# INFOSYS LIMITED

***Standalone Financial Statements***
***under Indian Accounting Standards (Ind AS)***
***for the year ended March 31, 2026***

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**INFOSYS LIMITED**

*(In ₹ crore)*

| Balance Sheet as at | Note No. | March 31, 2026 | March 31, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 2.1 | 10,774 | 10,070 |
| Right-of-use assets | 2.3 | 2,851 | 3,078 |
| Capital work-in-progress | 2.4 | 512 | 778 |
| Goodwill | 2.2 | 211 | 211 |
| Other intangible assets | | - | - |
| Financial assets | | | |
| Investments | 2.5 | 26,036 | 27,371 |
| Loans | 2.6 | 5 | 26 |
| Other financial assets | 2.7 | 1,835 | 2,350 |
| Deferred tax assets (net) | 2.17 | 1,347 | 497 |
| Income tax assets (net) | 2.17 | 99 | 1,164 |
| Other non-current assets | 2.10 | 2,590 | 2,223 |
| **Total non-current assets** | | **46,260** | **47,768** |
| | | | |
| **Current assets** | | | |
| Financial assets | | | |
| Investments | 2.5 | 12,039 | 11,147 |
| Trade receivables | 2.8 | 30,337 | 26,413 |
| Cash and cash equivalents | 2.9 | 8,727 | 14,265 |
| Loans | 2.6 | 189 | 207 |
| Other financial assets | 2.7 | 14,770 | 12,569 |
| Income tax assets (net) | 2.17 | 1,745 | 2,949 |
| Other current assets | 2.10 | 12,624 | 9,618 |
| **Total current assets** | | **80,431** | **77,168** |
| **Total assets** | | **1,26,691** | **1,24,936** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 2.12 | 2,027 | 2,076 |
| Other equity | | 78,847 | 85,256 |
| **Total equity** | | **80,874** | **87,332** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Lease liabilities | 2.3 | 2,815 | 2,694 |
| Other financial liabilities | 2.13 | 1,880 | 1,991 |
| Deferred tax liabilities (net) | 2.17 | 990 | 1,062 |
| Other non-current liabilities | 2.15 | 495 | 95 |
| **Total non - current liabilities** | | **6,180** | **5,842** |
| | | | |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Lease liabilities | 2.3 | 934 | 765 |
| Trade payables | 2.14 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 9 | 8 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 3,530 | 2,720 |
| Other financial liabilities | 2.13 | 16,812 | 14,101 |
| Other current liabilities | 2.15 | 12,478 | 9,159 |
| Provisions | 2.16 | 1,064 | 993 |
| Income tax liabilities (net) | 2.17 | 4,810 | 4,016 |
| **Total current liabilities** | | **39,637** | **31,762** |
| **Total equity and liabilities** | | **1,26,691** | **1,24,936** |

*The accompanying notes form an integral part of the standalone financial statements.*

*As per our report of even date attached*

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

Vikas Bagaria
*Partner*
Membership No. 060408

*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

Jayesh Sanghrajka
*Chief Financial Officer*

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

Bengaluru
April 23, 2026

**INFOSYS LIMITED**

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

| Statement of Profit and Loss for the | Note No. | Year ended March 31, | |
|---|---|---|---|
| | | 2026 | 2025 |
| Revenue from operations | 2.18 | 1,48,819 | 1,36,592 |
| Other income, net | 2.19 | 6,491 | 4,782 |
| **Total income** | | **1,55,310** | **1,41,374** |
| | | | |
| **Expenses** | | | |
| Employee benefit expenses | 2.20 | 73,239 | 67,466 |
| Cost of technical sub-contractors | | 22,388 | 19,353 |
| Travel expenses | | 1,596 | 1,467 |
| Cost of software packages and others | 2.20 | 9,274 | 9,617 |
| Communication expenses | | 419 | 448 |
| Consultancy and professional charges | | 1,846 | 1,245 |
| Depreciation and amortization expenses | 2.1, 2.3 | 2,394 | 2,619 |
| Finance cost | | 207 | 221 |
| Other expenses | 2.20 | 4,044 | 3,497 |
| **Total expenses** | | **1,15,407** | **1,05,933** |
| **Profit before exceptional item and tax** | | **39,903** | **35,441** |
| **Exceptional item** | | | |
| Impact of Labour Codes | 2.20.1 | 1,146 | - |
| **Profit before tax** | | **38,757** | **35,441** |
| Tax expense: | | | |
| Current tax | 2.17 | 10,459 | 10,836 |
| Deferred tax | 2.17 | (913) | (963) |
| **Profit for the year** | | **29,211** | **25,568** |
| | | | |
| **Other comprehensive income** | | | |
| *Items that will not be reclassified subsequently to profit or loss* | | | |
| Remeasurement of the net defined benefit liability/asset, net | 2.17 & 2.21 | (285) | (81) |
| Equity instruments through other comprehensive income, net | 2.5 & 2.17 | 397 | 19 |
| | | | |
| *Items that will be reclassified subsequently to profit or loss* | | | |
| Fair value changes on derivatives designated as cash flow hedge, net | 2.11 & 2.17 | (1) | (24) |
| Fair value changes on investments, net | 2.5 & 2.17 | (26) | 191 |
| | | | |
| **Total other comprehensive income/ (loss), net of tax** | | **85** | **105** |
| | | | |
| **Total comprehensive income for the year** | | **29,296** | **25,673** |
| | | | |
| **Earnings per equity share** | | | |
| Equity shares of par value ₹5/- each | | | |
| Basic (in ₹ per share) | 2.22 | 70.87 | 61.58 |
| Diluted (in ₹ per share) | 2.22 | 70.78 | 61.46 |
| **Weighted average equity shares used in computing earnings per equity share** | | | |
| Basic (in shares) | 2.22 | 412,19,31,567 | 415,19,36,905 |
| Diluted (in shares) | 2.22 | 412,70,28,321 | 415,99,05,476 |

*The accompanying notes form an integral part of the standalone financial statements.*

*As per our report of even date attached*

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

Vikas Bagaria
*Partner*
Membership No. 060408

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

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*and Managing Director*
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Bobby Parikh
*Director*
DIN: 00019437

Jayesh Sanghrajka
*Chief Financial Officer*

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

Bengaluru
April 23, 2026

**INFOSYS LIMITED**

**Statement of Changes in Equity** *(In ₹ crore)*

| Particulars | Other Equity | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Reserves & Surplus | | | | | | | | Other comprehensive income | | | |
| | | Capital reserve | | Capital redemption reserve | Securities Premium | Retained earnings | General reserve | Share Options Outstanding Account | Special Economic Zone Re-investment reserve [1] | Equity Instruments through other comprehensive income | Effective portion of Cash flow hedges | Other items of other comprehensive income / (loss) | Total equity attributable to equity holders of the Company |
| | Equity Share Capital | 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 year ended March 31, 2025** | | | | | | | | | | | | | |
| Profit for the year | - | - | - | - | - | 25,568 | - | - | - | - | - | - | 25,568 |
| Remeasurement of the net defined benefit liability/asset, net* | - | - | - | - | - | - | - | - | - | - | - | (81) | (81) |
| Equity instruments through other comprehensive income, net* (Refer to note 2.5 and 2.17) | - | - | - | - | - | - | - | - | - | 19 | - | - | 19 |
| Fair value changes on derivatives designated as cash flow hedge, net* (Refer to note 2.11 and 2.17) | - | - | - | - | - | - | - | - | - | - | (24) | - | (24) |
| Fair value changes on investments, net* (Refer to note 2.5 and 2.17) | - | - | - | - | - | - | - | - | - | - | - | 191 | 191 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **25,568** | **-** | **-** | **-** | **19** | **(24)** | **110** | **25,673** |
| Transferred from Special Economic Zone Re-investment reserve on utilization | - | - | - | - | - | 821 | - | - | (821) | - | - | - | - |
| Transferred from Special Economic Zone Re-investment reserve to retained earnings | - | - | - | - | - | 2,999 | - | - | (2,999) | - | - | - | - |
| Transferred to Special Economic Zone Re-investment reserve | - | - | - | - | - | (74) | - | - | 74 | | | | |
| Transferred on account of exercise of stock options (Refer to note 2.12) | - | - | - | - | 472 | - | - | (472) | - | - | - | - | - |
| Transferred on account of options not exercised | - | - | - | - | - | - | 197 | (197) | - | - | - | - | - |
| Shares issued on exercise of employee stock options (Refer to note 2.12) | 1 | - | - | - | 2 | - | - | - | - | - | - | - | 3 |
| Employee stock compensation expense (Refer to note 2.12) | - | - | - | - | - | - | - | 786 | - | - | - | - | 786 |
| Income tax benefit arising on exercise of stock options (Refer to note 2.17) | - | - | - | - | - | - | - | 39 | - | - | - | - | 39 |
| Dividends | - | - | - | - | - | (20,345) | - | - | - | - | - | - | (20,345) |
| **Balance as at March 31, 2025** | **2,076** | **54** | **2,862** | **169** | **1,054** | **71,520** | **359** | **1,069** | **8,041** | **298** | **(18)** | **(152)** | **87,332** |

**INFOSYS LIMITED**

**Condensed Standalone Statement of Changes in Equity (contd.)**

*(In ₹ crore)*

| Particulars | Other Equity | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Reserves & Surplus | | | | | | | | Other comprehensive income | | | |
| | | Capital reserve | | Capital redemption reserve | Securities Premium | Retained earnings | General reserve | Share Options Outstanding Account | Special Economic Zone Re-investment reserve [1] | Equity Instruments through other comprehensive income | Effective portion of Cash flow hedges | Other items of other comprehensive income / (loss) | Total equity attributable to equity holders of the Company |
| | Equity Share Capital | Capital reserve | Other reserves [2] | | | | | | | | | | |
| **Balance as at April 1, 2025** | **2,076** | **54** | **2,862** | **169** | **1,054** | **71,520** | **359** | **1,069** | **8,041** | **298** | **(18)** | **(152)** | **87,332** |
| **Changes in equity for the year ended March 31, 2026** | | | | | | | | | | | | | |
| Profit for the year | - | - | - | - | - | 29,211 | - | - | - | - | - | - | 29,211 |
| Remeasurement of the net defined benefit liability/asset, net* | - | - | - | - | - | - | - | - | - | - | - | (285) | (285) |
| Equity instruments through other comprehensive income, net* (Refer to note 2.5 and 2.17) | - | - | - | - | - | - | - | - | - | 397 | - | - | 397 |
| Fair value changes on derivatives designated as cash flow hedge, net* (Refer to note 2.11 and 2.17) | - | - | - | - | - | - | - | - | - | - | (1) | - | (1) |
| Fair value changes on investments, net* (Refer to note 2.5 and 2.17) | - | - | - | - | - | - | - | - | - | - | - | (26) | (26) |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **29,211** | **-** | **-** | **-** | **397** | **(1)** | **(311)** | **29,296** |
| Buyback of equity shares (Refer to note 2.12) | (50) | - | - | - | (1,244) | (16,346) | (360) | - | - | - | - | - | (18,000) |
| Transaction cost relating to buyback (Refer to note 2.12) | - | - | - | - | (17) | (27) | - | - | - | - | - | - | (44) |
| Amount transferred to capital redemption reserve upon buyback (Refer to note 2.12) | - | - | - | 50 | - | - | (50) | - | - | - | - | - | - |
| Transferred to Special Economic Zone Re-investment reserve | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transferred from Special Economic Zone Re-investment reserve on utilization | - | - | - | - | - | 1,261 | - | - | (1,261) | - | - | - | - |
| Transferred from Special Economic Zone Re-investment reserve to retained earnings | - | - | - | - | - | 1,956 | - | - | (1,956) | - | - | - | - |
| Transferred on account of exercise of stock options (Refer to note 2.12) | - | - | - | - | 449 | - | - | (449) | - | - | - | - | - |
| Transferred on account of options not exercised | - | - | - | - | - | - | 63 | (63) | - | - | - | - | - |
| Shares issued on exercise of employee stock options (Refer to note 2.12) | 1 | - | - | - | 1 | - | - | - | - | - | - | - | 2 |
| Employee stock compensation expense (Refer to note 2.12) | - | - | - | - | - | - | - | 938 | - | - | - | - | 938 |
| Income tax benefit arising on exercise of stock options (Refer to note 2.17) | - | - | - | - | - | - | - | 44 | - | - | - | - | 44 |
| Dividends | - | - | - | - | - | (18,694) | - | - | - | - | - | - | (18,694) |
| **Balance as at March 31, 2026** | **2,027** | **54** | **2,862** | **219** | **243** | **68,881** | **12** | **1,539** | **4,824** | **695** | **(19)** | **(463)** | **80,874** |

**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 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
April 23, 2026

## INFOSYS LIMITED

**Statement of Cash Flows**

**Accounting Policy**

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

*(In ₹ crore)*

| Particulars | Note No. | Year ended March 31, | |
|---|---|---|---|
| | | 2026 | 2025 |
| **Cash flow from operating activities** | | | |
| Profit for the year | | 29,211 | 25,568 |
| **Adjustments to reconcile net profit to net cash provided by operating activities** | | | |
| Depreciation and Amortization | 2.1, 2.3 | 2,394 | 2,619 |
| Income tax expense | 2.17 | 9,546 | 9,873 |
| Impairment loss recognized / (reversed) under expected credit loss model | | 71 | (7) |
| Finance cost | | 207 | 221 |
| Interest and dividend income | 2.19 | (4,885) | (3,699) |
| Stock compensation expense | 2.12 | 846 | 712 |
| Provision for post sale client support | | (191) | (114) |
| Exchange differences on translation of assets and liabilities, net | | 777 | 170 |
| Interest receivable on income tax refund | | (63) | (327) |
| Other adjustments | | 169 | 165 |
| **Changes in assets and liabilities** | | | |
| Trade receivables and unbilled revenue | | (6,018) | (2,994) |
| Loans, other financial assets and other assets | | (3,870) | (1,942) |
| Trade payables | | 812 | 236 |
| Other financial liabilities, other liabilities and provisions | | 6,330 | 3,529 |
| **Cash generated from operations** | | **35,336** | **34,010** |
| Income taxes paid | | (7,172) | (4,601) |
| **Net cash generated by operating activities** | | **28,164** | **29,409** |
| **Cash flow from investing activities** | | | |
| Expenditure on property, plant and equipment and intangibles, net of sale proceeds *(Refer to note 2.1)* | | (2,170) | (1,587) |
| Deposits placed with corporation | | (660) | (1,026) |
| Redemption of deposits placed with corporation | | 459 | 593 |
| Interest and dividend received | | 2,269 | 1,672 |
| Dividend received from subsidiary | | 2,676 | 1,522 |
| Loan given to subsidiaries | | - | (10) |
| Loan repaid by subsidiaries | | 10 | - |
| Payment of contingent consideration pertaining to acquisition of business | | (13) | - |
| Investment in subsidiaries | | (781) | (4,361) |
| Proceeds from sale of investment in subsidiaries | | 4 | - |
| Payment towards acquisition | | - | (184) |
| Other receipts | | - | 2 |
| Payments to acquire investments | | | |
| Mutual fund units | | (67,178) | (66,637) |
| Commercial papers | | (2,875) | (6,058) |
| Certificates of deposit | | (12,665) | (6,138) |
| Tax free bonds and government bonds | | (126) | - |
| Government Securities | | (2,859) | - |
| Non-convertible debentures | | (3,031) | (3,240) |
| Other investments | | (2) | (25) |
| Proceeds on sale of investments | | | |
| Mutual fund units | | 66,362 | 67,597 |
| Target maturity fund | | 487 | - |
| Commercial papers | | 5,250 | 7,260 |
| Certificates of deposit | | 8,592 | 5,984 |
| Non-convertible debentures | | 3,818 | 2,376 |
| Government Securities | | 5,159 | 200 |
| Tax free bonds and government bonds | | 1,356 | 105 |
| Other investments | | 4 | 12 |
| Escrow and deposits pertaining to buyback | | (1,815) | - |
| Redemption of escrow and other deposits pertaining to buyback | | 1,815 | - |
| **Net cash (used in) / generated from investing activities** | | **4,086** | **(1,943)** |

*(In ₹ crore)*

| Particulars | Note No. | Year ended March 31, | |
|---|---|---|---|
| | | 2026 | 2025 |
| **Cash flow from financing activities** | | | |
| Payment of Lease Liabilities | 2.3 | (912) | (859) |
| Shares issued on exercise of employee stock options | | 2 | 3 |
| Other (payments)/receipts | | (125) | (186) |
| Payment of dividends | | (18,694) | (20,337) |
| Buyback of equity shares including transaction cost | | (18,058) | - |
| **Net cash used in financing activities** | | **(37,787)** | **(21,379)** |
| Net increase / (decrease) in cash and cash equivalents | | (5,537) | 6,087 |
| Effect of exchange rate changes on cash and cash equivalents | | (1) | (13) |
| Cash and cash equivalents at the beginning of the year | 2.9 | 14,265 | 8,191 |
| **Cash and cash equivalents at the end of the year** | 2.9 | **8,727** | **14,265** |
| **Supplementary information:** | | | |
| Restricted cash balance | 2.9 | 52 | 45 |

*The accompanying notes form an integral part of the standalone financial statements.*

*As per our report of even date attached*

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

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

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*Company Secretary*
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Bengaluru
April 23, 2026

**INFOSYS LIMITED**

**Overview and Notes to the Standalone Financial Statements**

**1. Overview**

**1.1 Company overview**

Infosys Limited ('the Company' or 'Infosys') provides AI-first business consulting and technology services, to enable organizations to unlock AI value at scale. With over four decades of experience in managing the systems and workings of global enterprises, Infosys accelerates business transformation through its AI-first value framework, deep domain expertise, and unique ability to orchestrate innovations from its AI-native partner ecosystem. Infosys's strategy is to be the navigator for its clients as they ideate, plan and execute on their journey to an AI-first future.

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

The standalone financial statements are approved for issue by the Company's Board of Directors on April 23, 2026.

**1.2 Basis of preparation of financial statements**

These standalone financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ("the Act"), guidelines issued by the Securities and Exchange Board of India (SEBI) and Indian Accounting Standard (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, defined benefit liability/(asset) which is recognized at the present value of defined benefit obligation less fair value of plan assets. 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 standalone financial statements have been discussed in the respective notes.

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

**1.3 Use of estimates and judgments**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note no. 1.4. Critical accounting estimates and judgments could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

**1.4 Critical accounting estimates and judgments**

**a. Revenue recognition**

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

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

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

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

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

**b. Income taxes**

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

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

In assessing the realizability of deferred income tax assets, 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, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. (Refer to note 2.17).

**c. Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer to note 2.1).

**2. Notes to the Standalone Financial Statements**

**2.1 PROPERTY, PLANT AND EQUIPMENT**

**Accounting Policy**

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

The estimated useful lives of assets are as follows:

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

*[(1)] Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.*

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

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

**Impairment**

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

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

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2026 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, 2025** | **1,477** | **10,621** | **3,238** | **1,423** | **7,917** | **2,126** | **781** | **46** | **27,629** |
| Additions | 27 | 704 | 260 | 116 | 1,218 | 174 | 49 | 1 | 2,549 |
| Deletions** [#] | (66) | (13) | (24) | (42) | (1,092) | (100) | (40) | (5) | (1,382) |
| **Gross carrying value as at March 31, 2026** | **1,438** | **11,312** | **3,474** | **1,497** | **8,043** | **2,200** | **790** | **42** | **28,796** |
| **Accumulated depreciation as at April 1, 2025** | - | **(4,964)** | **(2,888)** | **(1,195)** | **(6,062)** | **(1,796)** | **(611)** | **(43)** | **(17,559)** |
| Depreciation | - | (401) | (161) | (95) | (872) | (142) | (76) | (1) | (1,748) |
| Accumulated depreciation on deletions** [#] | - | 1 | 24 | 41 | 1,074 | 100 | 40 | 5 | 1,285 |
| **Accumulated depreciation as at March 31, 2026** | **-** | **(5,364)** | **(3,025)** | **(1,249)** | **(5,860)** | **(1,838)** | **(647)** | **(39)** | **(18,022)** |
| **Carrying value as at April 1, 2025** | **1,477** | **5,657** | **350** | **228** | **1,855** | **330** | **170** | **3** | **10,070** |
| **Carrying value as at March 31, 2026** | **1,438** | **5,948** | **449** | **248** | **2,183** | **362** | **143** | **3** | **10,774** |

**During the year ended March 31, 2026, certain assets which were not in use having gross book value of ₹1,022 crore (net book value: ₹Nil) were retired.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2025 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 | 47 | 32 | 45 | 97 | 1,013 | 47 | 68 | 2 | 1,351 |
| Deletions[*#] | - | (90) | (21) | (44) | (475) | (81) | (250) | (1) | (962) |
| **Gross carrying value as at March 31, 2025** | **1,477** | **10,621** | **3,238** | **1,423** | **7,917** | **2,126** | **781** | **46** | **27,629** |
| **Accumulated depreciation as at April 1, 2024** | - | **(4,575)** | **(2,732)** | **(1,139)** | **(5,497)** | **(1,709)** | **(733)** | **(42)** | **(16,427)** |
| Depreciation | - | (402) | (176) | (99) | (1,034) | (166) | (125) | (2) | (2,004) |
| Accumulated depreciation on deletions[*#] | - | 13 | 20 | 43 | 469 | 79 | 247 | 1 | 872 |
| **Accumulated depreciation as at March 31, 2025** | **-** | **(4,964)** | **(2,888)** | **(1,195)** | **(6,062)** | **(1,796)** | **(611)** | **(43)** | **(17,559)** |
| **Carrying value as at April 1, 2024** | **1,430** | **6,104** | **482** | **231** | **1,882** | **451** | **230** | **3** | **10,813** |
| **Carrying value as at March 31, 2025** | **1,477** | **5,657** | **350** | **228** | **1,855** | **330** | **170** | **3** | **10,070** |

[*] During the Year ended March 31, 2025, certain assets which were not in use having gross book value of ₹411 crore (net book value: Nil) were retired.

[#] Proceeds from sale of property plant and equipment amounted to ₹267 crore and ₹121 crore for the year ended March 31, 2026 and March 31, 2025, respectively.

*[(1)] Buildings include ₹250/- being the value of five shares of ₹50/- each in Mittal Towers Premises Co-operative Society Limited.*

*[(2)] Includes certain assets provided on cancellable operating lease to subsidiaries.*

The aggregate depreciation has been included under depreciation and amortization expense in the statement of Profit and Loss.

Repairs and maintenance costs are recognized in the statement of Profit and Loss when incurred.

Tangible assets provided on operating lease to subsidiaries as at March 31, 2026 and March 31, 2025 are as follows:

*(In ₹ crore)*

| Particulars | Cost | Accumulated depreciation | Net book value |
|---|---|---|---|
| Land | 32 | - | 32 |
| | *32* | - | *32* |
| Buildings | 333 | 162 | 171 |
| | *333* | *150* | *183* |
| Plant and machinery | 36 | 35 | *1* |
| | *36* | *34* | *2* |
| Furniture and fixtures | 28 | 26 | 2 |
| | *28* | *25* | *3* |
| Computer Equipment | 2 | 2 | - |
| | *2* | *2* | - |
| Leasehold Improvement | 40 | 33 | 7 |
| | *40* | *30* | *10* |
| Office equipment[(1)] | 21 | 20 | 1 |
| | *22* | *20* | *2* |

[(1)] During the year ended March 31, 2026 and March 31, 2025, certain assets provided on operating lease which were not in use having gross book value of ₹1 crore (net book value: Nil) and ₹2 crore (net book value: Nil), respectively were retired.

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Aggregate depreciation charged on above assets | 18 | 21 |

The rental income from subsidiary in current year is ₹83 crore and in last year it was ₹75 crore.

## 2.2 GOODWILL AND OTHER INTANGIBLE ASSETS

### 2.2.1 Goodwill

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

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Carrying value at the beginning | 211 | 211 |
| **Carrying value at the end** | **211** | **211** |

The allocation of goodwill to operating segments as at March 31, 2026 and March 31, 2025 is as follows:

*(In ₹ crore)*

| Segment | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Financial services | 64 | 64 |
| Retail | 34 | 34 |
| Communication | 28 | 28 |
| Energy, Utilities, Resources and Services | 27 | 27 |
| Manufacturing | 21 | 21 |
| | **174** | **174** |
| Operating segments without significant goodwill | 37 | 37 |
| **Total** | **211** | **211** |

### 2.2.2 Other Intangible Assets

**Accounting Policy**

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

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

During the year ended March 31, 2026 the intangible assets having carrying value of zero were derecognized.

The changes in the carrying value of acquired intangible assets for the year ended March 31, 2025 are as follows:

*(In ₹ crore)*

| Particulars | Customer related | Software related | Trade name related | Others | Total |
|---|---|---|---|---|---|
| **Gross carrying value as at April 1, 2024** | **113** | **54** | **26** | **26** | **219** |
| Deletions | - | - | - | - | - |
| **Gross carrying value as at March 31, 2025** | **113** | **54** | **26** | **26** | **219** |
| **Accumulated amortization as at April 1, 2024** | **(113)** | **(54)** | **(26)** | **(26)** | **(219)** |
| Amortization expense | - | - | - | - | - |
| Accumulated amortization on deletions | - | - | - | - | - |
| **Accumulated amortization as at March 31, 2025** | **(113)** | **(54)** | **(26)** | **(26)** | **(219)** |
| **Carrying value as at March 31, 2025** | **-** | **-** | **-** | **-** | **-** |
| **Carrying value as at April 1, 2024** | **-** | **-** | **-** | **-** | **-** |
| **Estimated Useful Life** *(in years)* | - | - | - | - | |
| **Estimated Remaining Useful Life** *(in years)* | - | - | - | - | |

**Research and Development Expenditure**

Research and Development expense recognized in net profit in the statement of profit and loss for the year ended March 31, 2026 and March 31, 2025 are ₹1093 crore and ₹850 crore, respectively.

## 2.3 LEASES

**Accounting Policy**

**The Company as a lessee**

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

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

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

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

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

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

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

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

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

**The Company as a lessor**

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

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

For finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease and for operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2026:

*(In ₹ crore)*

| Particulars | Category of ROU asset | | | Total |
|---|---|---|---|---|
| | Land | Buildings | Computers | |
| **Balance as at April 1, 2025** | 530 | 2,105 | 443 | 3,078 |
| Additions* | - | 318 | 457 | 775 |
| Deletions | (53) | (22) | (271) | (346) |
| Depreciation | (4) | (420) | (232) | (656) |
| **Balance as at March 31, 2026** | **473** | **1,981** | **397** | **2,851** |

** Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the year ended March 31, 2025:

*(In ₹ crore)*

| Particulars | Category of ROU asset | | | Total |
|---|---|---|---|---|
| | Land | Buildings | Computers | |
| **Balance as at April 1, 2024** | 534 | 2,266 | 503 | 3,303 |
| Additions* | - | 430 | 353 | 783 |
| Deletions | - | (181) | (207) | (388) |
| Depreciation | (4) | (410) | (206) | (620) |
| **Balance as at March 31, 2025** | **530** | **2,105** | **443** | **3,078** |

** Net of adjustments on account of modifications*

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2026 and March 31, 2025:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Current lease liabilities | 934 | 765 |
| Non-current lease liabilities | 2,815 | 2,694 |
| **Total** | **3,749** | **3,459** |

The movement in lease liabilities during the year ended March 31, 2026 and March 31, 2025 is as follows :

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Balance at the beginning** | 3,459 | 3,766 |
| Additions | 762 | 718 |
| Finance cost accrued during the period | 169 | 162 |
| Deletions | (68) | (394) |
| Payment of lease liabilities | (912) | (859) |
| Translation Difference | 339 | 66 |
| **Balance at the end** | **3,749** | **3,459** |

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on an undiscounted basis:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Less than one year | 1,063 | 812 |
| One to five years | 2,555 | 2,152 |
| More than five years | 646 | 990 |
| **Total** | **4,264** | **3,954** |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹23 crore and ₹19 crore for the year ended March 31, 2026 and March 31, 2025.

Leases not yet commenced to which Company is committed is ₹87 crore for a lease term up to 5 years.

The following is the movement in the net investment in lease during the year ended March 31, 2026 and March 31, 2025:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Balance at the beginning** | **469** | **319** |
| Addition | 325 | 268 |
| Interest income accrued during the period | 23 | 11 |
| Others | 3 | (5) |
| Lease receipts | (245) | (133) |
| Translation Difference | 14 | 9 |
| **Balance at the end** | **589** | **469** |

**2.4 CAPITAL WORK -IN-PROGRESS**

Changes in capital work-in-progress are as follows:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Balance at the beginning** | **778** | **277** |
| Additions during the year | 2,256 | 1,805 |
| Capitalized during the year | (2,522) | (1,304) |
| **Balance at the end** | **512** | **778** |

The capital work-in-progress ageing schedule for the year ended March 31, 2026 and March 31, 2025 is as follows:

*(In ₹ crore)*

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 345 | 156 | 10 | 1 | 512 |
| | *540* | *204* | *22* | *12* | *778* |
| **Total Capital work-in-progress** | **345** | **156** | **10** | **1** | **512** |
| | *540* | *204* | *22* | *12* | *778* |

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2026 and March 31, 2025:

*(In ₹ crore)*

| Particulars | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **Projects in progress** | | | | | |
| BN-SP-SDB | 114 | - | - | - | 114 |
| NO-SZ-SDB | *256* | - | - | - | *256* |
| **Total Capital work-in-progress** | **114** | **-** | **-** | **-** | **114** |
| | *256* | - | - | - | *256* |

Project execution plans are formulated based on capacity requirement assessments, and projects are executed accordingly.

**2.5 INVESTMENTS**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Non-current investments** | | |
| Equity instruments of subsidiaries | 14,507 | 13,724 |
| Redeemable Preference shares of subsidiary | 2,831 | 2,831 |
| Preference securities and equity securities | 743 | 251 |
| Target maturity fund units | - | 465 |
| Others | 59 | 61 |
| Tax free bonds | 407 | 1,465 |
| Government bonds | - | 14 |
| Non-convertible debentures | 3,279 | 3,320 |
| Government Securities | 4,210 | 5,240 |
| **Total non-current investments** | **26,036** | **27,371** |
| **Current investments** | | |
| Mutual fund units | 2,191 | 1,185 |
| Commercial Papers | 1,180 | 3,442 |
| Certificates of deposit | 7,546 | 3,257 |
| Tax free bonds | - | 154 |
| Government bonds | 101 | - |
| Government Securities | 240 | 1,560 |
| Non-convertible debentures | 781 | 1,549 |
| **Total current investments** | **12,039** | **11,147** |
| **Total carrying value** | **38,075** | **38,518** |

*(In ₹ crore, except as otherwise stated)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **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 | | |
| EdgeVerve Systems Limited | 1,312 | 1,312 |
| 131,18,40,000 (131,18,40,000) equity shares of ₹10/- each, fully paid up | | |
| Infosys Nova Holdings LLC[#] | 3,308 | 3,017 |
| Infosys Singapore Pte Ltd | 4,821 | 4,327 |
| 2,88,39,411 (2,73,19,411) 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 | | |
| Panaya Inc. | 582 | 582 |
| 2 (2) shares of USD 0.01 per share, fully paid up | | |
| Infosys Chile SpA | 7 | 7 |
| 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 0.51 EUR (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 | 79 |
| 27,70,326 (27,70,326) share Turkish Liras 100 (100) per share, fully paid up | | |
| Infosys Consulting S.R.L. (Argentina) | - | 2 |
| Nil (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 | | |
| Idunn Information Technology Private Limited | 82 | 82 |
| 3,27,788 (3,27,788) shares ₹ 10 per share fully paid up | | |
| InSemi Technology Services Private Limited [(2)] | 198 | 198 |
| 10,33,440 (10,33,440) shares ₹ 10 per share fully paid up | | |
| in-tech Group India Private Limited | 15 | 15 |
| 10,000 (10,000) shares ₹ 10 per share fully paid up | | |
| Infosys Services (Thailand) Limited | 13 | 13 |
| 49,99,998 (49,99,998) 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 | | |
| | **17,338** | **16,555** |

*(In ₹ crore, except as otherwise stated)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Investments carried at fair value through profit or loss** | | |
| Target maturity fund units | - | 465 |
| Equity and Preference securities | 52 | 25 |
| Others [(1)] | 59 | 61 |
| | **111** | **551** |
| **Investments carried at fair value through other comprehensive income** | | |
| Preference securities | 628 | 167 |
| Equity securities | 2 | 2 |
| | **630** | **169** |
| **Quoted** | | |
| **Investments carried at amortized cost** | | |
| Tax free bonds | 407 | 1,465 |
| Government bonds | - | 14 |
| | **407** | **1,479** |
| **Investments carried at fair value through other comprehensive income** | | |
| Non-convertible debentures | 3,279 | 3,320 |
| Equity Securities | 61 | 57 |
| Government Securities | 4,210 | 5,240 |
| | **7,550** | **8,617** |
| **Total non-current investments** | **26,036** | **27,371** |
| **Current investments** | | |
| **Unquoted** | | |
| **Investments carried at fair value through profit or loss** | | |
| Mutual fund units | 2,191 | 1,185 |
| | **2,191** | **1,185** |
| **Investments carried at fair value through other comprehensive income** | | |
| Commercial Papers | 1,180 | 3,442 |
| Certificates of deposit | 7,546 | 3,257 |
| | **8,726** | **6,699** |
| **Quoted** | | |
| **Investments carried at amortized cost** | | |
| Tax free bonds | - | 154 |
| Government bonds | 101 | - |
| | **101** | **154** |
| **Investments carried at fair value through other comprehensive income** | | |
| Government Securities | 240 | 1,560 |
| Non-convertible debentures | 781 | 1,549 |
| | **1,021** | **3,109** |
| **Total current investments** | **12,039** | **11,147** |
| **Total investments** | **38,075** | **38,518** |
| Aggregate amount of quoted investments | 9,079 | 13,359 |
| Market value of quoted investments (including interest accrued), current | 1,122 | 3,266 |
| Market value of quoted investments (including interest accrued), non-current | 7,981 | 10,269 |
| Aggregate amount of unquoted investments | 28,996 | 25,159 |
| [#] 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 | 17,338 | 16,555 |
| Investments carried at amortized cost | 508 | 1,633 |
| Investments carried at fair value through other comprehensive income | 17,927 | 18,594 |
| Investments carried at fair value through profit or loss | 2,302 | 1,736 |

*(1) Uncalled capital commitments outstanding as of March 31, 2026 and March 31, 2025 was ₹23 crore and ₹27 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 with an estimated fair value of ₹30 crore as on the date of acquisition.

*Refer to note 2.11 for accounting policies on financial instruments.*

**Details of amounts recorded in other comprehensive income:**

*(In ₹ crore)*

| | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Gross | Tax | Net | Gross | Tax | Net |
| **Net Gain/(loss) on** | | | | | | |
| Non-convertible debentures | (14) | 2 | (12) | 52 | (6) | 46 |
| Government Securities | 5 | (1) | 4 | 155 | (14) | 141 |
| Commercial Paper | (7) | 2 | (5) | 3 | (1) | 2 |
| Certificate of deposits | (18) | 5 | (13) | 3 | (1) | 2 |
| Equity and preference securities | 464 | (67) | 397 | 20 | (1) | 19 |

**Method of fair valuation:**

*(In ₹ crore)*

| Class of investment | Method | Fair value as at | |
|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 |
| Mutual fund units - carried at fair value through profit or loss | Quoted price | 2,191 | 1,185 |
| Target maturity fund units - carried at fair value through profit or loss | Quoted price | - | 465 |
| Tax free bonds and government bonds - carried at amortized cost | Quoted price and market observable inputs | 529 | 1,796 |
| Non-convertible debentures - carried at fair value through other comprehensive income | Quoted price and market observable inputs | 4,060 | 4,869 |
| Government securities - carried at fair value through other comprehensive income | Quoted price and market observable inputs | 4,450 | 6,800 |
| Commercial Papers - carried at fair value through other comprehensive income | Market observable inputs | 1,180 | 3,442 |
| Certificates of deposit - carried at fair value through other comprehensive income | Market observable inputs | 7,546 | 3,257 |
| Quoted equity securities - carried at fair value through other comprehensive income | Quoted price | 61 | 57 |
| Unquoted equity and preference securities - carried at fair value through other comprehensive income | Discounted cash flows method, Market multiples method, Option pricing model | 630 | 169 |
| Unquoted equity and preference securities - carried at fair value through profit or loss | Discounted cash flows method, Market multiples method, Option pricing model | 52 | 25 |
| Others - carried at fair value through profit or loss | Discounted cash flows method, Market multiples method, Option pricing model | 59 | 61 |
| **Total** | | **20,758** | **22,126** |

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

**2.5.1 Details of Investments**

The details of investments in preference, equity and other instruments at March 31, 2026 and March 31, 2025 are as follows:

*(In ₹ crore, except as otherwise stated)*

| Particulars | As at | |
|---|---|---|
| | **March 31, 2026** | **March 31, 2025** |
| ***Preference Securities*** | | |
| **Investments carried at fair value through other comprehensive income** | | |
| Airviz Inc. | - | - |
| 2,89,695 (2,89,695) Series A Preferred Stock, fully paid up, par value USD 0.001 each | | |
| Whoop Inc | 576 | 129 |
| 1,10,59,340 (1,10,59,340) Series B Preferred Stock, fully paid up, par value USD 0.0001 each | | |
| Nivetti Systems Private Limited | 52 | 38 |
| 2,28,501 (2,28,501) Preferred Stock, fully paid up, par value ₹1/- each | | |
| **Investments carried at fair value through profit or loss** | | |
| Galaxeye Space Solutions Private Limited | 23 | 17 |
| 1,210 (1,210) Series A compulsorily convertible cumulative Preference shares of ₹10/- each, fully paid up | | |
| 4Basecare Precision Health Private Limited | 29 | 8 |
| 18,850 (18,850) Series A compulsorily convertible cumulative Preference shares of ₹1/- each, fully paid up | | |
| ***Equity Instrument*** | | |
| **Investments carried at fair value through other comprehensive income** | | |
| Merasport Technologies Private Limited | - | - |
| 2,420 (2,420) equity shares at ₹ 8,052/- each, fully paid up, par value ₹10/- each | | |
| Global Innovation and Technology Alliance | 2 | 2 |
| 15,000 (15,000) equity shares at ₹1,000/- each, fully paid up, par value ₹1,000/- each | | |
| Ideaforge Technology Limited | 61 | 57 |
| 16,47,314 (16,47,314) equity shares at ₹10/-, fully paid up | | |
| **Investments carried at fair value through profit or loss** | | |
| Galaxeye Space Solutions Private Limited | - | - |
| 10 (10) equity shares at ₹1,36,080/- each, fully paid up, par value ₹10/- each | | |
| ***Others-Investments carried at fair value through profit or loss*** | | |
| Stellaris Venture Partners India | 51 | 53 |
| Yali Deeptech Fund I | 8 | 8 |
| **Total** | **802** | **312** |

**2.6 LOANS**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Non- Current** | | |
| Loan to subsidiary | - | 10 |
| Loans considered good - Unsecured | | |
| Other Loans | | |
| Loans to employees | 5 | 16 |
| | **5** | **26** |
| | | |
| **Current** | | |
| Loans considered good - Unsecured | | |
| Other Loans | | |
| Loans to employees | 189 | 207 |
| **Total current loans** | **189** | **207** |
| **Total Loans** | **194** | **233** |
| (1) Includes dues from subsidiaries | - | 10 |

**2.7 OTHER FINANCIAL ASSETS**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Non-current** | | |
| Security deposits (1) | 214 | 205 |
| Unbilled revenues (1)(5)# | 1,356 | 1,904 |
| Net investment in lease(1) (Refer to note 2.3) | 265 | 241 |
| **Total non-current other financial assets** | **1,835** | **2,350** |
| **Current** | | |
| Security deposits (1) | 10 | 21 |
| Deposits placed with Corporation (1)* | 2,918 | 2,716 |
| Unbilled revenues (1)(5)# | 7,143 | 5,681 |
| Interest accrued but not due (1) | 360 | 739 |
| Foreign currency forward and options contracts (2)(3) | 80 | 171 |
| Net investment in lease (1) (Refer to note 2.3) | 324 | 228 |
| Others (1)(4) | 3,935 | 3,013 |
| **Total current other financial assets** | **14,770** | **12,569** |
| **Total other financial assets** | **16,605** | **14,919** |
| (1) Financial assets carried at amortized cost | 16,525 | 14,748 |
| (2) Financial assets carried at fair value through other comprehensive income | 56 | 28 |
| (3) Financial assets carried at fair value through Profit or Loss | 24 | 143 |
| *(4) Includes dues from subsidiaries* | 3,776 | 2,863 |
| *(5) Includes dues from subsidiaries* | 145 | 165 |

* Deposits placed with corporation represent restricted deposits 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.

**2.8 TRADE RECEIVABLES**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Current** | | |
| | | |
| Trade Receivable considered good - Unsecured (1) | 30,766 | 26,807 |
| Less: Allowance for expected credit loss | 429 | 394 |
| Trade Receivable considered good - Unsecured | 30,337 | 26,413 |
| | | |
| Trade Receivable - credit impaired - Unsecured | 111 | 169 |
| Less: Allowance for credit impairment | 111 | 169 |
| Trade Receivable - credit impaired - Unsecured | - | - |
| **Total trade receivables (2)** | **30,337** | **26,413** |
| *(1) Includes dues from subsidiaries* | 338 | 250 |
| *(2) Includes dues from companies where directors are interested* | - | - |

**Trade receivables ageing schedule for the year ended as on March 31, 2026 and March 31, 2025:**

*(In ₹ crore)*

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Undisputed Trade receivables – considered good | 24,748 | 5,990 | 17 | 7 | 2 | 2 | 30,766 |
| | *20,082* | *6,458* | *80* | *150* | *31* | *6* | *26,807* |
| Undisputed Trade receivables – credit impaired | - | 2 | 13 | 12 | 4 | 62 | 93 |
| | - | *5* | *4* | *2* | *5* | *87* | 103 |
| Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | - | - | 3 | 15 | 18 |
| | - | - | - | *42* | *23* | *1* | 66 |
| | 24,748 | 5,992 | 30 | 19 | 9 | 79 | 30,877 |
| | *20,082* | *6,463* | *84* | *194* | *59* | *94* | *26,976* |
| Less: Allowance for credit loss | | | | | | | 540 |
| | | | | | | | *563* |
| **Total Trade Receivables** | | | | | | | 30,337 |
| | | | | | | | *26,413* |

**2.9 CASH AND CASH EQUIVALENTS**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Balances with banks | | |
| In current and deposit accounts | 8,727 | 14,265 |
| Cash on hand | - | - |
| **Total Cash and cash equivalents** | **8,727** | **14,265** |
| *Balances with banks in unpaid dividend accounts* | 45 | 45 |
| *Deposit with more than 12 months maturity* | - | - |

Cash and cash equivalents as at March 31, 2026 and March 31, 2025 include restricted cash and bank balances of ₹52 crore and ₹45 crore, respectively.

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

**2.10 OTHER ASSETS**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Non-current** | | |
| Capital advances | 154 | 206 |
| Advances other than capital advances | | |
| Others | | |
| Prepaid expenses | 510 | 154 |
| Defined benefit plan assets (Refer note no 2.21) | 168 | 257 |
| Deferred contract cost | | |
| Cost of obtaining a contract | 301 | 299 |
| Cost of fulfillment | 590 | 676 |
| Unbilled revenues[2] | 274 | 119 |
| Withholding taxes and others[3] | 593 | 512 |
| **Total non-current other assets** | **2,590** | **2,223** |
| **Current** | | |
| Advances other than capital advances | | |
| Payment to vendors for supply of goods | 408 | 373 |
| Others | | |
| Prepaid expenses [1] | 3,229 | 2,003 |
| Unbilled revenues[2] | 4,933 | 4,284 |
| Deferred contract cost | | |
| Cost of obtaining a contract | 226 | 212 |
| Cost of fulfillment | 472 | 428 |
| Withholding taxes and others[3] | 3,329 | 2,309 |
| Other receivables [1] | 27 | 9 |
| **Total current other assets** | **12,624** | **9,618** |
| **Total other assets** | **15,214** | **11,841** |
| [1] *Includes dues from subsidiaries* | 141 | 151 |

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

[3] *Withholding taxes and others primarily consist of input tax credits and VAT recoverable from tax authorities.*

**2.11 FINANCIAL INSTRUMENTS**

**Accounting Policy**

**2.11.1 Initial recognition**

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

**2.11.2 Subsequent measurement**

**a. Non-derivative financial instruments**

***(i) Financial assets carried at amortized cost***

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for certain 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 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***

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

**2.11.3 Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**2.11.4 Fair value of financial instruments**

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

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

**2.11.5 Impairment**

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

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

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

**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at March 31, 2026 were as follows:

*(In ₹ crore)*

| Particulars | Amortized cost | Financial assets/ liabilities at fair value through profit or loss | | Financial assets/liabilities at fair value through OCI | | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| | | Designated upon initial recognition | Mandatory | Equity instruments designated upon initial recognition | Mandatory | | |
| **Assets:** | | | | | | | |
| Cash and cash equivalents (Refer to note 2.9) | 8,727 | - | - | - | - | 8,727 | 8,727 |
| Investments (Refer to note 2.5) | | | | | | | |
| Preference securities, Equity securities and others | - | 52 | 59 | 691 | - | 802 | 802 |
| Tax free bonds and government bonds | 508 | - | - | - | - | 508 | 529 [1] |
| Mutual fund units | - | - | 2,191 | - | - | 2,191 | 2,191 |
| Commercial Papers | - | - | - | - | 1,180 | 1,180 | 1,180 |
| Certificates of deposit | - | - | - | - | 7,546 | 7,546 | 7,546 |
| Non convertible debentures | - | - | - | - | 4,060 | 4,060 | 4,060 |
| Government Securities | - | - | - | - | 4,450 | 4,450 | 4,450 |
| Trade receivables (Refer to note 2.8) | 30,337 | - | - | - | - | 30,337 | 30,337 |
| Loans (Refer to note 2.6) | 194 | - | - | - | - | 194 | 194 |
| Other financial assets (Refer to note 2.7) | 16,525 | - | 24 | - | 56 | 16,605 | 16,585 [2] |
| **Total** | **56,291** | **52** | **2,274** | **691** | **17,292** | **76,600** | **76,601** |
| **Liabilities:** | | | | | | | |
| Trade payables (Refer to note 2.14) | 3,539 | - | - | - | - | 3,539 | 3,539 |
| Lease liabilities (Refer to note 2.3) | 3,749 | - | - | - | - | 3,749 | 3,749 |
| Other financial liabilities (Refer to note 2.13) | 15,306 | - | 512 | - | 55 | 15,873 | 15,873 |
| **Total** | **22,594** | **-** | **512** | **-** | **55** | **23,161** | **23,161** |

[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 ₹20 crore*

The carrying value and fair value of financial instruments by categories as at March 31, 2025 were as follows:

*(In ₹ crore)*

| Particulars | Amortized cost | Financial assets/ liabilities at fair value through profit or loss | | Financial assets/liabilities at fair value through OCI | | Total carrying value | Total fair value |
|---|---|---|---|---|---|---|---|
| | | Designated upon initial recognition | Mandatory | Equity instruments designated upon initial recognition | Mandatory | | |
| **Assets:** | | | | | | | |
| Cash and cash equivalents (Refer to note 2.9) | 14,265 | - | - | - | - | 14,265 | 14,265 |
| Investments (Refer to note 2.5) | | | | | | | |
| Preference securities, Equity securities and others | - | 25 | 61 | 226 | - | 312 | 312 |
| Tax free bonds and government bonds | 1,633 | - | - | - | - | 1,633 | 1,796 [1] |
| Target maturity fund units | - | - | 465 | - | - | 465 | 465 |
| Mutual fund units | - | - | 1,185 | - | - | 1,185 | 1,185 |
| Commercial Papers | - | - | - | - | 3,442 | 3,442 | 3,442 |
| Certificates of deposit | - | - | - | - | 3,257 | 3,257 | 3,257 |
| Non convertible debentures | - | - | - | - | 4,869 | 4,869 | 4,869 |
| Government Securities | - | - | - | - | 6,800 | 6,800 | 6,800 |
| Trade receivables (Refer to note 2.8) | 26,413 | - | - | - | - | 26,413 | 26,413 |
| Loans (Refer to note 2.6) | 233 | - | - | - | - | 233 | 233 |
| Other financial assets (Refer to note 2.7) | 14,748 | - | 143 | - | 28 | 14,919 | 14,839 [2] |
| **Total** | **57,292** | **25** | **1,854** | **226** | **18,396** | **77,793** | **77,876** |
| | | | | | | | |
| **Liabilities:** | | | | | | | |
| Trade payables (Refer to note 2.14) | 2,728 | - | - | - | - | 2,728 | 2,728 |
| Lease Liabilities (Refer to note 2.3) | 3,459 | - | - | - | - | 3,459 | 3,459 |
| Other financial liabilities (Refer to note 2.13) | 13,593 | - | 54 | - | 33 | 13,680 | 13,680 |
| **Total** | **19,780** | **-** | **54** | **-** | **33** | **19,867** | **19,867** |

[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 ₹80 crore*

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

**Fair value hierarchy**

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

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

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

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2026 is as follows:

*(In ₹ crore)*

| Particulars | As at March 31, 2026 | Fair value measurement at end of the reporting period using | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Assets** | | | | |
| **Investments (Refer to note 2.5)** | | | | |
| Investments in tax free bonds | 428 | 428 | - | - |
| Investments in government bonds | 101 | 101 | - | - |
| Investments in mutual fund units | 2,191 | 2,191 | - | - |
| Investments in certificates of deposit | 7,546 | - | 7,546 | - |
| Investments in commercial papers | 1,180 | - | 1,180 | - |
| Investments in non convertible debentures | 4,060 | 3,572 | 488 | - |
| Investments in government securities | 4,450 | 4,282 | 168 | - |
| Investments in equity securities | 63 | 61 | - | 2 |
| Investments in preference securities | 680 | - | - | 680 |
| Other investments | 59 | - | - | 59 |
| **Others** | | | | |
| Derivative financial instruments - gains (Refer to note 2.7) | 80 | - | 80 | - |
| **Liabilities** | | | | |
| Derivative financial instruments - loss (Refer to note 2.13) | 547 | - | 547 | - |
| Liability towards contingent consideration (Refer to note 2.13)[(1)] | 20 | - | - | 20 |

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

During the year ended March 31, 2026, tax free bonds of ₹57 crore and government securities ₹36 crore was transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, non-convertible debentures of ₹ 487 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, 2025 was as follows:

*(In ₹ crore)*

| Particulars | As at March 31, 2025 | Fair value measurement at end of the reporting period using | | |
|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 |
| **Assets** | | | | |
| **Investments (Refer to note 2.5)** | | | | |
| Investments in tax free bonds | 1,781 | 1,227 | 554 | - |
| Investments in target maturity fund units | 465 | 465 | - | - |
| Investments in government bonds | 15 | 15 | - | - |
| Investments in mutual fund units | 1,185 | 1,185 | - | - |
| Investments in certificates of deposit | 3,257 | - | 3,257 | - |
| Investments in commercial papers | 3,442 | - | 3,442 | - |
| Investments in non convertible debentures | 4,869 | 4,869 | - | - |
| Investments in government securities | 6,800 | 6,763 | 37 | - |
| Investments in equity securities | 59 | 57 | - | 2 |
| Investments in preference securities | 192 | - | - | 192 |
| Other investments | 61 | - | - | 61 |
| **Others** | | | | |
| Derivative financial instruments - gains (Refer to note 2.7) | 171 | - | 171 | - |
| **Liabilities** | | | | |
| Derivative financial instruments - loss (Refer note 2.13) | 56 | - | 56 | - |
| Liability towards contingent consideration (Refer to note 2.13)[(1)] | 31 | - | - | 31 |

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

During the year ended March 31, 2025, government securities and non-convertible debentures of ₹36 crore and ₹261 crore were transferred from Level 2 to Level 1 of fair value hierarchy since these were valued based on quoted price. Further Tax free bond of ₹554 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

Majority of investments of the Company are fair valued based on Level 1 or Level 2 inputs. These investments primarily include investment in 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.

The following tables present movement of assets and liabilities valued using level 3 inputs for the year ended March 31, 2026 and March 31,2025:

**i) Investments**

*(In ₹ crore)*

| Particulars | Year ended March 31, 2026 | | | Year ended March 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Equity | Preference | Others | Equity | Preference | Others |
| **Balance at the beginning** | **2** | **192** | **61** | **2** | **91** | **84** |
| Purchase of investments | - | - | 2 | - | 25 | 8 |
| Fair value gain/(loss) recognised through other comprehensive income | - | 443 | - | - | 75 | - |
| Fair value gain/(loss) recognised through profit and loss | - | 28 | - | - | - | (20) |
| Sale of investments | - | - | (4) | - | - | (11) |
| Translation difference | - | 17 | - | - | 1 | - |
| **Balance at the end** | **2** | **680** | **59** | **2** | **192** | **61** |

**ii) Liability towards contingent consideration**

*(In ₹ crore)*

| Particulars | Year Ended March 31, 2026 | Year Ended March 31, 2025 |
|---|---|---|
| **Balance at the beginning** | **31** | **-** |
| Addition due to business combination *(Refer Note - 2.5)* | - | 30 |
| Finance cost | 2 | 1 |
| Payments | (13) | - |
| Translation difference | | - |
| **Balance at the end** | **20** | **31** |

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 on the fair values of level 3 financial instruments.

**Financial risk management**

**Financial risk factors**

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

**Market risk**

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

The following table analyses the foreign currency risk from financial assets and liabilities as at March 31, 2026:

*(In ₹ crore)*

| Particulars | U.S. dollars | Euro | United Kingdom Pound Sterling | Australian dollars | Other currencies | Total |
|---|---|---|---|---|---|---|
| Net financial assets | 25,934 | 10,443 | 2,074 | 1,679 | 3,507 | 43,637 |
| Net financial liabilities | (12,788) | (2,725) | (1,266) | (794) | (1,097) | (18,670) |
| **Total** | **13,146** | **7,718** | **808** | **885** | **2,410** | **24,967** |

The following table analyses the foreign currency risk from financial assets and liabilities as at March 31, 2025:

*(In ₹ crore)*

| Particulars | U.S. dollars | Euro | United Kingdom Pound Sterling | Australian dollars | Other currencies | Total |
|---|---|---|---|---|---|---|
| Net financial assets | 24,242 | 9,143 | 1,943 | 1,322 | 2,842 | 39,492 |
| Net financial liabilities | (11,234) | (2,132) | (977) | (690) | (997) | (16,030) |
| **Total** | **13,008** | **7,011** | **966** | **632** | **1,845** | **23,462** |

**Sensitivity analysis between Indian Rupee and U.S. dollars**

| Particulars | Year ended | |
|---|---|---|
| | 2026 | 2025 |
| Impact on the Company's incremental Operating Margins | 0.47% | 0.46% |

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

**Derivative financial instruments**

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

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

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | In million | In ₹ crore | In million | In ₹ crore |
| **Derivatives designated as cash flow hedges** | | | | |
| **Forward contracts** | | | | |
| In Swiss Franc | - | - | 53 | 513 |
| **Option contracts** | | | | |
| In Euro | 417 | 4,546 | 341 | 3,140 |
| In Australian dollars | 87 | 566 | 93 | 500 |
| In Swiss Franc | 26 | 303 | - | - |
| In United Kingdom Pound Sterling | 18 | 230 | 17 | 188 |
| **Other derivatives** | | | | |
| **Forward contracts** | | | | |
| In U.S. dollars | 1,359 | 12,886 | 1,098 | 9,386 |
| In Euro | 787 | 8,584 | 652 | 6,009 |
| In Singapore dollars | 149 | 1,093 | 133 | 849 |
| In Swiss Franc | 70 | 837 | 51 | 495 |
| In United Kingdom Pound Sterling | 41 | 510 | 26 | 284 |
| In Australian dollars | 58 | 377 | 24 | 126 |
| In Norwegian Krone | 300 | 291 | 167 | 136 |
| In Hongkong dollar | 106 | 128 | 40 | 44 |
| In New Zealand dollars | 22 | 122 | 37 | 181 |
| In South African rand | 152 | 84 | - | - |
| In Danish Krone | 50 | 73 | 152 | 188 |
| In Hungarian Forint | 2,280 | 64 | 2,000 | 44 |
| In Canadian dollars | 3 | 17 | - | - |
| | - | - | - | - |
| **Option contracts** | | | | |
| In U.S. dollars | 685 | 6,499 | 796 | 6,800 |
| In Euro | 48 | 523 | 179 | 1,648 |
| In Australian dollars | 25 | 163 | 11 | 57 |
| In United Kingdom Pound Sterling | 10 | 125 | - | - |
| **Total forwards and option contracts** | | **38,021** | | **30,588** |

The foreign exchange forward and option contracts mature within 12 months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Not later than one month | 19,944 | 14,515 |
| Later than one month and not later than three months | 17,034 | 15,175 |
| Later than three months and not later than one year | 1,043 | 898 |
| **Total** | **38,021** | **30,588** |

During the year ended March 31, 2026 and March 31, 2025 the Company has designated certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance in cash flow hedge reserve as at March 31, 2026 are expected to occur and reclassified to statement of profit and loss within 3 months.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of its forecasted cash flows. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the Statement of Profit or Loss at the time of the hedge relationship rebalancing.

**The following table provides the reconciliation of cash flow hedge reserve for the year ended March 31, 2026 and March 31, 2025:**

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| **Gain / (Loss)** | | |
| Balance at the beginning of the year | (18) | 6 |
| Gain / (Loss) recognized in other comprehensive income during the year | (306) | (5) |
| Amount reclassified to profit and loss during the year | 304 | (27) |
| Tax impact on above | 1 | 8 |
| **Balance at the end of the year** | **(19)** | **(18)** |

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows:

*(In ₹ crore)*

| Particulars | As at | | | |
|---|---|---|---|---|
| | March 31, 2026 | | March 31, 2025 | |
| | Derivative financial asset | Derivative financial liability | Derivative financial asset | Derivative financial liability |
| Gross amount of recognized financial asset / liability | 175 | (642) | 226 | (111) |
| Amount set off | (95) | 95 | (55) | 55 |
| **Net amount presented in Balance Sheet** | **80** | **(547)** | **171** | **(56)** |

**Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹30,337 crore and ₹26,413 crore as at March 31, 2026 and March 31, 2025, respectively and unbilled revenue amounting to ₹13,706 crore and ₹11,988 crore as at March 31, 2026 and March 31, 2025, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue from customers majorly located in the United States of America and Europe. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customers to which the Company grants credit terms in the normal course of business. The Company uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. This matrix takes into account credit reports and other related credit information to the extent available.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

The following table gives details in respect of percentage of revenues generated from top five customers and top ten customers:

*(In %)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Revenue from top five customers | 12.7 | 12.0 |
| Revenue from top ten customers | 20.5 | 19.9 |

**Credit risk exposure**

The Company's credit period generally ranges from 30-75 days.

The allowance for lifetime expected credit loss on customer balances recognized for the year ended March 31, 2026 and March 31, 2025 is ₹113 crore and ₹63 crore, respectively.

**The movement in credit loss allowance on customer balance is as follows:**

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Balance at the beginning | 702 | 721 |
| Impairment loss recognized/ (reversed), net | 113 | 63 |
| Amounts written off | (165) | (69) |
| Translation differences | 71 | (13) |
| **Balance at the end** | **721** | **702** |

The gross carrying amount of a financial asset is written off (either partially or in full) when there is no realistic prospect of recovery.

**Credit exposure**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Trade receivables | 30,337 | 26,413 |
| Unbilled revenues | 13,706 | 11,988 |

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high ratings assigned by international and domestic credit rating agencies. Ratings are monitored periodically and the Company has considered the latest available credit ratings as at the date of approval of these financial statements.

The investments of the Company primarily include investment in mutual fund units, target maturity fund units, tax free bonds, certificates of deposit, commercial paper, treasury bills, government securities, non-convertible debentures, quoted bonds issued by government and quasi government organizations. The Company invests after considering counterparty risks based on multiple criteria including Tier I Capital, Capital Adequacy Ratio, credit rating, profitability, NPA levels and deposit base of banks and financial institutions. These risks are monitored regularly as per Group's risk management program.

**Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

As at March 31, 2026, the Company had a working capital of ₹40,794 crore including cash and cash equivalents of ₹8727 crore and current investments of ₹12039 crore. As at March 31, 2025, the Company had a working capital of ₹45,406 crore including cash and cash equivalents of ₹14,265 crore and current investments of ₹11,147 crore.

As at March 31, 2026 and March 31, 2025, the outstanding compensated absences were ₹2819 crore and ₹2,412 crore, respectively, which have been substantially funded. Accordingly, no liquidity risk is perceived.

Refer to Note 2.3 for remaining contractual maturities of lease liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2026:

*(In ₹ crore)*

| Particulars | Less than 1 year | 1-2 years | 2-4 years | 4-7 years | Total |
|---|---|---|---|---|---|
| Trade payables | 3,539 | - | - | - | 3,539 |
| Other financial liabilities (excluding liability towards contingent consideration) on an undiscounted basis (Refer to note 2.13) | 13,531 | 1,582 | 191 | 2 | 15,306 |
| Liability towards contingent consideration on an undiscounted basis (Refer to note 2.13) | 20 | - | - | - | 20 |

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2025:

*(In ₹ crore)*

| Particulars | Less than 1 year | 1-2 years | 2-4 years | 4-7 years | Total |
|---|---|---|---|---|---|
| Trade payables | 2,728 | - | - | - | 2,728 |
| Other financial liabilities (excluding liability towards contingent consideration) on an undiscounted basis (Refer to note 2.13) | 11,712 | 1,732 | 138 | 11 | 13,593 |
| Liability towards contingent consideration on an undiscounted basis (Refer to note 2.13) | 11 | 20 | - | - | 31 |

**2.12 EQUITY**

**Accounting policy**

**Ordinary Shares**

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

**Description of reserves**

**Capital redemption reserve**

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

**Retained earnings**

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

**Securities premium**

The amount received in excess of the par value of equity shares has been classified as securities premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

**Share options outstanding account**

The Share options outstanding account is used to record the fair value of equity-settled share based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees.

**Special Economic Zone Re-investment reserve**

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

**Other components of equity**

Other components of equity include remeasurement of net defined benefit liability / asset, equity instruments fair valued through other comprehensive income, changes on fair valuation of investments and changes in fair value of derivatives designated as cash flow hedges, net of taxes.

**Cash flow hedge reserve**

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

**2.12.1 EQUITY SHARE CAPITAL**

*(In ₹ crore, except as otherwise stated)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **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)] | 2,027 | 2,076 |
| 405,55,91,723 (415,32,63,455) equity shares fully paid-up | | |
| | **2,027** | **2,076** |

*[(1)] Refer to note 2.22 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.

**In the period of five years immediately preceding March 31, 2026:**

**Buyback**

In the period of five years immediately preceding March 31, 2026, the Company had purchased and extinguished a total of 21,62,33,685 fully paid-up equity shares of face value ₹5/- each from the stock exchange. The Company has only one class of equity shares.

**Capital allocation policy**

Effective 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.

**Buyback completed in December 2025**

In line with the capital allocation policy, the Board, at its meeting held on September 11, 2025, approved a proposal for the Company to buyback its fully paid-up equity shares of face value of ₹5/- each from the eligible equity shareholders of the Company for an amount of ₹18,000 crore subject to shareholders' approval by way of Postal Ballot. The shareholders approved the said proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting through postal ballot, the results of which were declared on November 6, 2025. The Buyback offer comprised a purchase of 10,00,00,000 Equity Shares comprising approximately 2.41% of the total paid-up equity share capital of the Company as of June 30, 2025 (on standalone basis) at a price of ₹1,800 per Equity share. The buyback was offered to all eligible equity shareholders (including those who became equity shareholders as on the Record date by cancelling American Depository Shares and withdrawing underlying Equity shares) of the Company as on the Record Date (i.e. November 14, 2025) on a proportionate basis through the "Tender offer" route. The tender period for buyback commenced on November 20, 2025 and was open until November 26, 2025. The Company concluded the buyback procedures on December 4, 2025 and 10,00,00,000 equity shares were bought back and extinguished. The buyback resulted in cash outflow of ₹18,000 crore (excluding transaction costs). The Company funded the buyback from its free reserves including securities premium as explained in Section 68 of the Companies Act, 2013. In accordance with Section 69 of the Companies Act, 2013, as at March 31, 2026, the Company has created a Capital Redemption Reserve of ₹50 crore equal to the nominal value of the shares bought back as an appropriation from the general reserve.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of March 31, 2026, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

**2.12.2 Shareholding of promoter**

The details of shares held by promoters as at March 31, 2026 and the change during the year ended March 31, 2026:

| Promoter name | No. of shares | % of total shares | % Change during the year |
|---|---|---|---|
| Sudha Gopalakrishnan | 9,53,57,000 | 2.35% | - |
| Rohan Murty | 6,08,12,892 | 1.50% | - |
| S. Gopalakrishnan | 3,18,53,808 | 0.79% | - |
| Nandan M. Nilekani | 4,07,83,162 | 1.01% | - |
| Akshata Murty | 3,89,57,096 | 0.96% | - |
| Asha Dinesh | 3,85,79,304 | 0.95% | - |
| Sudha N. Murty | 3,45,50,626 | 0.85% | - |
| Rohini Nilekani | 3,43,35,092 | 0.85% | - |
| Dinesh Krishnaswamy | 3,24,79,590 | 0.80% | - |
| Shreyas Shibulal | 1,79,37,000 | 0.44% | (10.00%) |
| N. R. Narayana Murthy | 1,51,45,638 | 0.37% | - |
| Nihar Nilekani | 1,26,77,752 | 0.31% | - |
| Janhavi Nilekani | 85,89,721 | 0.21% | - |
| Kumari Shibulal | 49,45,935 | 0.12% | - |
| Deeksha Dinesh | 76,46,684 | 0.19% | - |
| Divya Dinesh | 76,46,684 | 0.19% | - |
| Meghana Gopalakrishnan | 1,48,34,928 | 0.37% | - |
| Shruti Shibulal | 87,05,651 | 0.21% | - |
| S. D. Shibulal | 52,08,673 | 0.13% | - |
| | | | |
| **Promoters Group** | | | |
| Ekagrah Rohan Murty | 15,00,000 | 0.04% | - |
| Gaurav Manchanda | 57,73,233 | 0.14% | - |
| Milan Shibulal Manchanda | 61,06,302 | 0.15% | - |
| Nikita Shibulal Manchanda | 61,06,302 | 0.15% | - |
| Bhairavi Madhusudhan Shibulal | 48,85,500 | 0.12% | (9.99%) |
| Shray Chandra | 7,19,424 | 0.02% | - |
| Tanush Nilekani Chandra | 33,56,017 | 0.08% | - |

**2.12.3 DIVIDEND**

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

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

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:-

*(in ₹)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Interim dividend for fiscal 2026 | 23.00 | - |
| Final dividend for fiscal 2025 | 22.00 | - |
| Interim dividend for fiscal 2025 | - | 21.00 |
| Special dividend for fiscal 2024 | - | 8.00 |
| Final dividend for fiscal 2024 | - | 20.00 |

During the year ended March 31, 2026, on account of the final dividend for fiscal 2025 and interim dividend for fiscal 2026, the Company has incurred a net cash outflow of ₹18,694 crore.

The Board of Directors in their meeting held on April 23, 2026 recommended a final dividend of ₹25/- per equity share for the financial year ended March 31, 2026. The payment is subject to approval of shareholders in the Annual General Meeting (AGM) of the Company to be held on June 23, 2026 and if approved, would result in a net cash outflow of approximately ₹10,139 crore.

The details of shareholders holding more than 5% shares as at March 31, 2026 and March 31, 2025 are set out below:

| Name of the shareholder | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of shares | % held | Number of shares | % held |
| Deutsche Bank Trust Company Americas (Depository of ADR's - legal ownership) | 30,50,54,064 | 7.52 | 43,98,60,715 | 10.59 |
| Life Insurance Corporation of India | 43,27,82,872 | 10.67 | 38,81,12,531 | 9.34 |

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2026 and March 31, 2025 is set out below:

*(in ₹ crore, except as stated otherwise)*

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **As at the beginning of the period** | **415,32,63,455** | **2,076** | **415,08,67,464** | **2,075** |
| Add: Shares issued on exercise of employee stock options | 23,28,268 | 1 | 23,95,991 | 1 |
| Less: Shares bought back | 10,00,00,000 | 50 | - | - |
| **As at the end of the period** | **405,55,91,723** | **2,027** | **415,32,63,455** | **2,076** |

**2.12.4 Employee Stock Option Plan (ESOP):**

**Accounting Policy**

The Company recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

**Infosys Expanded Stock Ownership Program 2019 (the 2019 Plan):**

On June 22, 2019 pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 plan shall not exceed 5,00,00,000 equity shares. To implement the 2019 Plan, up to 4,50,00,000 equity shares may be issued by way of secondary acquisition of shares by Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

**2015 Stock Incentive Compensation Plan (the 2015 Plan):**

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Plan. The maximum number of shares under the 2015 plan shall not exceed 2,40,38,883 equity shares (this includes 1,12,23,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

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

Controlled trust holds 86,50,911 and 96,55,927 shares as at March 31, 2026 and March 31, 2025, respectively under the 2015 plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at March 31, 2026 and March 31, 2025.

The following is the summary of grants during the year ended March 31, 2026 and March 31, 2025:

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| **2015 Plan: RSU** | | |
| **Equity settled RSUs** | | |
| Key Management Personnel (KMP) | 3,77,609 | 3,80,842 |
| Employees other than KMP | 22,54,341 | 18,74,690 |
| | **26,31,950** | **22,55,532** |
| **Cash settled RSUs** | | |
| Key Management Personnel (KMP) | - | - |
| Employees other than KMP | 1,19,800 | 94,050 |
| | **1,19,800** | **94,050** |
| | | |
| **2015 Plan: Employee Stock Options (ESOPs)** | | |
| **Equity settled RSUs** | | |
| Key Management Personnel (KMP) | 2,37,370 | - |
| Employees other than KMP | 54,12,790 | - |
| | **56,50,160** | **-** |
| **Cash settled RSUs** | | |
| Key Management Personnel (KMP) | - | - |
| Employees other than KMP | 1,08,180 | - |
| | **1,08,180** | **-** |
| **Total Grants under 2015 Plan** | **85,10,090** | **23,49,582** |
| | | |
| **2019 Plan: RSU** | | |
| **Equity settled RSUs** | | |
| Key Management Personnel (KMP) | 1,26,966 | 1,19,699 |
| Employees other than KMP | 44,22,390 | 36,24,646 |
| | **45,49,356** | **37,44,345** |
| **Total Grants under 2019 Plan** | **45,49,356** | **37,44,345** |

***Notes on grants to KMP:***

**CEO & MD**

**Under the 2015 plan:**

The Board, on April 17, 2025, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2026. In accordance with such approval the following grants were made effective May 2, 2025.

- 2,30,621 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.

- 13,273 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.

- 33,183 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore. These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Further, in accordance with the employee agreement which has been approved by the shareholders, the CEO is eligible to receive an annual grant of RSUs of fair value ₹3 crore which will vest overtime in three equal annual installments upon the completion of each year of service from the respective grant date. Accordingly, annual time-based grant of 18,132 RSUs was made effective February 1, 2026 for fiscal 2026.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of March 31, 2026, 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 17, 2025, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2026 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 66,366 performance based RSU's were granted effective May 2, 2025.

**Other KMP**

**Under the 2015 plan:**

During the year ended March 31, 2026, based on recommendations of Nomination and Remuneration Committee, the Board approved time based grants of 2,37,370 ESOPs to Other KMP under the 2015 Plan. These ESOPs will vest over a period of 4 years and shall be exercisable within the period as approved by the Committee. The exercise price of the ESOPs would be the market price as on the date of grant.

Further, during the year ended March 31, 2026, based on recommendations of Nomination and Remuneration Committee, the Board approved 82,400 time based RSUs to Other KMPs under the 2015 Plan. Time based RSUs will vest over four years.

**Under the 2019 plan:**

During the year ended March 31, 2026, based on recommendations of Nomination and Remuneration Committee, the Board approved performance based grants of 60,600 RSUs to other KMPs under the 2019 plan. These RSUs will vest over three years based on achievement of certain performance targets.

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

*(in ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Granted to: | | |
| KMP | 70 | 70 |
| Employees other than KMP | 776 | 642 |
| **Total [1]** | **846** | **712** |
| *[1] Cash settled stock compensation expense included in the above* | 5 | 8 |

The activity in the 2015 and 2019 Plan for equity-settled share based payment transactions during the year ended March 31, 2026 and March 31, 2025 is set out as follows:

| Particulars | Year ended March 31, 2026 | | Year ended March 31, 2025 | |
|---|---|---|---|---|
| | **Shares arising out of options** | **Weighted average exercise price (₹)** | **Shares arising out of options** | **Weighted average exercise price (₹)** |
| **2015 Plan: RSUs** | | | | |
| Outstanding at the beginning | 72,59,464 | 5.00 | 80,76,058 | 5.00 |
| Granted | 26,31,950 | 5.00 | 22,55,532 | 5.00 |
| Exercised | 18,65,144 | 5.00 | 20,80,865 | 5.00 |
| Forfeited and expired | 6,46,821 | 5.00 | 9,91,261 | 5.00 |
| **Outstanding at the end** | **73,79,449** | **5.00** | **72,59,464** | **5.00** |
| Exercisable at the end | 10,43,401 | 4.98 | 6,29,138 | 4.97 |
| | | | | |
| **2015 Plan: Employee Stock Options (ESOPs)** | | | | |
| Outstanding at the beginning | 17,554 | 499 | 82,050 | 551 |
| Granted | 56,50,160 | 1,580 | - | - |
| Exercised | 14,728 | 499 | 61,672 | 573 |
| Forfeited and expired | 2,91,820 | 1,586 | 2,824 | 499 |
| **Outstanding at the end** | **53,61,166** | **1,663** | **17,554** | **499** |
| Exercisable at the end | 28,096 | 1,448 | 17,554 | 499 |
| | | | | |
| **2019 Plan: RSUs** | | | | |
| Outstanding at the beginning | 80,72,635 | 5.00 | 80,23,855 | 5.00 |
| Granted | 45,49,356 | 5.00 | 37,44,345 | 5.00 |
| Exercised | 14,53,412 | 5.00 | 15,14,356 | 5.00 |
| Forfeited and expired | 7,45,697 | 5.00 | 21,81,209 | 5.00 |
| **Outstanding at the end** | **1,04,22,882** | **5.00** | **80,72,635** | **5.00** |
| Exercisable at the end | 23,53,433 | 5.00 | 7,70,321 | 5.00 |

The weighted average share price of option exercised is set out as follows:

*(in ₹)*

| Particulars | 2019 Plan | | 2015 Plan | |
|---|---|---|---|---|
| | Year ended March 31, | | Year ended March 31, | |
| | **2026** | **2025** | **2026** | **2025** |
| Weighted average share price of options exercised | 1,471 | 1,587 | 1,488 | 1,601 |

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2026 is as follows:

| Range of exercise prices per share (₹) | 2019 plan - Options outstanding | | | 2015 plan - Options outstanding | | |
|---|---|---|---|---|---|---|
| | No. of shares arising out of options | Weighted average remaining contractual life | Weighted average exercise price (₹) | No. of shares arising out of options | Weighted average remaining contractual life | Weighted average exercise price (₹) |
| 0 - 5 (RSU) | 1,04,22,882 | 1.19 | 5.00 | 73,79,449 | 1.37 | 5.00 |
| 490 - 1,700 (ESOP) | - | - | - | 53,61,166 | 7.17 | 1,663 |

The summary of information about equity settled RSUs and ESOPs outstanding as at March 31, 2025 was as follows:

| Range of exercise prices per share (₹) | 2019 plan - Options outstanding | | | 2015 plan - Options outstanding | | |
|---|---|---|---|---|---|---|
| | No. of shares arising out of options | Weighted average remaining contractual life | Weighted average exercise price (₹) | No. of shares arising out of options | Weighted average remaining contractual life | Weighted average exercise price (₹) |
| 0 - 5 (RSU) | 80,72,635 | 1.23 | 5.00 | 72,59,464 | 1.51 | 5.00 |
| 450 - 640 (ESOP) | - | - | - | 17,554 | 0.58 | 499 |

As at March 31, 2026 and March 31, 2025, 3,87,949 and 2,88,384 cash settled options were outstanding respectively. The carrying value of liability towards cash settled share based payments was ₹5 crore and ₹8 crore as at March 31, 2026 and March 31, 2025 respectively.

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

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

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

| Particulars | For options granted in | | | | | |
|---|---|---|---|---|---|---|
| | Fiscal 2026-Equity Shares-RSU | Fiscal 2026-ADS-RSU | Fiscal 2026-Equity Shares-ESOP | Fiscal 2026-ADS-ESOP | Fiscal 2025-Equity Shares-RSU | Fiscal 2025-ADS-RSU |
| Weighted average share price (₹) / ($ ADS) | 1,641 | 17.55 | 1,554 | 17.93 | 1,808 | 21.44 |
| Exercise price (₹) / ($ ADS) | 5.00 | 0.10 | 1,554 | 17.93 | 5.00 | 0.07 |
| Expected volatility (%) | 23-26 | 25-29 | 25-28 | 26-30 | 21-26 | 23-28 |
| Expected life of the option (years) | 1-4 | 1-4 | 3-7 | 3-7 | 1-4 | 1-4 |
| Expected dividends (%) | 2-3 | 2-3 | 2-3 | 2-3 | 2-3 | 2-3 |
| Risk-free interest rate (%) | 6 | 4 | 6 | 4 | 7 | 4-5 |
| Weighted average fair value as on grant date (₹) / ($ ADS) | 1,331 | 14.16 | 390 | 4.09 | 1,555 | 18.20 |

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

**2.13 OTHER FINANCIAL LIABILITIES**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Non-current** | | |
| Others | | |
| Compensated absences | 105 | 90 |
| Accrued compensation to employees [(1)] | 3 | 5 |
| Accrued expenses [(1)] | 1,709 | 1,876 |
| Payable for acquisition of business - Contingent consideration [(2)] | - | 20 |
| Other payables [(1)] | 63 | - |
| **Total non-current other financial liabilities** | **1,880** | **1,991** |
| **Current** | | |
| Unpaid dividends [(1)] | 45 | 45 |
| Others | | |
| Accrued compensation to employees [(1)] | 4,365 | 3,781 |
| Accrued expenses [(1)(4)] | 7,423 | 6,210 |
| Capital creditors [(1)] | 254 | 470 |
| Compensated absences | 2,714 | 2,322 |
| Payable for acquisition of business - Contingent consideration [(2)] | 20 | 11 |
| Other payables [(1)(5)] | 1,444 | 1,206 |
| Foreign currency forward and options contracts [(2)(3)] | 547 | 56 |
| **Total current other financial liabilities** | **16,812** | **14,101** |
| **Total other financial liabilities** | **18,692** | **16,092** |
| [(1)] *Financial liability carried at amortized cost* | 15,306 | 13,593 |
| [(2)] *Financial liability carried at fair value through profit or loss* | 512 | 54 |
| [(3)] *Financial liability carried at fair value through other comprehensive income* | 55 | 33 |
| [(4)] *Includes dues to subsidiaries* | 60 | 56 |
| [(5)] *Includes dues to subsidiaries* | 1,232 | 669 |
| *Financial liability towards contingent consideration on an undiscounted basis* | 20 | 33 |

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

**2.14 TRADE PAYABLES**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Outstanding dues of micro enterprises and small enterprises (MSME) | 9 | 8 |
| Outstanding dues of creditors other than micro enterprises and small enterprises[(1)] | 3,530 | 2,720 |
| **Total trade payables** | **3,539** | **2,728** |
| [(1)] *Includes dues to subsidiaries* | 1,079 | 900 |

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Amount remaining unpaid : | | |
| Principal | 9 | 8 |
| Interest | - | - |
| Interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day | 19 | 9 |
| Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006); | - | - |
| Interest accrued and remaining unpaid at the end of the year | - | - |
| Interest remaining due and payable (pertaining to prior years), until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006. | - | - |

**Trade payables ageing schedule for the year ended as on March 31, 2026 and March 31, 2025:**

*(In ₹ crore)*

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Outstanding dues to MSME | 9 | - | - | - | - | 9 |
| | 8 | - | - | - | - | 8 |
| Others | 3,429 | 101 | - | - | - | 3,530 |
| | *1,557* | *1,163* | - | - | - | *2,720* |
| Total trade payables | 3,438 | 101 | - | - | - | 3,539 |
| | ***1,565*** | ***1,163*** | **-** | **-** | **-** | ***2,728*** |

**Relationship with struck off companies**

There are no transactions with struck off companies for the year ending March 31, 2026 and March 31,2025.

**2.15 OTHER LIABILITIES**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Non-current** | | |
| Others | | |
| Accrued defined benefit liability | 464 | 74 |
| Others | 31 | 21 |
| **Total non - current other liabilities** | **495** | **95** |
| | | |
| **Current** | | |
| Unearned revenue | 9,493 | 6,713 |
| Others | | |
| Withholding taxes and others | 2,972 | 2,433 |
| Accrued defined benefit liability | 3 | 3 |
| Others | 10 | 10 |
| **Total current other liabilities** | **12,478** | **9,159** |
| **Total other liabilities** | **12,973** | **9,254** |

**2.16 PROVISIONS**

**Accounting Policy**

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

**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 and included in the Statement of Profit and Loss. The Company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

**b. Onerous contracts**

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

**Provision for post-sales client support and other provisions**

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Current** | | |
| Others | | |
| Post-sales client support and other provisions | 1,064 | 993 |
| **Total provisions** | **1,064** | **993** |

**The movement in the provision for post-sales client support is as follows :**

*(In ₹ crore)*

| Particulars | Year ended | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Balance at the beginning** | **993** | **1,464** |
| Provision recognized/(reversed) | 310 | 119 |
| Provision utilized | (344) | (618) |
| Translation difference | 105 | 28 |
| **Balance at the end** | **1,064** | **993** |

Provision for post sales client support 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.

**2.17 INCOME TAXES**

**Accounting Policy**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

The Company offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. 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 | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Current taxes | 10,459 | 10,836 |
| Deferred taxes | (913) | (963) |
| **Income tax expense** | **9,546** | **9,873** |

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Profit before income taxes | 38,757 | 35,441 |
| Enacted tax rates in India | 25.17% | 25.17% |
| Computed expected tax expense | 9,754 | 8,920 |
| Overseas taxes | 1,080 | 1,064 |
| Tax provision (reversals) | (779) | 97 |
| Effect of exempt non-operating income | (687) | (413) |
| Effect of non-deductible expenses | 254 | 168 |
| Others | (76) | 37 |
| **Income tax expense** | **9,546** | **9,873** |

The applicable Indian corporate statutory tax rate for the year ended March 31, 2026 is 25.17% and for the year ended March 31, 2025 is 25.17%.

Income tax expense for the year ended March 31, 2026 and March 31, 2025 includes reversal (net of provisions) of ₹779 crore and provisions (net of reversals) of ₹97 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.

During the year ended March 31, 2026, the Company received orders under section 250 and Section 254 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2013-14 and assessment years 2017-18 to 2021-22. These orders confirmed the Company's position with respect to tax treatment of certain matters. As a result interest income (pre-tax) of ₹381 crore was recognized and provision for income tax aggregating ₹869 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹86 crore has been reduced from contingent liabilities.

During the quarter ended March 31, 2025, the Company received orders under section 250 of the Income Tax Act, 1961, from the Income Tax Authorities in India for the assessment years, 2016-17 and 2019-20. These orders confirmed the Company's position with respect to tax treatment of certain matters. As a result interest income (pre-tax) of ₹327 crore was recognised and provision for income tax aggregating ₹183 crore was reversed with a corresponding credit to the Statement of Profit and Loss. Also, upon resolution of the disputes, an amount aggregating to ₹1,068 crore has been reduced from contingent liabilities.

The foreign tax expense is due to income taxes payable overseas, principally in the United States.

In India, the Company has benefited from certain income tax incentives that the Government of India had provided for export of software and services from the units registered under the Special Economic Zones Act (SEZs), 2005 in the prior years. SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for further five years. Up to 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone re-investment Reserve out of the profit for the eligible SEZ units and utilization of such reserve by the Company for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961. (Refer to Special Economic Zone Re-investment reserve under Note 2.12 Equity).

Deferred income tax for the year ended March 31, 2026 and March 31, 2025 substantially relates to origination and reversal of temporary differences.

Infosys is subject to a 15% Branch Profit Tax (BPT) in the U.S. to the extent its U.S. branch's net profit during the year is greater than the increase in the net assets of the U.S. branch during the year, computed in accordance with the Internal Revenue Code. As at March 31, 2026, Infosys' U.S. branch net assets amounted to approximately ₹7,736 crore. As at March 31, 2026, the Company has a deferred tax liability for branch profit tax of ₹207 crore (net of credits), as the Company estimates that these branch profits are expected to be distributed in the foreseeable future.

Deferred income tax liabilities have not been recognized on temporary differences amounting to ₹19,270 crore and ₹16,593 crore as at March 31, 2026 and March 31, 2025, respectively, associated with investments in subsidiaries and branches as the Company is able to control the timing of reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. The Company majorly intends to repatriate earnings from subsidiaries and branches only to the extent these can be distributed in a tax free manner.

Deferred income tax assets have not been recognized on accumulated losses of ₹1,310 crore and ₹1,466 crore as at March 31, 2026 and March 31, 2025, respectively as it is probable that future taxable profit will not be available against which the unused tax losses can be utilized in the foreseeable future. Majority of the accumulated losses as at March 31, 2026 will expire between financial years 2028 to 2033.

The following table provides details of income tax assets and income tax liabilities as at March 31, 2026 and March 31, 2025:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Income tax assets | 1,844 | 4,113 |
| Current income tax liabilities | 4,810 | 4,016 |
| **Net current income tax assets/(liabilities) at the end** | **(2,966)** | **97** |

The gross movement in the current income tax assets/ (liabilities) for the year ended March 31, 2026 and March 31, 2025 is as follows:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Net current income tax assets/(liabilities) at the beginning** | **97** | **5,950** |
| Income tax paid* | 7,172 | 4,601 |
| Interest income on income tax refund | 381 | 327 |
| Current income tax expense | (10,459) | (10,836) |
| Income tax benefit arising on exercise of stock options | 44 | 39 |
| Tax impact on buyback expenses | 15 | - |
| Income tax on other comprehensive income | (3) | 13 |
| Transfer on account of liquidation of subsidiary | - | 3 |
| Translation differences | (213) | - |
| **Net current income tax assets/ (liabilities) at the end** | **(2,966)** | **97** |

* *net of refund*

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2026 is as follows:

*(In ₹ crore)*

| Particulars | Carrying value as of April 1, 2025 | Changes through profit and loss | Changes through OCI | Translation difference | Carrying value as of March 31, 2026 |
|---|---|---|---|---|---|
| **Deferred income tax assets/(liabilities)** | | | | | |
| Property, plant and equipment | 296 | (62) | - | - | 234 |
| Lease liabilities | 120 | 87 | - | - | 207 |
| Trade receivables | 176 | 5 | - | - | 181 |
| Compensated absences | 607 | 102 | - | - | 709 |
| Post sales client support | 33 | (13) | - | - | 20 |
| Derivative financial instruments | (24) | 148 | 1 | - | 125 |
| Credits related to branch profits | 791 | (59) | - | 51 | 783 |
| Intangibles through business transfer | - | (1) | - | - | (1) |
| Branch profit tax | (1,062) | 146 | - | (74) | (990) |
| SEZ reinvestment reserve | (1,385) | 495 | - | - | (890) |
| Interest receivable on income tax refund | (71) | 66 | - | - | (5) |
| Others | (46) | (1) | 31 | - | (16) |
| **Total deferred income tax assets/(liabilities)** | **(565)** | **913** | **32** | **(23)** | **357** |

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2025 is as follows:

*(In ₹ crore)*

| Particulars | Carrying value as of April 1, 2024 | Changes through profit and loss | Changes through OCI | Translation difference | Carrying value as of March 31, 2025 |
|---|---|---|---|---|---|
| **Deferred income tax assets/(liabilities)** | | | | | |
| Property, plant and equipment | 280 | 15 | - | 1 | 296 |
| Lease liabilities | 173 | (53) | - | - | 120 |
| Trade receivables | 181 | (5) | - | - | 176 |
| Compensated absences | 542 | 65 | - | - | 607 |
| Post sales client support | 19 | 14 | - | - | 33 |
| Derivative financial instruments | (11) | (21) | 8 | - | (24) |
| Credits related to branch profits | 811 | (37) | - | 17 | 791 |
| Intangibles through business transfer | 1 | (1) | - | - | - |
| Branch profit tax | (1,080) | 41 | - | (23) | (1,062) |
| SEZ reinvestment reserve | (1,939) | 554 | - | - | (1,385) |
| Interest receivable on income tax refund | (487) | 416 | - | - | (71) |
| Others | 1 | (25) | (21) | (1) | (46) |
| **Total deferred income tax assets/(liabilities)** | **(1,509)** | **963** | **(13)** | **(6)** | **(565)** |

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| Deferred income tax assets after set off | 1,347 | 497 |
| Deferred income tax liabilities after set off | (990) | (1,062) |

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

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

## 2.18 REVENUE FROM OPERATIONS

**Accounting Policy**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Revenue from operations for the year ended March 31, 2026 and March 31, 2025 is as follows:

*(In ₹ crore)*

| **Particulars** | **Year ended March 31,** | |
|---|---|---|
| | **2026** | **2025** |
| Revenue from software services | 1,47,806 | 1,35,525 |
| Revenue from products and platforms | 1,013 | 1,067 |
| **Total revenue from operations** | **1,48,819** | **1,36,592** |

**Products & platforms**

The Company derives revenues from the sale of products and platforms including Infosys Applied AI which applies next-generation AI and machine learning.

The percentage of revenue from fixed-price contracts for each of the year ended March 31, 2026 and March 31, 2025 is 58%.

**Trade receivables and Contract Balances**

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

During the year ended March 31, 2026 and March 31, 2025 , the company recognized revenue of ₹5,276 crore and ₹4,404 crore arising from opening unearned revenue as of April 1, 2025 and April 1, 2024 respectively.

During the year ended March 31, 2026 and March 31, 2025, ₹4,413 crore and ₹4,448 crore of unbilled revenue pertaining to other fixed price and fixed time frame contracts as of April 1, 2025 and April 1, 2024, respectively has been reclassified to Trade receivables upon billing to customers on completion of milestones.

**Remaining performance obligation disclosure**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material and unit of work-based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency fluctuations.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2026, other than those meeting the exclusion criteria mentioned above, is ₹1,13,675 crore. Out of this, the Company expects to recognize revenue of around 50.1% within the next one year and around 21.6% between one and two years and remaining thereafter. The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2025 is ₹90,815 crore. The contracts can generally be terminated by the customers and typically includes an enforceable termination penalty payable by them. Generally, customers have not terminated contracts without cause.

## 2.19 OTHER INCOME, NET

### 2.19.1 Other income

**Accounting Policy**

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

### 2.19.2 Foreign currency

**Accounting Policy**

*Functional currency*

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to crore; one crore equals ten million).

*Transactions and translations*

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the 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 year ended March 31, 2026 and March 31, 2025 is as follows:

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Interest income on financial assets carried at amortized cost | | |
| Tax free bonds and government bonds | 55 | 121 |
| Deposit with Bank and others | 1,125 | 1,051 |
| Interest income on financial assets carried at fair value through other comprehensive income | | |
| Non-convertible debentures, commercial papers, certificates of deposit and government securities | 1,029 | 1,005 |
| Gain / (loss) on mutual funds and other investments | 240 | 242 |
| Gain/(loss) on investments carried at fair value through other comprehensive income | 16 | 2 |
| Gain/(loss) on investments carried at amortized cost | 81 | 4 |
| Interest on income tax refund | 381 | 340 |
| Dividend received from subsidiary | 2,676 | 1,522 |
| Exchange gains/(losses) on foreign currency forward and options contracts | (2,397) | (206) |
| Exchange gains/(losses) on translation of other assets and liabilities | 2,842 | 478 |
| Miscellaneous income, net* | 443 | 223 |
| **Total other income** | **6,491** | **4,782** |

*Includes profit on sale of property plant and equipment amounting to ₹165 crore during the year ended March 31, 2026.

**2.20 EXPENSES**

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| *Employee benefit expenses* | | |
| Salaries including bonus | 69,633 | 64,296 |
| Contribution to provident and other funds | 2,383 | 2,080 |
| Share based payments to employees (Refer to note 2.12) | 846 | 712 |
| Staff welfare | 377 | 378 |
| | **73,239** | **67,466** |
| *Cost of software packages and others* | | |
| For own use | 2,217 | 1,947 |
| Third party items bought for service delivery to clients | 7,057 | 7,670 |
| | **9,274** | **9,617** |
| *Other expenses* | | |
| Power and fuel | 196 | 196 |
| Brand and Marketing | 1,170 | 1,067 |
| Rates and taxes | 209 | 257 |
| Repairs and Maintenance | 1,138 | 965 |
| Consumables | 32 | 32 |
| Insurance | 266 | 242 |
| Provision for post-sales client support and others | (191) | (114) |
| Commission to non-whole time directors | 18 | 18 |
| Impairment loss recognized / (reversed) under expected credit loss model | 71 | (7) |
| Auditor's remuneration | | |
| Statutory audit fees | 9 | 8 |
| Contributions towards Corporate Social Responsibility (Refer to note 2.25) | 577 | 540 |
| Others | 549 | 293 |
| | **4,044** | **3,497** |

**2.20.1 Impact of Labour Codes**

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to leave. The Company has assessed the financial implications of these changes which has resulted in increase in gratuity liability, a defined benefit plan arising out of past service cost and increase in compensated absences by ₹ 1,146 crore. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Company has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the Standalone Statement of Profit and Loss for the year ended March 31, 2026. The Company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of the employee benefits liability.

**2.21 EMPLOYEE BENEFITS**

**Accounting Policy**

**2.21.1 Gratuity and Pensions**

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

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

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

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

**2.21.2 Provident fund**

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

**2.21.3 Superannuation**

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

**2.21.4 Compensated absences**

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

**a. Gratuity and Pension**

The following table sets out the details of the defined benefit retirement plans and the amounts recognized in the standalone financial statements as at March 31, 2026 and March 31, 2025:

*(In ₹ crore)*

| Particulars | Gratuity | | Pension | |
|---|---|---|---|---|
| | As at March 31, | | As at March 31, | |
| | 2026 | 2025 | 2026 | 2025 |
| **Change in benefit obligations** | | | | |
| Benefit obligations at the beginning | 2,177 | 1,830 | 825 | 686 |
| Service cost | 397 | 305 | 34 | 28 |
| Interest expense | 157 | 122 | 9 | 11 |
| Past service cost - plan amendments (Refer to Note 2.20.1) | 1,088 | - | - | - |
| Transfer | 3 | 4 | 1 | - |
| Remeasurements - Actuarial (gains)/ losses | (43) | 73 | 94 | 57 |
| Employee contribution | - | - | 33 | 24 |
| Benefits paid | (187) | (158) | 161 | (18) |
| Translation difference | 3 | 1 | 199 | 37 |
| **Benefit obligations at the end** | **3,595** | **2,177** | **1,356** | **825** |
| **Change in plan assets** | | | | |
| Fair value of plan assets at the beginning | 2,407 | 1,817 | 775 | 650 |
| Interest income | 168 | 132 | 9 | 11 |
| Transfer | 5 | 4 | 1 | - |
| Remeasurements- Return on plan assets excluding amounts included in interest income | 47 | 20 | 76 | 48 |
| Employee contribution | - | - | 33 | 24 |
| Employer contribution | 1,281 | 590 | 41 | 28 |
| Benefits paid | (178) | (155) | 161 | (18) |
| Translation difference | (1) | (1) | 190 | 32 |
| **Fair value of plan assets at the end** | **3,729** | **2,407** | **1,286** | **775** |
| **Funded status** | **134** | **230** | **(70)** | **(50)** |
| Defined benefit plan asset *(Refer note 2.10)* | 168 | 257 | - | - |
| Defined benefit plan liability | (34) | (27) | (70) | (50) |

The amount for the year ended March 31, 2026 and March 31, 2025 recognized in the Statement of Profit and Loss under employee benefit expense are as follows:

*(In ₹ crore)*

| Particulars | Gratuity | | Pension | |
|---|---|---|---|---|
| | Year ended March 31, | | Year ended March 31, | |
| | 2026 | 2025 | 2026 | 2025 |
| Service cost | 397 | 305 | 34 | 28 |
| Net interest on the net defined benefit liability/asset | (11) | (10) | - | - |
| Plan amendments | 1,088 | - | - | - |
| **Net cost** | 1,474 | 295 | 34 | 28 |

The amount for the year ended March 31, 2026 and March 31, 2025 recognized in the statement of other comprehensive income are as follows:

*(In ₹ crore)*

| Particulars | Gratuity | | Pension | |
|---|---|---|---|---|
| | Year ended March 31, | | Year ended March 31, | |
| | 2026 | 2025 | 2026 | 2025 |
| **Remeasurements of the net defined benefit liability/ (asset)** | | | | |
| Actuarial (gains) / losses | (43) | 73 | 94 | 57 |
| (Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset) | (47) | (20) | (76) | (48) |
| | **(90)** | **53** | **18** | **9** |

Break up of actuarial (gains)/losses for year ended March 31, 2026 and March 31, 2025 is as follows:

*(In ₹ crore)*

| Particulars | Gratuity | | Pension | |
|---|---|---|---|---|
| | Year ended March 31, | | Year ended March 31, | |
| | 2026 | 2025 | 2026 | 2025 |
| (Gain)/loss from change in demographic assumptions | - | - | (29) | - |
| (Gain)/loss from change in financial assumptions | (5) | 39 | 25 | 36 |
| (Gain) / loss from change in experience assumptions | (38) | 34 | 98 | 21 |
| | **(43)** | **73** | **94** | **57** |

The weighted-average assumptions used to determine benefit obligations as at March 31, 2026 and March 31, 2025 are set out below:

| Particulars | Gratuity | | Pension | |
|---|---|---|---|---|
| | As at March 31, | | As at March 31, | |
| | 2026 | 2025 | 2026 | 2025 |
| Discount Rate [(1)] | 6.50% | 6.5% | 1.1%-4.1% | 0.9%-3.4% |
| Weighted average rate of increase in compensation levels [(2)] | 6% | 6% | 1%-3% | 1%-3% |
| Weighted average duration of defined benefit obligation [(3)] | 5.7 years | 5.7 years | 12 years | 13 years |

The weighted-average assumptions used to determine net periodic benefit cost for the year ended March 31, 2026 and March 31, 2025 are set out below:

| Particulars | Gratuity | | Pension | |
|---|---|---|---|---|
| | Year ended March 31, | | Year ended March 31, | |
| | 2026 | 2025 | 2026 | 2025 |
| Discount rate | 6.5% | 7.0% | 0.9%-3.4% | 1.5%-3.4% |
| Weighted average rate of increase in compensation levels | 6% | 6% | 1%-3% | 1%-3% |

[(1)]For domestic defined benefit plan in India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. For most of our overseas defined benefit plan, given that the market for high quality corporate bonds is not developed, the Government bond rate adjusted for corporate spreads is used.

[(2)]The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends, inflation in respective markets and management's estimate of future salary increases.

[(3)]Attrition rate considered is the management's estimate based on the past long-term trend of employee turnover in the Company. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of post-employment benefit obligation.

For domestic defined benefit plan in India, assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India. For overseas defined benefit plan, the assumptions regarding future mortality experience are set with regard to the latest statistics in life expectancy, plan experience and other relevant data.

The Company assesses all the above assumptions with its projected long-term plans of growth and prevalent industry standards.

The Company contributes all ascertained liabilities towards gratuity to the Infosys Limited Employees' Gratuity Fund Trust. Trustees administer contributions made to the trust. The plan assets of the overseas defined benefit plan have been primarily invested in insurer managed funds and the asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations applicable to pension funds and the insurer managers. The insurers' investment are diversified and provide for guaranteed interest rates arrangements.

Actual return on assets (including remeasurement) of the gratuity plan for the year ended March 31, 2026 and March 31, 2025 were ₹215 crore and ₹152 crore, respectively and for the pension plan were ₹80 crore and ₹59 crore, respectively.

The contributions for gratuity are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law. The table below sets out the details of major plan assets into various categories as at March 31, 2026 and March 31, 2025:

| Particulars | Pension | |
|---|---|---|
| | As at March 31, | |
| | 2026 | 2025 |
| Equity | 38% | 34% |
| Bonds | 22% | 30% |
| Real Estate/Property | 24% | 26% |
| Cash and Cash Equivalents | 1% | 1% |
| Other | 15% | 9% |

These defined benefit plans expose the Company to actuarial risk which are set out below:

Interest rate risk: The present value of the defined benefit plan liability is generally calculated using a discount rate determined by reference to government bond yields and in certain overseas jurisdictions, it is calculated in reference to government bond yield adjusted for a corporate spread. If bond yields fall, the defined benefit obligation will tend to increase.

Life expectancy and investment risk: The pension fund offers the choice between a lifelong pension and a cash lump sum upon retirement. The pension fund has defined rates for converting the lump sum to a pension and there is the risk that the members live longer than implied by these conversion rates and that the pension assets don't achieve the investment return implied by these conversion rates.

Asset volatility: A proportion of the pension fund is held in equities, which is expected to outperform corporate bonds in the long term but give exposure to volatility and risk in the short term. The pension fund board of insurer is responsible for the investment strategy and equity allocation is justified given the long-term investment horizon of the pension fund and the objective to provide a reasonable long term return on members' account balances.

The sensitivity of significant assumptions used for valuation of defined benefit obligation is as follows :

*(in ₹ crore)*

| **Impact from** | **As at March 31, 2026** | |
|---|---|---|
| | **Gratuity** | **Pension** |
| | **1% point increase / decrease** | **0.5% point increase / decrease** |
| Discount Rate | 185 | 56 |
| Weighted average rate of increase in compensation level | 199 | 9 |

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation, keeping all other actuarial assumptions constant. In practice, this is not probable, and changes in some of the assumptions may be correlated.

The Company expects to contribute ₹490 crore to gratuity and ₹48 crore to pension during the fiscal 2027.

Maturity profile of defined benefit obligation:

*(in ₹ crore)*

| | **Gratuity** | **Pension** |
|---|---|---|
| Within 1 year | 591 | 88 |
| 1-2 year | 491 | 99 |
| 2-3 year | 464 | 95 |
| 3-4 year | 429 | 86 |
| 4-5 year | 399 | 94 |
| 5-10 years | 1,507 | 407 |

**b. Superannuation**

The Company contributed ₹541 crore and ₹493 crore to the Superannuation trust during the year ended March 31, 2026 and March 31, 2025 respectively and the same has been recognized in the Statement of Profit and Loss account under the head employee benefit expense.

**c. Provident fund**

Infosys has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social and economic factors. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India.

The following tables set out the funded status of the defined benefit provident fund plan of Infosys limited and the amounts recognized in the Company's financial statements as at March 31, 2026 and March 31, 2025:

*(In ₹ crore)*

| **Particulars** | **As at March 31,** | |
|---|---|---|
| | **2026** | **2025** |
| **Change in benefit obligations** | | |
| Benefit obligations at the beginning | 13,867 | 11,879 |
| Service cost | 1,088 | 952 |
| Employee contribution | 2,036 | 1,683 |
| Interest expense | 940 | 862 |
| Actuarial (gains) / loss | 95 | 218 |
| Benefits paid | (1,929) | (1,727) |
| **Benefit obligations at the end** | **16,097** | **13,867** |
| **Change in plan assets** | | |
| Fair value of plan assets at the beginning | 13,928 | 11,812 |
| Interest income | 944 | 858 |
| Remeasurements- Return on plan assets excluding amounts included in interest income | (415) | 245 |
| Employer contribution | 1,170 | 1,057 |
| Employee contribution | 2,036 | 1,683 |
| Benefits paid | (1,929) | (1,727) |
| **Fair value of plan assets at the end** | **15,734** | **13,928** |
| Funded status [surplus/(deficit)] | (363) | 61 |
| Irrecoverable Surplus (Effect of Asset Ceiling) | - | (61) |
| **Net defined benefit asset/ (liability)** | **(363)** | **-** |

Amount for the year ended March 31, 2026 and March 31, 2025 recognized in the Statement of Profit and Loss under employee benefit expense:

*(In ₹ crore)*

| **Particulars** | **Year ended March 31,** | |
|---|---|---|
| | **2026** | **2025** |
| Service cost | 1,088 | 952 |
| Net interest on the net defined benefit liability | - | 4 |
| **Net provident fund cost** | **1,088** | **956** |

Amount for the year ended March 31, 2026 and March 31, 2025 recognized in the statement of other comprehensive income:

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| **Remeasurements of the net defined benefit liability/ (asset)** | | |
| Actuarial (gains) / losses | 95 | 218 |
| (Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset) | 415 | (245) |
| Asset Ceiling Effect | (61) | 61 |
| Net interest on the net defined benefit asset | (4) | - |
| | **445** | **34** |

The assumptions used in determining the present value obligation of the defined benefit plan under the Deterministic Approach are as follows:

| Particulars | As at March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Government of India (GOI) bond yield [(1)] | 6.50% | 6.50% |
| Expected rate of return on plan assets | 8.25% | 8.00% |
| Remaining term to maturity of portfolio | 6 years | 6 years |
| Expected guaranteed interest rate | 8.25% | 8.25% |

[(1)] In India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of the post- employment benefit obligations.

The breakup of the plan assets into various categories as at March 31, 2026 and March 31, 2025 is as follows:

| Particulars | As at March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Central and State government bonds | 63% | 60% |
| Public sector undertakings and Private sector bonds | 26% | 28% |
| Others | 11% | 12% |

*The asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations.*

The actuarial valuation of Provident Fund liability exposes the Company to interest rate risk. The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

As at March 31, 2026 the defined benefit obligation would be affected by approximately ₹76 crore and ₹151 crore on account of a 0.25% increase / decrease in the expected rate of return on plan assets.

The Company contributed ₹1,321 crore and ₹1,158 crore to the provident fund during the year ended March 31, 2026 and March 31, 2025, respectively. The same has been recognized in the net profit in the statement of profit and loss under the head employee benefit expense.

The provident plans are applicable only to employees drawing a salary in Indian rupees.

**Employee benefits cost include:**

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Salaries and bonus[(1)] | 70,931 | 65,425 |
| Defined contribution plans | 631 | 560 |
| Defined benefit plans | 2,823 | 1,481 |
| | **74,385** | **67,466** |

[(1)] *Includes employee stock compensation expense of ₹846 crore and ₹712 crore for the year ended March 31, 2026 and March 31, 2025, respectively (Refer to note 2.12).*

## 2.22 EARNINGS PER EQUITY SHARE

**Accounting Policy**

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

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

The following is the computation of basic earnings per equity share:

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Profit for the year | 29,211 | 25,568 |
| Basic earnings per equity share - weighted average number of equity shares outstanding | 412,19,31,567 | 415,19,36,905 |
| Basic earnings per equity share | **70.87** | **61.58** |

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

| Particulars | Year ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Profit for the year | 29,211 | 25,568 |
| Basic earnings per equity share - weighted average number of equity shares outstanding | 412,19,31,567 | 415,19,36,905 |
| Effect of dilutive common equivalent shares - share options outstanding | 50,96,754 | 79,68,571 |
| Diluted earnings per equity share - weighted average number of equity shares and common equivalent shares outstanding | **412,70,28,321** | **415,99,05,476** |
| Diluted earnings per equity share | **70.78** | **61.46** |

For the years ended March 31, 2026 and March 31, 2025, there were 8,58,370 and Nil options to purchase equity shares which had an anti-dilutive effect.

## 2.23 CONTINGENT LIABILITIES AND COMMITMENTS

**Accounting Policy**

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

*(In ₹ crore)*

| Particulars | As at | |
|---|---|---|
| | March 31, 2026 | March 31, 2025 |
| **Contingent liabilities:** | | |
| Claims against the Company, not acknowledged as debts[(1)] | 1,944 | 1,772 |
| [Amount paid to statutory authorities ₹2,399 crore (₹3,815 crore)] | | |
| **Commitments:** | | |
| Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)[(2)] | 1,070 | 868 |
| Other Commitments* | 23 | 27 |

** Uncalled capital pertaining to investments*

[(1)] As at March 31, 2026 and March 31, 2025, claims against the Company not acknowledged as debts in respect of India income tax matters amounted to ₹1,326 crore and ₹1,290 crore, respectively.

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

Amount paid to statutory authorities against the tax claims amounted to ₹ 2,381 crore and ₹3,810 crore as at March 31, 2026 and March 31, 2025, respectively.

[(2)] Capital contracts primarily comprises of commitments for infrastructure facilities and computer equipments.

**Legal Proceedings**

**Government Investigation**

The U.S. Department of Justice ("DOJ") is conducting an investigation regarding how the Company classified certain H-1B visa-recipient employees working for one of its clients in immigration documents filed with certain U.S. government authorities. The Company is engaged in discussions with the DOJ regarding its ongoing investigation and continues its own inquiry regarding the matter. At this stage, the Company is unable to predict the outcome of this matter, including whether such outcome could have a material adverse effect on the Company's business and results of operations.

**Others**

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

## 2.24 RELATED PARTY TRANSACTIONS

**List of related parties**

| Name of subsidiaries | Country | Holdings as at | |
|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 |
| Infosys Technologies (China) Co. Limited (Infosys China)[(1)] | China | 100% | 100% |
| Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)[(1)] | Mexico | 100% | 100% |
| Infosys Technologies (Sweden) AB (Infosys Sweden)[(1)] | Sweden | 100% | 100% |
| Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)[(1)] | China | 100% | 100% |
| EdgeVerve Systems Limited (EdgeVerve)[(1)] | India | 100% | 100% |
| Infosys Austria GmbH[(1)] | Austria | 100% | 100% |
| Skava Systems Private Limited (Skava Systems)[(1)(28)] | India | - | - |
| Infosys Chile SpA[(1)] | Chile | 100% | 100% |
| Infosys Arabia Limited[(2)] | Saudi Arabia | 70% | 70% |
| Infosys Consulting Ltda.[(1)] | Brazil | 100% | 100% |
| Infosys Luxembourg S.a.r.l[(1)] | Luxembourg | 100% | 100% |
| Infosys Consulting S.R.L.[(45)] | Argentina | 100% | 100% |
| Infosys Romania S.r.l. (formerly Infosys Consulting S.R.L. (Romania))[(1)] | Romania | 100% | 100% |
| Infosys Limited Bulgaria EOOD[(1)] | Bulgaria | 100% | 100% |

| | | | |
|---|---|---|---|
| Infosys Turkey Bilgi Teknolojileri Limited Sirketi[1] | Turkey | 100% | 100% |
| Infosys Germany Holding Gmbh[1] | Germany | 100% | 100% |
| Infosys Automotive and Mobility GmbH & Co. KG[1] | Germany | 100% | 100% |
| Infosys Green Forum[1] | India | 100% | 100% |
| Infosys Business Solutions LLC[1] | Qatar | 100% | 100% |
| WongDoody Inc.[30] | U.S. | - | - |
| IDUNN Information Technology Private Limited [1] | India | 100% | 100% |
| Infosys Public Services, Inc. USA (Infosys Public Services)[1] | U.S. | 100% | 100% |
| Infosys Public Services Canada Inc. [11] | Canada | 100% | 100% |
| Infosys BPM Limited[1] | India | 100% | 100% |
| Infosys BPM UK Limited[3] | U.K. | 100% | 100% |
| Infosys (Czech Republic) Limited s.r.o.[3] | Czech Republic | 100% | 100% |
| Infosys Poland Sp z.o.o[3] | Poland | 100% | 100% |
| Infosys McCamish Systems LLC[3] | U.S. | 100% | 100% |
| Portland Group Pty Ltd[3] | Australia | 100% | 100% |
| Infosys BPO Americas LLC.[3] | U.S. | 100% | 100% |
| Panaya Inc. (Panaya)[1] | U.S. | 100% | 100% |
| Panaya Ltd.[4] | Israel | 100% | 100% |
| Panaya Germany GmbH [4] | Germany | 100% | 100% |
| Brilliant Basics Holdings Limited (Brilliant Basics)[1][20] | U.K. | 100% | 100% |
| Brilliant Basics Limited [5][20] | U.K. | 100% | 100% |
| Infosys Consulting Holding AG [1] | Switzerland | 100% | 100% |
| Infosys Management Consulting Pty Limited[6] | Australia | 100% | 100% |
| Infosys Consulting AG[6] | Switzerland | 100% | 100% |
| Infosys Consulting GmbH[6] | Germany | 100% | 100% |
| Infosys Consulting SAS[6] | France | 100% | 100% |
| Infy Consulting B.V.[6] | The Netherlands | 100% | 100% |
| Infosys Consulting (Belgium) NV[6] | Belgium | 100% | 100% |
| Infy Consulting Company Ltd[6] | U.K. | 100% | 100% |
| GuideVision s.r.o.[7] | Czech Republic | 100% | 100% |
| GuideVision Deutschland GmbH[8] | Germany | 100% | 100% |
| GuideVision Suomi Oy[8] | Finland | 100% | 100% |
| GuideVision Magyarország Kft[8] | Hungary | 100% | 100% |
| GuideVision Polska Sp. z.o.o[8] | Poland | 100% | 100% |
| GuideVision UK Ltd[8][20] | U.K. | 100% | 100% |
| Infosys Nova Holdings LLC. (Infosys Nova)[1] | U.S. | 100% | 100% |
| Outbox systems Inc. dba Simplus (US)[31] | U.S. | - | - |
| Simplus ANZ Pty Ltd.[9] | Australia | 100% | 100% |
| Simplus Australia Pty Ltd[10] | Australia | 100% | 100% |
| Simplus Philippines, Inc.[9] | Philippines | 100% | 100% |
| Kaleidoscope Animations, Inc.[31] | U.S. | - | - |
| Blue Acorn iCi Inc [31] | U.S. | - | - |
| Infosys Singapore Pte. Ltd. [1][41] | Singapore | 100% | 100% |
| Infosys Financial Services GmbH. [12] | Germany | 100% | 100% |
| Infosys South Africa (Pty) Ltd[12] | South Africa | 100% | 100% |
| Infosys (Malaysia) SDN. BHD. [12] | Malaysia | 100% | 100% |
| Infosys Middle East FZ LLC [12] | U.A.E | 100% | 100% |
| Infosys Norway [12] | Norway | 100% | 100% |
| Infosys Compaz Pte. Ltd [13] | Singapore | 60% | 60% |
| HIPUS Co., Ltd[13][41] | Japan | 79% | 81% |
| Fluido Oy [12] | Finland | 100% | 100% |
| Fluido Sweden AB [14] | Sweden | 100% | 100% |
| Fluido Norway A/S[14] | Norway | 100% | 100% |
| Fluido Denmark A/S[14] | Denmark | 100% | 100% |
| Fluido Slovakia s.r.o[14] | Slovakia | 100% | 100% |
| Infosys Fluido UK, Ltd.[14] | U.K. | 100% | 100% |
| Infosys Fluido Ireland, Ltd.[15] | Ireland | 100% | 100% |
| Stater N.V.[13] | The Netherlands | 75% | 75% |
| Stater Nederland B.V.[16] | The Netherlands | 75% | 75% |
| Stater XXL B.V.[16] | The Netherlands | 75% | 75% |
| HypoCasso B.V.[16] | The Netherlands | 75% | 75% |
| Stater Belgium N.V./S.A.[16] | Belgium | 75% | 75% |
| Stater Gmbh[16] | Germany | 75% | 75% |
| Infosys Germany GmbH [12][43] | Germany | - | 100% |
| Wongdoody Gmbh [18][43] | Germany | 100% | 100% |
| WongDoody (Shanghai) Co. Limited [19] | China | 100% | 100% |
| WongDoody limited (Taipei) [19] | Taiwan | 100% | 100% |
| WongDoody d.o.o [19] | Serbia | 100% | 100% |
| BASE life science A/S [12] | Denmark | 100% | 100% |
| BASE life science AG [21] | Switzerland | 100% | 100% |
| BASE life science GmbH [21] | Germany | 100% | 100% |
| BASE life science S.A.S [21] | France | 100% | 100% |
| BASE life science Ltd. [21] | U.K. | 100% | 100% |
| BASE life science S.r.l. [21] | Italy | 100% | 100% |
| Innovisor Inc.[21] | U.S. | 100% | 100% |
| BASE life science Inc.[17] | U.S. | 100% | 100% |
| BASE life science S.L.[21] | Spain | 100% | 100% |

| | | | |
|---|---|---|---|
| InSemi Technology Services Private Limited [23] | India | 100% | 100% |
| Elbrus Labs Private Limited [23][22] | India | 100% | 100% |
| Infosys Services (Thailand) Limited [1][25] | Thailand | 100% | 100% |
| Infy tech SAS [12][24] | France | 100% | 100% |
| in-tech Holding GmbH [26][32] | Germany | - | - |
| in-tech GmbH [26] | Germany | 100% | 100% |
| Friedrich & Wagner Asia Pacific GmbH [26][32] | Germany | - | - |
| drivetech Fahrversuch GmbH [26] | Germany | 100% | 100% |
| in-tech Engineering S.R.L. ( formerly known as ProIT) [26][44] | Romania | 100% | 100% |
| in-tech Automotive Engineering de R.L. de C.V [26][40] | Mexico | - | 100% |
| Friedrich Wagner Holding Inc.[26][20] | U.S. | 100% | 100% |
| in-tech Automotive Engineering SL [26] | Spain | 100% | 100% |
| in-tech Automotive Engineering LLC [26][29] | U.S. | - | - |
| in-tech Services LLC [26][29] | U.S. | - | - |
| in-tech Engineering s.r.o [26] | Czech Republic | 100% | 100% |
| in-tech Engineering GmbH [26] | Austria | 100% | 100% |
| in-tech Engineering services S.R.L [26][44] | Romania | - | 100% |
| in-tech Group Ltd [26] | U.K. | 100% | 100% |
| In-tech Automotive Engineering Shenyang Co. Ltd [26] | China | 100% | 100% |
| in-tech Group India Private Ltd [26] | India | 100% | 100% |
| In-tech Automotive Engineering Beijing Co., Ltd [26] | China | 100% | 100% |
| Infosys Germany SE (formerly known as Blitz 24-893 SE) [27][43] | Germany | 100% | 100% |
| Infosys Limited SPC [1][33] | Oman | 100% | 100% |
| Infosys BPM Netherlands B.V. [17][34] | The Netherlands | 100% | 100% |
| Infosys Energy Consulting Services LLC [9][35] | U.S. | 100% | - |
| Infosys Saudi Arabia LLC [1][36] | Saudi Arabia | 100% | - |
| Infosys Australia Technology Service Pty Ltd [12][37] | Australia | 100% | - |
| MRE Consulting Ltd [38] | U.S. | 100% | - |
| MRE Technology Services, LLC [38] | U.S. | 100% | - |
| The Missing Link Automation Pty Ltd [39] | Australia | 100% | - |
| The Missing Link Network Integration Pty Ltd [39] | Australia | 100% | - |
| The Missing Link Security Pty Ltd [39] | Australia | 100% | - |
| The Missing Link Security Ltd [39] | U.K. | 100% | - |
| Infosys BPM Canada Inc [17][42] | Canada | 100% | - |
| Infosys Enterprise Business Services Pty Ltd [12][46] | Australia | 100% | - |

[1] Wholly-owned subsidiary of Infosys Limited

[2] Majority owned and controlled subsidiary of Infosys Limited

[3] Wholly-owned subsidiary of Infosys BPM Limited

[4] Wholly-owned subsidiary of Panaya Inc

[5] Wholly-owned subsidiary of Brilliant Basics Holding Limited.

[6] Wholly-owned subsidiary of Infosys Consulting Holding AG

[7]Wholly-owned subsidiary of Infy Consulting Company Limited

[8]Wholly-owned subsidiary of GuideVision s.r.o.

[9] Wholly-owned subsidiary of Infosys Nova Holdings LLC

[10] Wholly-owned subsidiary of Simplus ANZ Pty Ltd

[11]Wholly-owned subsidiary of Infosys Public Services, Inc.

[12] Wholly-owned subsidiary of Infosys Singapore Pte. Ltd.

[13]Majority owned and controlled subsidiary of Infosys Singapore Pte. Ltd.

[14]Wholly-owned subsidiary of Fluido Oy

[15]Wholly-owned subsidiary of Infosys Fluido UK, Ltd.

[16]Wholly-owned subsidiary of Stater N.V

[17] Wholly-owned subsidiary of Infosys BPM UK Ltd.

[18]Wholly-owned subsidiary of Infosys Germany GmbH

[19] Wholly-owned subsidiary of Wongdoody Gmbh

[20] Under liquidation

[21] Wholly-owned subsidiary of BASE life science A/S

[22] Wholly-owned subsidiary of InSemi Technology Services Private Limited

[23] 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

[24] Incorporated on July 03, 2024

[25] Incorporated on July 26, 2024

[26] 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, in-tech Engineering S.R.L. (formerly known as 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 Beijing Co., Ltd). Subsequently on September 01, 2024 in-tech Group India Private Limited became a wholly-owned subsidiary of Infosys limited.

[27] On October 17, 2024, Infosys Singapore Pte Ltd. acquired 100% of voting interests in Infosys Germany SE (formerly known as Blitz 24-893 SE)

[28] Liquidated effective November 14, 2024

[29] Liquidated effective November 30, 2024

[30] WongDoody Inc, a wholly-owned subsidiary of Infosys limited merged into Infosys Nova Holdings LLC effective January 1, 2025

[31] Kaleidoscope Animations, Blue Acorn iCi Inc and Outbox systems Inc. dba Simplus (US) merged into Infosys Nova Holdings LLC effective January 1,2025

[32] in-tech Holding GmbH and Friedrich & Wagner Asia Pacific GmbH merged into in-tech GmbH effective January 1,2025

[33] Incorporated on December 12, 2024

[34] Incorporated on March 20, 2025

[35] Incorporated on April 16, 2025

[36] Incorporated on April 21, 2025

[37] Incorporated on April 23, 2025

[38] On April 30, 2025, Infosys Nova Holdings LLC, a wholly-owned subsidiary of Infosys Limited, acquired 98.21% of partnership interests in MRE Consulting Ltd along with its subsidiary MRE Technology Services, LLC.The remaining 1.79% was acquired by Infosys Energy Consulting Services LLC, a Wholly-owned subsidiary of Infosys Nova Holdings LLC

[39] On April 30, 2025, Infosys Australia Technology Service Pty Ltd, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in The Missing Link Automation Pty Ltd, The Missing Link Network Integration Pty Ltd and The Missing Link Security Pty Ltd along with its subsidiary The Missing Link Security Ltd

[40] Liquidated effective May 07, 2025

[41] On May 13, 2025, Infosys Singapore Pte Ltd diluted 2% stake of HIPUS Co., Ltd to Mitsubishi Heavy Industries, Ltd.

[42] Incorporated on July 28, 2025

[43] Infosys Germany Gmbh, a Wholly-owned subsidiary of Infosys Singapore Pte Ltd merged into Infosys Germany SE (formerly known as Blitz 24-893 SE) effective September 24, 2025

[44] in-tech Engineering services S.R.L, (Wholly-owned subsidiary of in-tech GmbH) merged into in-tech Engineering S.R.L. (formerly known as ProIT and wholly-owned subsidiary of in-tech GmbH) effective November 30, 2025

[45] Infosys Consulting S.R.L. (Argentina) (formerly a majority owned and controlled subsidiary of Infosys Limited) became the majority owned and controlled subsidiary of Infosys Nova Holdings LLC with effect from January 28, 2026

[46] Incorporated on March 19, 2026

*Infosys has provided guarantee for performance of certain contracts entered into by its subsidiaries.*

**List of other related party**

| Particulars | Country | Nature of relationship |
|---|---|---|
| Infosys Limited Employees' Gratuity Fund Trust | India | Post-employment benefit plan of Infosys Limited |
| Infosys Limited Employees' Provident Fund Trust | India | Post-employment benefit plan of Infosys Limited |
| Infosys Limited Employees' Superannuation Fund Trust | India | Post-employment benefit plan of Infosys Limited |
| Infosys Employees Welfare Trust | India | Controlled trust |
| Infosys Employee Benefits Trust | India | Controlled trust |
| Infosys Science Foundation | India | Controlled trust |
| Infosys Expanded Stock Ownership Trust | India | Controlled trust |
| Infosys Foundation | India | Trust jointly controlled by KMP |

Refer to note 2.21 for information on transactions with post-employment benefit plans mentioned above.

**List of key management personnel**

**Whole-time directors**

Salil Parekh, Chief Executive Officer and Managing Director

**Non-whole-time directors**

Nandan M. Nilekani
D. Sundaram
Micheal Gibbs
Bobby Parikh
Chitra Nayak
Govind Iyer
Helene Auriol Potier
Nitin Paranjpe

**Executive Officers**

Inderpreet Sawhney, Chief Legal Officer and Chief Compliance Officer
Jayesh Sanghrajka, Chief Financial Officer
Shaji Mathew, Chief Human Resources Officer

**Company Secretary**

A. G. S. Manikantha

The details of amounts due to or due from related parties as at March 31, 2026 and March 31, 2025 are as follows:

*(In ₹ crore)*

| Particulars | | As at | |
|---|---|---|---|
| | | March 31, 2026 | March 31, 2025 |
| **Trade receivables** | | | |
| | BASE life science A/S | 8 | 3 |
| | BASE life science AG | 2 | - |
| | Infosys China | 1 | 1 |
| | Infosys Mexico | 5 | 2 |
| | Infosys BPM Limited | 14 | 13 |
| | Infy Consulting Company Limited | 12 | 8 |
| | Infosys Public Services | 61 | 93 |
| | Infosys Public Services Canada Inc. | 1 | 2 |
| | Infosys Sweden | 13 | 25 |
| | Fluido Oy | 11 | 7 |
| | Fluido Denmark A/S | 21 | 4 |
| | Infosys McCamish Systems LLC | 7 | 6 |
| | Panaya Ltd | 1 | 1 |
| | Infosys Compaz Pte Ltd | 63 | 27 |
| | Stater Nederland B.V. | 21 | 8 |
| | Infosys Luxembourg S.a.r.l | 19 | 27 |
| | Infosys Chile SPA | 1 | 1 |
| | Infosys South Africa (Pty) Ltd | - | 2 |
| | HIPUS Co., Ltd | 1 | 1 |
| | Infosys Middle East FZ LLC | 10 | 9 |
| | Infosys Nova Holdings LLC | 1 | 10 |
| | Infosys Consulting S.R.L. (Romania) | 2 | - |
| | MRE Consulting, Ltd. | 1 | - |
| | The Missing Link Security Pty Ltd | 1 | - |
| | The Missing Link Network Int Pty Ltd | 1 | - |
| | Stater N.V. | 1 | - |
| | EdgeVerve Systems Limited | 31 | - |
| | Infosys Business Solutions LLC | 5 | - |
| | INFY Tech SAS | 10 | - |
| | Insemi Technology Service | 2 | - |
| | Portland Group Pty Ltd | 11 | - |
| | | **338** | **250** |
| **Loans** | | | |
| | Insemi Technology Service | - | 10 |
| | | **-** | **10** |
| | | | |
| **Prepaid expense and other receivabes** | | | |
| | Panaya Ltd | 115 | 127 |
| | GuideVision, s.r.o. | 5 | 1 |
| | EdgeVerve Systems Limited | 17 | 23 |
| | Infosys Green Forum | 4 | - |
| | | **141** | **151** |

| | | | |
|---|---|---|---|
| **Other financial assets** | | | |
| | Infosys BPM Limited | 17 | 16 |
| | Infosys Consulting GmbH | 3 | 3 |
| | Infosys China | 27 | 23 |
| | Infosys Shanghai | 1 | - |
| | Infy Consulting Company Limited | 35 | 23 |
| | Infosys Management Consulting Pty Ltd | 3 | 2 |
| | Infosys Consulting AG | 5 | 3 |
| | Infy Consulting B.V. | 3 | 1 |
| | Fluido Oy | 15 | 7 |
| | Infosys McCamish Systems LLC | - | 111 |
| | Infosys Automotive and Mobility GmbH & Co. KG | 3,458 | 2,584 |
| | Fluido Sweden AB | 3 | 2 |
| | Fluido Denmark A/S | 4 | 3 |
| | Infosys Fluido UK Ltd | 2 | 1 |
| | Infosys Consulting S.R.L. (Romania) | 4 | 3 |
| | Infosys Public Services | - | 5 |
| | Simplus Philippines, Inc. | 2 | 4 |
| | Simplus Australia Pty Ltd | 2 | 2 |
| | Infosys Luxembourg S.a.r.l | 1 | 1 |
| | Infosys Business Solutions LLC | - | 2 |
| | Infosys Compaz PTE Ltd | 1 | - |
| | GuideVision, s.r.o. | 1 | 2 |
| | IDUNN Information Technology Private Limited | - | 1 |
| | WongDoody GmbH | 26 | 14 |
| | Infosys Turkey Bilgi Teknolojikeri Limited Sirketi | 1 | 2 |
| | Infosys Consulting S.R.L. (Argentina) | 3 | 3 |
| | BASE life science SL | 4 | 2 |
| | BASE life science A/S | 1 | 3 |
| | Infosys Norway | 1 | 2 |
| | Infosys Green Forum | 2 | - |
| | Infosys Sweden | 1 | 1 |
| | HIPUS Co., Ltd | 3 | 2 |
| | EdgeVerve | 63 | 47 |
| | BASE life science AG | 1 | - |
| | BASE life science GmbH | 1 | - |
| | Fluido Norway AS | 3 | 1 |
| | GuideVision Magyarország Kft. | - | 2 |
| | Infosys Nova | 73 | 28 |
| | Infosys Services Thailand | - | 1 |
| | Infosys South Africa (Pty) Ltd | - | 1 |
| | BASE life science Ltd | 1 | - |
| | Insemi Technology Service | 1 | - |
| | MRE Consulting, Ltd. | 1 | - |
| | Panaya | 1 | - |
| | Fluido Slovakia s.r.o | 1 | - |
| | In-tech GmbH | 1 | - |
| | | **3,776** | **2,908** |
| **Unbilled revenues** | | | |
| | EdgeVerve Systems Limited | 122 | 146 |
| | Infosys Consulting S.R.L.(Romania) | 1 | 1 |
| | Infosys McCamish Systems LLC | - | 45 |
| | Infosys Poland sp. z o o | 1 | 1 |
| | Stater Nederland B.V. | 7 | 5 |
| | in-tech GmbH | 14 | - |
| | | **145** | **198** |
| **Trade payables** | | | |
| | Infosys China | 20 | 19 |
| | Infosys BPM Limited | 150 | 136 |
| | Infosys (Czech Republic) Limited s.r.o. | 18 | 15 |
| | Infosys Mexico | 80 | 25 |
| | Infosys Sweden | - | 53 |
| | Infosys Shanghai | 16 | 13 |
| | Infosys Management Consulting Pty Ltd | 45 | 20 |
| | Infosys Singapore Pte. Ltd | 21 | 16 |
| | Infy Consulting Company Limited | 470 | 370 |
| | Infosys (Malaysia) SDN. BHD. | 12 | 12 |
| | Panaya Ltd | 16 | 5 |
| | Infosys Public Services | 2 | 1 |
| | Portland Group Pty Ltd | - | 2 |
| | Infosys Chile SpA | 3 | 2 |
| | Infosys Compaz Pte Ltd | 3 | 4 |
| | Infosys Middle East FZ LLC | 2 | 3 |
| | Infosys Poland Sp. Z.o.o | 45 | 42 |
| | Infosys Luxembourg S.a.r.l | 3 | 8 |
| | Infosys Consulting S.R.L. (Romania) | 24 | 44 |
| | Fluido Oy | 5 | 5 |
| | Fluido Sweden AB | 1 | 3 |
| | EdgeVerve Systems Limited | - | 20 |
| | Fluido Denmark A/S | 1 | 1 |
| | Infosys Fluido UK Ltd | 6 | 6 |
| | BASE life science AG | 2 | 1 |
| | BASE life science GmbH | 1 | 1 |
| | BASE life science Ltd. | 12 | 2 |
| | Wongdoody D.O.O | 1 | 1 |
| | WongDoody GmbH | 2 | 2 |
| | BASE life science SL | 2 | 2 |

| | | | |
|---|---|---|---|
| | BASE life science S.r.l. | 1 | - |
| | BASE life science Inc. | - | 1 |
| | Infosys Business Solutions LLC | 1 | 1 |
| | Infosys South Africa (Pty) Ltd | 2 | 6 |
| | Infosys Norway | 2 | 6 |
| | Infosys Automotive and Mobility GmbH & Co. KG | 3 | - |
| | Infosys Limited Bulgaria EOOD | 16 | 6 |
| | Infosys Consulting Ltda | 19 | 9 |
| | BASE life science A/S | 8 | 4 |
| | Infosys Nova | 52 | 40 |
| | BASE life science S.A.S | 1 | - |
| | in-tech GmbH | 2 | - |
| | Infosys Germany Holding GmbH | 2 | - |
| | The Missing Link Security Pty Ltd | 6 | - |
| | Fluido Norway AS | 1 | - |
| | | **1,079** | **907** |
| **Other financial liabilities** | | | |
| | Infosys BPM Limited | 51 | 47 |
| | Infosys Mexico | 4 | 2 |
| | Infosys Norway | 1 | 1 |
| | GuideVision, s.r.o. | 27 | 11 |
| | Simplus Australia Pty Ltd | 20 | 5 |
| | Simplus Philippines, Inc. | 5 | 2 |
| | GuideVision Polska SP. Z O.O. | 2 | 1 |
| | Infosys Public Services | 1 | 10 |
| | GuideVision Magyarország Kft. | 1 | 1 |
| | Infosys Consulting Ltda | 4 | 2 |
| | Infosys Consulting AG | 2 | 1 |
| | Infosys Automotive and Mobility GmbH & Co. KG | 197 | 320 |
| | IDUNN Information Technology Private Limited | - | 16 |
| | EdgeVerve Systems Limited | 416 | 293 |
| | Infy Consulting Company Limited | - | 15 |
| | Infosys South Africa (Pty) Ltd | - | 5 |
| | Infosys Sweden | - | 5 |
| | Infosys Compaz PTE Ltd | 1 | 6 |
| | Infosys McCamish Systems LLC | 35 | 7 |
| | Infosys Green Forum | 6 | 2 |
| | GuideVision Deutschland GmbH | - | 1 |
| | Infosys Middle East FZ LLC | 8 | - |
| | BASE life science A/S | 5 | 2 |
| | Infosys Consulting GmbH | - | 1 |
| | Insemi Technology Service | 1 | - |
| | Infosys Luxembourg S.a.r.l | 1 | 6 |
| | Infosys Nova | 387 | 200 |
| | Infosys Singapore Pte. Ltd | 1 | - |
| | MRE Consulting, Ltd. | 48 | - |
| | Infosys Public Services Canada Inc. | 2 | - |
| | Infosys Turkey Bilgi Teknoloji | 1 | - |
| | Infosys Chile SPA | 1 | - |
| | Infosys Business Solutions LLC | 4 | - |
| | | **1,232** | **962** |
| **Accrued expenses** | | | |
| | BASE life science A/S | 5 | 1 |
| | EdgeVerve Systems Limited | 16 | 13 |
| | Infosys BPM Limited | 31 | 29 |
| | BASE life science Ltd | 1 | 1 |
| | Infosys Germany Holding GmbH | - | 7 |
| | Infosys Nova Holdings LLC | 1 | 4 |
| | In-tech group Ltd. | 2 | 1 |
| | BASE life sciences SL. | 1 | - |
| | in-tech GmbH | 2 | - |
| | in-tech Group India Private Ltd, | 1 | - |
| | | **60** | **56** |

*(In ₹ crore)*

| **Particulars** | **Maximum amount outstanding during the Year ended March 31,** | |
|---|---|---|
| | **2026** | **2025** |
| **Loans and advances in the nature of loans given to subsidiaries** | | |
| Insemi Technology Service | 10 | 10 |

The details of the related parties transactions entered into by the Company for the year ended March 31, 2026 and March 31, 2025 are as follows:

*(In ₹ crore)*

| **Particulars** | | **Year ended March 31,** | |
|---|---|---|---|
| | | **2026** | **2025** |
| **Capital transactions:** | | | |
| **Financing transactions** | | | |
| **Equity** | | | |
| | Infosys Singapore Pte Ltd. | 494 | 4,317 |
| | Infosys Nova Holdings LLC | 291 | - |
| | Infosys Turkey Bilgi Teknolojileri Limited Sirketi | - | 31 |
| | Insemi Technology Service | - | 198 |
| | in-tech | - | 15 |
| | Infosys Consulting S.R.L (Argentina) | (2) | - |
| | Infosys Services (Thailand) Limited | - | 13 |
| | | **783** | **4,574** |
| | | | |
| **Loans given** | | | |
| | Insemi Technology Service | - | 10 |
| | | **-** | **10** |
| **Loans repaid** | | | |
| | Insemi Technology Service | 10 | - |
| | | **10** | **-** |

| | | | |
|---|---|---|---|
| **Revenue transactions:** | | | |
| Purchase of services | | | |
| | Infosys China | 224 | 214 |
| | Infosys Management Consulting Pty Ltd | 486 | 385 |
| | Infy Consulting Company Limited | 2,689 | 2,075 |
| | Infosys Singapore Pte. Ltd | 237 | 181 |
| | Portland Group Pty Ltd | 18 | 17 |
| | Infosys (Czech Republic) Limited s.r.o. | 190 | 209 |
| | Infosys BPM Limited | 2,156 | 2,216 |
| | Infosys Sweden | 125 | 160 |
| | Infosys Shanghai | 172 | 151 |
| | Infosys Mexico | 392 | 299 |
| | Infosys Public Services | 7 | 8 |
| | Panaya Ltd | 137 | 147 |
| | Infosys Poland Sp. Z.o.o | 479 | 350 |
| | Infosys Consulting S.R.L. (Romania) | 298 | 268 |
| | Infosys Compaz Pte Ltd | 31 | 17 |
| | Infosys Consulting Ltda | 186 | 139 |
| | BASE life science A/S | 80 | 26 |
| | Kaleidoscope Animations, Inc. | - | 233 |
| | Infosys Chile SpA | 23 | 28 |
| | Infosys Middle East FZ LLC | 31 | 43 |
| | Fluido Oy | 44 | 68 |
| | Fluido Sweden AB | 19 | 44 |
| | Fluido Denmark A/S | 9 | 10 |
| | Infosys McCamish Systems LLC | 12 | 9 |
| | GuideVision, s.r.o. | 173 | 88 |
| | GuideVision Polska SP. Z O.O. | 21 | 12 |
| | Simplus Australia Pty Ltd | 85 | 86 |
| | Simplus Philippines, Inc. | 26 | 31 |
| | Outbox systems Inc. dba Simplus (US) | - | 148 |
| | Infosys Fluido UK Ltd | 67 | 65 |
| | Blue Acorn iCi Inc | - | 321 |
| | GuideVision Deutschland GmbH | - | 7 |
| | GuideVision Suomi Oy | 4 | 2 |
| | GuideVision Magyarország Kft. | 6 | 9 |
| | Infosys Limited Bulgaria EOOD | 89 | 74 |
| | WongDoody, Inc | - | 509 |
| | Infosys Luxembourg S.a.r.l | 26 | 13 |
| | Infosys (Malaysia) SDN. BHD. | 157 | 151 |
| | Wongdoody D.O.O | 11 | 6 |
| | WongDoody limited Taipei | 1 | 2 |
| | Fluido Norway A/S | 4 | 3 |
| | Infosys Consulting S.R.L. (Argentina) | - | 1 |
| | Infosys South Africa (Pty) Ltd | 48 | 45 |
| | Infosys Business Solutions LLC | 5 | 4 |
| | WongDoody GmbH | 13 | 11 |
| | BASE life science AG | 18 | 15 |
| | BASE life science S.r.l. | 1 | 2 |
| | BASE life science Inc. | - | 10 |
| | BASE life science Ltd. | 18 | 12 |
| | BASE life science GmbH | 8 | 5 |
| | BASE life science SL | 26 | 12 |
| | Infosys Norway | 43 | 37 |
| | Insemi Technology Service | 48 | 7 |
| | EdgeVerve Systems Limited | 48 | 93 |
| | Infosys Germany Holding GmbH | - | 7 |
| | Infosys Nova Holdings LLC | 2,240 | 436 |
| | In-tech group Ltd. | 12 | 1 |
| | BASE life science S.A.S | 1 | - |
| | in-tech GmbH | 14 | - |
| | in-tech Engineering S.R.L | 1 | - |
| | in-tech Group India Private Ltd, | 8 | - |
| | The Missing Link Security Pty Ltd | 6 | - |
| | Infosys Automotive and Mobility GmbH & Co. KG | 3 | - |
| | MRE Consulting, Ltd. | 46 | - |
| | | **11,322** | **9,522** |
| **Purchase of shared services including facilities and personnel** | | | |
| | Infosys BPM Limited | 195 | 9 |
| | Infosys China | 8 | - |
| | WongDoody, Inc | - | 6 |
| | Infosys McCamish Systems LLC | 34 | 1 |
| | Infosys Green Forum | 44 | 42 |
| | Kaleidoscope Animations, Inc. | - | 1 |
| | Infosys Mexico | - | 1 |
| | Outbox systems Inc. dba Simplus (US) | - | 2 |
| | Infosys Consulting AG | 4 | 2 |
| | Infosys Automotive and Mobility GmbH & Co.KG | 163 | 150 |
| | WongDoody GmbH | 10 | 9 |
| | Infosys Nova Holdings LLC | 4 | 2 |
| | Infosys Technologies (Sweden) AB. | - | 1 |
| | Infosys Singapore Pte. Ltd. | 3 | 9 |
| | Infosys Compaz Pte. Ltd | 2 | - |
| | GuideVision, s.r.o. | 1 | 1 |
| | WongDoody Code d.o.o | - | 1 |
| | BASE life science A/S | 4 | 3 |
| | Infosys Poland Sp. z.o.o. | 10 | - |
| | Fluido Oy | 1 | - |
| | Infy Consulting Company Limited | - | - |
| | MRE Consulting, Ltd. | 1 | - |
| | | **484** | **240** |

| | | | |
|---|---|---|---|
| **Interest income** | | | |
| | Insemi Technology Service | - | 1 |
| | | **-** | **1** |
| **Guarantee income** | | | |
| | Infosys Singapore Pte. Ltd. | 1 | 1 |
| | | **1** | **1** |
| **Dividend income** | | | |
| | EdgeVerve Systems Limited | 1,574 | 525 |
| | Infosys Consulting Holding AG | 168 | 148 |
| | Infosys Sweden | 135 | - |
| | Infosys BPM Limited | 799 | 849 |
| | | **2,676** | **1,522** |
| **Sale of services** | | | |
| | Infosys China | 9 | 16 |
| | Infosys Mexico | 23 | 23 |
| | Infy Consulting Company Limited | 66 | 56 |
| | Infosys BPM Limited | 168 | 147 |
| | Fluido Oy | 3 | 4 |
| | Fluido Denmark A/S | 15 | 4 |
| | Infosys Luxembourg S.a.r.l | 143 | 163 |
| | Infosys Middle East FZ LLC | 32 | 26 |
| | Infosys McCamish Systems LLC | 78 | 90 |
| | Infosys Sweden | 76 | 92 |
| | Infosys Shanghai | - | 2 |
| | EdgeVerve Systems Limited | 956 | 1,001 |
| | Infosys Public Services | 682 | 659 |
| | Infosys Compaz Pte Ltd | 171 | 160 |
| | Infosys Consulting Ltda | 1 | - |
| | Simplus Australia Pty Ltd | 1 | 2 |
| | Infosys Chile SpA | 5 | 7 |
| | Blue Acorn iCi Inc | - | 2 |
| | Portland Group Pty Ltd | 3 | - |
| | Kaleidoscope Animations, Inc. | - | 1 |
| | Infosys Singapore Pte. Ltd. | 1 | - |
| | BASE life science A/S | 15 | 14 |
| | BASE life science GmbH | - | 1 |
| | Infosys Business Solutions LLC | 13 | - |
| | Infosys South Africa (Pty) Ltd | 5 | 2 |
| | BASE life science AG | 2 | 4 |
| | Infosys Public Services Canada Inc. | 14 | 32 |
| | Stater N.V. | 2 | 3 |
| | Stater Nederland B.V. | 92 | 69 |
| | Infosys Consulting S.R.L.(Romania) | 2 | - |
| | Infosys Nova Holdings LLC. | 3 | - |
| | Insemi Technology Service | 2 | - |
| | Infy Tech SAS | 11 | - |
| | in-tech GmbH | 14 | - |
| | Stater Belgium N.V./S.A. | 2 | - |
| | MRE Consulting, Ltd. | 1 | - |
| | | **2,611** | **2,580** |
| **Sale of shared services including facilities and personnel** | | | |
| | EdgeVerve Systems Limited | 58 | 47 |
| | Panaya Ltd | 12 | 10 |
| | GuideVision, s.r.o. | 5 | 5 |
| | Infy Consulting Company Limited | 19 | 20 |
| | Infosys Public Services, Inc. | 4 | 8 |
| | Infosys Public Services Canada Inc. | 1 | - |
| | Infosys McCamish System LLC | 2 | 5 |
| | Infosys China | 8 | 1 |
| | Infosys Luxembourg S.a.r.l | 5 | 4 |
| | Infosys Singapore Pte. Ltd | 1 | 9 |
| | Infosys Shanghai | 2 | 2 |
| | Portland Group Pty. Limited | 1 | - |
| | Infosys Poland Sp. z.o.o. | 2 | 2 |
| | WongDoody, Inc. | - | 7 |
| | Wongdoody GmbH | 9 | 11 |
| | Fluido Oy | 8 | 5 |
| | Fluido Denmark A/S | 1 | 1 |
| | Infosys Fluido U.K., Ltd | 1 | 1 |
| | Outbox systems Inc. dba Simplus (US) | - | 3 |
| | Infosys BPO Americas LLC | 1 | - |
| | Infosys Consulting AG | 3 | 2 |
| | Infy Consulting B.V. | 4 | 2 |
| | Infosys Consulting SAS | 2 | 2 |
| | Infosys Consulting GmbH | 1 | 1 |
| | HIPUS Co. Limited | 1 | - |
| | Kaleidoscope Animations, Inc | - | 7 |
| | Blue Acorn iCi Inc. | - | 6 |
| | Infosys Automotive and Mobility GmbH & Co.KG | 791 | 739 |
| | Infosys Green Forum | 5 | 5 |
| | Infosys BPM Limited [(1)] | 181 | 143 |
| | Infosys Management Consulting Pty Ltd | 2 | 1 |
| | Infosys Sweden | 1 | 2 |
| | Infosys Mexico | 1 | 1 |

| | | | |
|---|---|---|---|
| | Infosys Compaz PTE Ltd | 1 | - |
| | Infosys Consulting Ltda | - | 1 |
| | BASE life science A/S | 4 | 3 |
| | BASE life science Ltd | 1 | 1 |
| | BASE life sciences SL. | 2 | 1 |
| | Infosys Consulting S.R.L. (Romania) | 1 | 1 |
| | Fluido Sweden AB | 1 | 1 |
| | Simplus Australia Pty Ltd | 1 | 1 |
| | Simplus Philippines, Inc. | 3 | 4 |
| | Infosys Nova Holdings LLC | 32 | 3 |
| | GuideVision Magyarország Kft. | 1 | 2 |
| | Fluido Norway AS | 2 | - |
| | Infosys Germany Holding GmbH | 1 | - |
| | Insemi Technology Service | 10 | - |
| | MRE Consulting, Ltd. | 1 | - |
| | The Missing Link Security Pty Ltd | 1 | - |
| | The Missing Link Network Integration Pty Ltd | 1 | - |
| | in-tech GmbH | 1 | - |
| | | **1,196** | **1,070** |
| **Revenue Transfer** | | | |
| | EdgeVerve Systems Limited | 3,433 | 3,059 |
| | | **3,433** | **3,059** |
| **Cost Transfer** | | | |
| | EdgeVerve Systems Limited | 414 | 569 |
| | | **414** | **569** |
| **Any other transaction** | | | |
| | Infosys Foundation | 351 | 390 |
| | | **351** | **390** |

*(1) Includes sale of fixed assets of ₹11 crore and ₹4 crore for the year ending March 31, 2026 and March 31, 2025, respectively*

The Company's related party transactions during the year ended March 31, 2026 and March 31, 2025 and outstanding balances as at March 31, 2026 and March 31, 2025 are with its subsidiaries with whom the Company generally enters into transactions which are at arms length and in the ordinary course of business.

**Transactions with key management personnel**

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

*(In ₹ crore)*

| Particulars | Year ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Salaries and other short term employee benefits to whole-time directors and executive officers[1][2] | 124 | 118 |
| Commission and other benefits to non-executive / independent directors | 20 | 19 |
| **Total** | **144** | **137** |

*[1]Total employee stock compensation expense for the year ended March 31, 2026 and March 31, 2025, includes a charge of ₹70 crore and ₹70 crore respectively, towards key management personnel.(Refer to note 2.12)*

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

**2.25 CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are education, skilling & livelihoods, environment sustainability and ecological balance, healthcare including preventive health and others (promotion of national heritage, art and culture, rural development and disaster relief and rehabilitation). A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

*(In ₹ crore)*

| Particulars | | As at | |
|---|---|---|---|
| | | **March 31, 2026** | **March 31, 2025** |
| i) | Amount required to be spent by the company during the year | 577 | 540 |
| ii) | Amount of expenditure incurred | 558 | 524 |
| iii) | Shortfall at the end of the year* | 19 | 16 |
| iv) | Total of previous years shortfall | 7 | - |
| v) | Reason for shortfall | Pertains to ongoing projects | Pertains to ongoing projects |
| vi) | Nature of CSR activities | Education, skilling & livelihoods, environment sustainability and ecological balance, healthcare including preventive health and others (promotion of national heritage, art and culture, rural development and disaster relief and rehabilitation ) | Promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects. |
| vii) | Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | 351 | 390 |
| viii) | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately | NA | NA |

*The unspent amount will be transferred to unspent CSR account within 30 days from the end of the financial year, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.

**2.26 SEGMENT REPORTING**

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

**2.27 Ratios**

The ratios for the years ended March 31, 2026 and March 31, 2025 are as follows:

| Particulars | Numerator | Denominator | March 31, 2026 | March 31, 2025 | Variance |
|---|---|---|---|---|---|
| Current Ratio | Current assets | Current liabilities | 2.0 | 2.4 | (16.5%) |
| Debt – Equity Ratio | Total Debt (represents lease liabilities) [1] | Shareholder's Equity | 0.0 | 0.0 | 0.7% |
| Debt Service Coverage Ratio | Earnings available for debt service[2] | Debt Service[3] | 35.8 | 33.9 | 5.6% |
| Return on Equity (ROE) | Net Profits after taxes | Average Shareholder's Equity | 34.7% | 30.3% | 4.4% |
| Trade receivables turnover ratio | Revenue | Average Trade Receivable | 5.2 | 5.3 | -1.0% |
| Trade payables turnover ratio | Purchases of services and other expenses | Average Trade Payables | 12.5 | 13.5 | -7.5% |
| Net capital turnover ratio | Revenue | Working Capital | 3.6 | 3.0 | 21.3% |
| Net profit ratio | Net Profit | Revenue | 19.6% | 18.7% | 0.9% |
| Return on capital employed (ROCE) | Earning before interest and taxes | Capital Employed[4] | 45.6% | 38.9% | 6.7% |
| Return on Investment(ROI) | | | | | |
| Unquoted | Income generated from investments | Time weighted average investments | 15.1% | 9.7% | 5.4% |
| Quoted | Income generated from investments | Time weighted average investments | 7.6% | 8.2% | (0.6%) |

*[1] Debt represents only lease liabilities*

*[2] Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.*

*[3] Lease payments for the current year*

*[4] Tangible net worth + deferred tax liabilities + Lease Liabilities*

*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

Jayesh Sanghrajka
*Chief Financial Officer*

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

Bengaluru
April 23, 2026