instruments	115	113	—	2
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 *(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.

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	
	September 30, 2024	**March 31, 2024**
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)]	2,072	2,071
4,14,19,09,556 (4,13,99,50,635) equity shares fully paid-up[(2)]		
	2,072	**2,071**

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 1,02,37,261 (1,09,16,829)*

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 September 30, 2024 and March 31, 2024 are as follows:

(In ₹ crore, except as stated otherwise)

Particulars	As at September 30, 2024		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the period	**413,99,50,635**	**2,071**	**413,63,87,925**	**2,069**
Add: Shares issued on exercise of employee stock options	19,58,921	1	35,62,710	2
As at the end of the period	**414,19,09,556**	**2,072**	**413,99,50,635**	**2,071**

Capital allocation policy

Effective fiscal 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.

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 September 30, 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 in accordance with Companies Act 2013 is as follows:

(in ₹)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Final dividend for fiscal 2023	—	—	—	17.50
Special dividend for fiscal 2024	—	—	8.00	—
Final dividend for fiscal 2024	—	—	20.00	—

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 same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 26, 2024 which resulted in a net cash outflow of ₹11,597 crore, excluding dividend paid on treasury shares.

The Board of Directors in their meeting held on October 17, 2024 declared an interim dividend of ₹21/- per equity share which would result in a net cash outflow of approximately ₹8,698 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 1,02,37,261 and 1,09,16,829 shares as at September 30, 2024 and March 31, 2024, 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 September 30, 2024 and March 31, 2024.

The following is the summary of grants made during the three months and six months ended September 30, 2024 and September 30, 2023:

Particulars	2019 Plan				2015 Plan			
	Three months ended September 30,		Six months ended September 30,		Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Equity Settled RSUs								
Key Management Personnel (KMP)	-	-	70,699	78,281	-	-	295,168	333,596
Employees other than KMP	-	-	6,848	-	32,850	23,780	129,340	28,280
Total Grants	**-**	**-**	**77,547**	**78,281**	**32,850**	**23,780**	**424,508**	**361,876**

Notes on grants to KMP:

CEO & MD

Under the 2015 Plan:

The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2025. In accordance with such approval the following grants were made effective May 2, 2024.

- 245,679 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.
- 14,140 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.
- 35,349 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.

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 September 30, 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 01, 2022.

Under the 2019 Plan:

The Board, on April 18, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2025 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 70,699 performance based RSU's were granted effective May 2, 2024.

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

(in ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Granted to:				
KMP	17	17	35	37
Employees other than KMP	191	116	385	242
Total *(1)*	**208**	**133**	**420**	**279**
(1) Cash-settled stock compensation expense included in the above	8	5	12	7

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 2025-Equity Shares-RSU	Fiscal 2025-ADS-RSU	Fiscal 2024-Equity Shares-RSU	Fiscal 2024-ADS-RSU
Weighted average share price (₹) / ($ ADS)	1,428	18.09	1,588	19.19
Exercise price (₹) / ($ ADS)	5.00	0.07	5.00	0.07
Expected volatility (%)	21-26	23-28	23-31	25-33
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	7	4-5
Weighted average fair value as on grant date (₹) / ($ ADS)	1,311	16.59	1,317	16.27

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	
	September 30, 2024	March 31, 2024
Non-current		
Others		
Accrued compensation to employees [(1)]	18	7
Accrued expenses [(1)]	1,742	1,779
Compensated absences	105	89
Financial liability under option arrangements [(2) #]	104	98
Payable for acquisition of business - Contingent consideration [(2)]	20	—
Other Payables [(1)(4)]	22	157
Total non-current other financial liabilities	**2,011**	**2,130**
Current		
Unpaid dividends [(1)]	42	37
Others		
Accrued compensation to employees [(1)]	4,882	4,454
Accrued expenses [(1)]	8,434	8,224
Payable for acquisition of business - Contingent consideration [(2)]	11	—
Payable by controlled trusts [(1)]	211	211
Compensated absences	2,872	2,622
Financial liability under option arrangements [(2) #]	522	499
Foreign currency forward and options contracts [(2) (3)]	163	31
Capital creditors [(1)]	194	310
Other payables [(1)(4)]	657	571
Total current other financial liabilities	**17,988**	**16,959**
Total other financial liabilities	**19,999**	**19,089**
[(1)] Financial liability carried at amortized cost	16,202	15,750
[(2)] Financial liability carried at fair value through profit or loss	794	627
[(3)] Financial liability carried at fair value through other comprehensive income	26	1

[(4)] The Group entered into financing arrangements with a third party towards technology assets taken over by the Group from a customer as a part of transformation project which was not considered as distinct goods or services as the control related to those assets was not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. As at September 30, 2024 and March 31, 2024, the financial liability pertaining to such arrangements amounts to ₹165 crore and ₹372 crore, respectively.

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	
	September 30, 2024	March 31, 2024
Non-current		
Others		
Accrued defined benefit liability	101	159
Others	76	76
Total non-current other liabilities	**177**	**235**
Current		
Unearned revenue	7,209	7,341
Others		
Withholding taxes and others	3,478	3,185
Accrued defined benefit liability	10	5
Others	9	8
Total current other liabilities	**10,706**	**10,539**
Total other liabilities	**10,883**	**10,774**

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	
	September 30, 2024	**March 31, 2024**
Current		
Others		
Post-sales client support and other provisions	1,436	1,796
Total provisions	**1,436**	**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 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. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. 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 September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Current taxes	3,146	2,491	6,144	4,798
Deferred taxes	(409)	62	(760)	172
Income tax expense	**2,737**	**2,553**	**5,384**	**4,970**

Income tax expense for the three months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversals) of ₹83 crore and reversals (net of provisions) of ₹58 crore, respectively. Income tax expense for the six months ended September 30, 2024 and September 30, 2023 includes provisions (net of reversals) of ₹143 crore and reversals (net of provisions) of ₹73 crore, respectively. These provisions and 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.

Deferred income tax for the three months and six months ended September 30, 2024 and September 30, 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 six months ended September 30, 2024 and September 30, 2023 are as follows:

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Revenue from software services	39,133	36,720	76,629	72,455
Revenue from products and platforms	1,853	2,274	3,671	4,472
Total revenue from operations	**40,986**	**38,994**	**80,300**	**76,927**

Products & platforms

The Group also derives revenues from the sale of products and platforms like Finacle – core banking solution, Edge Suite of products, Panaya platform, 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 six months ended September 30, 2024 and September 30, 2023:

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Revenues by Geography*				
North America	23,507	23,810	46,649	46,894
Europe	12,208	10,325	23,394	20,473
India	1,288	1,108	2,515	2,128
Rest of the world	3,983	3,751	7,742	7,432
Total	**40,986**	**38,994**	**80,300**	**76,927**

* *Geographical revenue is based on the domicile of customer*

The percentage of revenue from fixed-price contracts for the quarter ended September 30, 2024 and September 30, 2023 is 54% and 53%, respectively. The percentage of revenue from fixed-price contracts for the six months ended September 30, 2024 and September 30, 2023 is 54% 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, its Indian subsidiaries 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 six months ended September 30, 2024 and September 30, 2023 is as follows:

(In ₹ crore)

Particulars	**Three months ended September 30,**		**Six months ended September 30,**	
	2024	**2023**	**2024**	**2023**
Interest income on financial assets carried at amortized cost				
Tax free bonds and Government bonds	31	34	61	68
Deposit with Bank and others	342	241	649	481
Interest income on financial assets carried at fair value through other comprehensive income				
Non-convertible debentures, commercial paper, certificates of deposit and government securities	218	214	547	457
Income on investments carried at fair value through profit or loss				
Gain / (loss) on liquid mutual funds and other investments	72	48	181	100
Income on investments carried at fair value through other comprehensive income	2	-	2	-
Exchange gains / (losses) on forward and options contracts	(399)	(71)	(365)	63
Exchange gains / (losses) on translation of other assets and liabilities	386	118	388	(19)
Miscellaneous income, net	60	48	88	43
Total other income	**712**	**632**	**1,551**	**1,193**

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 September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Employee benefit expenses				
Salaries including bonus	20,648	20,006	40,671	39,990
Contribution to provident and other funds	574	553	1,147	1,114
Share based payments to employees *(Refer to Note 2.11)*	208	133	420	279
Staff welfare	134	104	260	194
	21,564	**20,796**	**42,498**	**41,577**
Cost of software packages and others				
For own use	612	531	1,201	1,020
Third party items bought for service delivery to clients	3,337	2856	6,203	5,086
	3,949	**3,387**	**7,404**	**6,106**
Other expenses				
Repairs and maintenance	327	325	661	649
Power and fuel	58	51	122	101
Brand and marketing	254	236	605	502
Rates and taxes	90	68	207	161
Consumables	52	39	102	82
Insurance	77	55	152	108
Provision for post-sales client support and others	134	118	26	168
Commission to non-whole time directors	4	4	8	7
Impairment loss recognized / (reversed) under expected credit loss model	99	115	95	206
Contributions towards Corporate Social Responsibility	158	143	329	214
Others	143	138	338	348
	1,396	**1,292**	**2,645**	**2,546**

2.19 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 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 September 30, 2024:

(In ₹ crore)

Particulars	**Category of ROU asset**				
	Land	**Buildings**	**Vehicles**	**Computers**	**Total**
Balance as of July 1, 2024	**603**	**3,387**	**17**	**2,505**	**6,512**
Additions*	—	112	3	390	505
Addition due to Business Combination *(Refer Note 2.1)*	—	155	5	—	160
Deletions	—	(35)	(6)	(166)	(207)
Depreciation	(1)	(167)	(4)	(225)	(397)
Translation difference	2	29	8	80	119
Balance as of September 30, 2024	**604**	**3,481**	**23**	**2,584**	**6,692**

* *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 September 30, 2023:

(In ₹ crore)

Particulars	**Category of ROU asset**				
	Land	**Buildings**	**Vehicles**	**Computers**	**Total**
Balance as of July 1, 2023	**617**	**3,947**	**15**	**2,470**	**7,049**
Additions*	—	82	3	418	503
Deletions	—	(32)	—	(174)	(206)
Depreciation	(1)	(179)	(3)	(202)	(385)
Translation difference	—	(7)	—	(4)	(11)
Balance as of September 30, 2023	**616**	**3,811**	**15**	**2,508**	**6,950**

* *Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2024:

(In ₹ crore)

Particulars	**Category of ROU asset**				
	Land	**Buildings**	**Vehicles**	**Computers**	**Total**
Balance as of April 1, 2024	**605**	**3,298**	**17**	**2,632**	**6,552**
Additions*	—	385	6	674	1,065
Addition due to Business Combination *(Refer to Note 2.1)*	—	155	5	—	160
Deletions	—	(35)	(6)	(315)	(356)
Depreciation	(3)	(348)	(6)	(473)	(830)
Translation difference	2	26	7	66	101
Balance as of September 30, 2024	**604**	**3,481**	**23**	**2,584**	**6,692**

* *Net of adjustments on account of modifications.*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2023:

(In ₹ crore)

Particulars	**Category of ROU asset**				
	Land	**Buildings**	**Vehicles**	**Computers**	**Total**
Balance as of April 1, 2023	**623**	**3,896**	**15**	**2,348**	**6,882**
Additions*	—	326	5	975	1,306
Deletions	—	(40)	—	(407)	(447)
Depreciation	(3)	(363)	(5)	(394)	(765)
Translation difference	(4)	(8)	—	(14)	(26)
Balance as of September 30, 2023	**616**	**3,811**	**15**	**2,508**	**6,950**

* *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 September 30, 2024 and March 31, 2024:

(In ₹ crore)

Particulars	**As at**	
	September 30, 2024	**March 31, 2024**
Current lease liabilities	2,468	1,959
Non-current lease liabilities	6,336	6,400
Total	**8,804**	**8,359**

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	
	September 30, 2024	**March 31, 2024**
Contingent liabilities :		
Claims against the Group, not acknowledged as debts[(1)]	3,695	3,583
[Amount paid to statutory authorities ₹5,259 crore *(₹8,754 crore)*]		

[(1)] As at September 30, 2024 and March 31, 2024, claims against the Group not acknowledged as debts in respect of income tax matters amounted to ₹2,877 crore and ₹2,794 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 ₹5,254 crore and ₹8,743 crore as at September 30, 2024 and March 31, 2024, respectively.

2.21.2 McCamish Cybersecurity incident

In November 2023, certain systems of Infosys McCamish Systems LLC ("McCamish"), a subsidiary of Infosys BPM Limited (a wholly owned subsidiary of Infosys Limited), were encrypted by ransomware, resulting in the nonavailability 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.

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 processes personal data on behalf of its corporate customers. McCamish may incur additional costs including from indemnities or damages/claims, which are indeterminable at this time. See the section titled "Legal proceedings" below for information on certain legal proceedings related to the McCamish cybersecurity incident.

2.21.3 Legal Proceedings

From March 6, 2024 through July 25, 2024, six complaints were filed in the U.S. District Court for the Northern District of Georgia against McCamish. The complaints arise out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. Five of the complaints were purportedly filed on behalf of individuals whose personally identifiable information was exposed to unauthorized third parties as a result of the incident. The sixth complaint was filed by an individual proceeding on their own behalf. As of August 7, 2024, all six actions have been consolidated into the first-filed action.

Apart from claims arising from the McCamish cybersecurity incident and the foregoing actions, 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	
	September 30, 2024	**March 31, 2024**
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)(1)	920	780
Other commitments*	109	79

(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, 2024 for the full names and other details of the Company's subsidiaries and controlled trusts.

Changes in Subsidiaries

During the six months ended September 30, 2024, the following are the changes in the subsidiaries.

- Danske IT and Support Services India Private Limited renamed as IDUNN Information Technology Private Limited
- On May 10, 2024 Infosys Ltd. acquired 100% of voting interests in InSemi Technology Services Private Limited along with its subsidiary Elbrus Labs Private Limited
- Infosys Services (Thailand) Limited, a Wholly-owned subsidiary of Infosys Limited was incorporated on July 26, 2024.
- Infy tech SAS, a Wholly-owned subsidiary of Infosys Singapore Pte Limited was incorporated on July 03, 2024.
- On July 17, 2024, Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in in-tech Holding GmbH along with its subsidiary in-tech GmbH along with its six subsidiaries in-tech Automotive Engineering SL, ProIT, in-tech Automotive Engineering de R.L. de C.V, drivetech Fahrversuch GmbH, Friedrich Wagner Holding Inc along with its two subsidiaries (in-tech Automotive Engineering LLC and in-tech Services LLC) and Friedrich & Wagner Asia Pacific GmbH along with its five subsidiaries in-tech engineering s.r.o, in-tech engineering GmbH, in-tech engineering services S.R.L, in-tech Group Ltd along with its subsidiary (in-tech Group India Private Limited) and In-tech Automotive Engineering Shenyang Co., Ltd along with its subsidiary (In-tech Automotive Engineering Bejing Co., Ltd)

Changes in key management personnel

The following are the changes in the key management personnel:

Executive Officers:

- 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 September 30,		Six months ended September 30,	
	2024	2023	2024	2023
Salaries and other short term employee benefits to whole-time directors and executive officers [(1)(2)]	28	26	56	58
Commission and other benefits to non-executive/independent directors	5	4	9	8
Total	**33**	**30**	**65**	**66**

(1) Total employee stock compensation expense for the three months ended September 30, 2024 and September 30, 2023 includes a charge of ₹17 crore and ₹17 crore, respectively, towards key management personnel. For the six months ended September 30, 2024 and September 30, 2023 includes a charge of ₹35 crore and ₹37 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 September 30, 2024 and September 30, 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	11,156	5,446	4,879	5,546	6,424	3,266	3,004	1,265	40,986
	10,705	*5,913*	*4,463*	*4,957*	*5,574*	*3,053*	*3,050*	*1,279*	*38,994*
Identifiable operating expenses	6,258	2,696	3,165	3,166	4,074	1,889	1,865	840	23,953
	6,089	*3,270*	*2,616*	*2,680*	*3,631*	*1,749*	*1,781*	*793*	*22,609*
Allocated expenses	2,038	982	822	945	1,053	583	525	276	7,224
	2,037	*969*	*812*	*925*	*910*	*516*	*470*	*306*	*6,945*
Segment operating income	**2,860**	**1,768**	**892**	**1,435**	**1,297**	**794**	**614**	**149**	**9,809**
	2,579	*1,674*	*1,035*	*1,352*	*1,033*	*788*	*799*	*180*	*9,440*
Unallocable expenses									1,160
									1,166
Other income, net *(Refer to Note 2.17)*									712
									632
Finance cost									108
									138
Profit before tax									**9,253**
									8,768
Income tax expense									2,737
									2,553
Net Profit									**6,516**
									6,215
Depreciation and amortization									1,160
									1,166
Non-cash expenses other than depreciation and amortization									—
									—

Six months ended September 30, 2024 and September 30, 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	21,971	10,873	9,622	10,767	12,201	6,414	5,871	2,581	80,300
	21,366	*11,426*	*8,904*	*9,846*	*10,924*	*6,109*	*5,799*	*2,553*	*76,927*
Identifiable operating expenses	12,346	5,392	6,278	5,882	7,857	3,673	3,622	1,591	46,641
	12,236	*6,139*	*5,256*	*5,370*	*7,154*	*3,492*	*3,374*	*1,612*	*44,633*
Allocated expenses	4,153	1,962	1,656	1,893	2,041	1,133	1,023	551	14,412
	4,006	*1,984*	*1,629*	*1,834*	*1,765*	*1,027*	*924*	*621*	*13,790*
Segment operating income	**5,472**	**3,519**	**1,688**	**2,992**	**2,303**	**1,608**	**1,226**	**439**	**19,247**
	5,124	*3,303*	*2,019*	*2,642*	*2,005*	*1,590*	*1,501*	*320*	*18,504*
Unallocable expenses									2,310
									2,339
Other income, net *(Refer to Note 2.17)*									1,551
									1,193
Finance cost									214
									228
Profit before tax									**18,274**
									17,130
Income tax expense									5,384
									4,970
Net Profit									**12,890**
									12,160
Depreciation and amortization expense									2,310
									2,339
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 three months and six months ended September 30, 2024 and September 30, 2023,

2.24 FUNCTION WISE CLASSIFICATION OF CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(In ₹ crore)

Particulars	Note No.	Three months ended September 30,		Six months ended September 30,	
		2024	**2023**	**2024**	**2023**
Revenue from operations	2.16	40,986	38,994	80,300	76,927
Cost of Sales		28,474	27,030	55,651	53,412
Gross profit		**12,512**	**11,964**	**24,649**	**23,515**
Operating expenses					
Selling and marketing expenses		1,855	1,755	3,792	3,538
General and administration expenses		2,008	1,935	3,920	3,812
Total operating expenses		**3,863**	**3,690**	**7,712**	**7,350**
Operating profit		**8,649**	**8,274**	**16,937**	**16,165**
Other income, net	2.17	712	632	1,551	1,193
Finance cost		108	138	214	228
Profit before tax		**9,253**	**8,768**	**18,274**	**17,130**
Tax expense:					
Current tax	2.15	3,146	2,491	6,144	4,798
Deferred tax	2.15	(409)	62	(760)	172
Profit for the period		**6,516**	**6,215**	**12,890**	**12,160**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		78	(64)	98	23
Equity instruments through other comprehensive income, net		(9)	40	5	40
		69	**(24)**	**103**	**63**
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		(21)	23	(24)	29
Exchange differences on translation of foreign operations, net		560	5	456	21
Fair value changes on investments, net		86	(20)	126	55
		625	**8**	**558**	**105**
Total other comprehensive income / (loss), net of tax		**694**	**(16)**	**661**	**168**
Total comprehensive income for the period		**7,210**	**6,199**	**13,551**	**12,328**
Profit attributable to:					
Owners of the Company		6,506	6,212	12,874	12,157
Non-controlling interests		10	3	16	3
		6,516	**6,215**	**12,890**	**12,160**
Total comprehensive income attributable to:					
Owners of the Company		7,190	6,196	13,527	12,328
Non-controlling interests		20	3	24	—
		7,210	**6,199**	**13,551**	**12,328**

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

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer
and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 17, 2024

Jayesh Sanghrajka
Chief Financial Officer

A.G.S. Manikantha
Company Secretary
Membership No. A21918