INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Financial Statements under Indian Accounting Standards (Ind AS) for the three months and six months ended September 30, 2026

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INFOSYS LIMITED AND SUBSIDIARIES

(In ₹ crore)

Condensed Consolidated Balance Sheets as at	Note No.	September 30, 2026	March 31, 2026
ASSETS			
Non-current assets			
Property, plant and equipment	2.2	13,071	12,651
Right-of-use assets	2.19	6,176	6,177
Capital work-in-progress		423	526
Goodwill	2.3	14,864	12,117
Other intangible assets		4,425	2,825
Financial assets			
Investments	2.4	8,390	8,930
Loans	2.5	3	6
Other financial assets	2.6	2,621	2,776
Deferred tax assets (net)		2,307	2,264
Income tax assets (net)		1,775	666
Other non-current assets	2.9	3,674	3,540
Total non-current assets		**57,729**	**52,478**
Current assets			
Financial assets			
Investments	2.4	13,761	12,950
Trade receivables	2.7	34,821	35,234
Cash and cash equivalents	2.8	24,350	22,201
Loans	2.5	239	234
Other financial assets	2.6	17,859	15,890
Income tax assets (net)		38	1,835
Other current assets	2.9	14,683	15,145
Total current assets		**105,751**	**103,489**
Total assets		**163,480**	**155,967**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.11	2,026	2,024
Other equity		97,051	90,828
Total equity attributable to equity holders of the Company		**99,077**	**92,852**
Non-controlling interests		466	445
Total equity		**99,543**	**93,297**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	2.19	4,942	6,016
Other financial liabilities	2.12	2,797	2,092
Deferred tax liabilities (net)		1,885	1,679
Other non-current liabilities	2.13	732	561
Total non-current liabilities		**10,356**	**10,348**
Current liabilities			
Financial Liabilities			
Lease liabilities	2.19	3,583	3,160
Trade payables		4,498	4,744
Other financial liabilities	2.12	21,162	21,483
Other current liabilities	2.13	15,822	15,779
Provisions	2.14	1,963	1,512
Income tax liabilities (net)		6,553	5,644
Total current liabilities		**53,581**	**52,322**
Total equity and liabilities		**163,480**	**155,967**

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

As per our report of even date attached

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

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

Vikas Bagaria
Partner
Membership No. 060408

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer
and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Jayesh Sanghrajka
Chief Financial Officer

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

Hyderabad
October 23, 2026

Bengaluru
October 23, 2026

INFOSYS LIMITED AND SUBSIDIARIES

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

Condensed Consolidated Statement of Profit and Loss for the	Note No.	Three months ended September 30,		Six months ended September 30,	
		2026	2025	2026	2025
Revenue from operations	2.16	49,244	44,490	97,454	86,769
Other income, net	2.17	848	982	1,832	2,024
Total income		**50,092**	**45,472**	**99,286**	**88,793**
Expenses					
Employee benefit expenses	2.18	25,483	23,438	50,770	46,284
Cost of technical sub-contractors		4,393	3,879	8,574	7,376
Travel expenses		691	539	1,392	1,055
Cost of software packages and others	2.18	4,573	4,025	8,993	7,771
Communication expenses		151	160	301	303
Consultancy and professional charges		677	480	1,280	943
Depreciation and amortization expenses		1,359	1,182	2,605	2,323
Finance cost		115	106	235	211
Other expenses	2.18	1,587	1,434	3,045	2,557
Total expenses		**39,029**	**35,243**	**77,195**	**68,823**
Profit before tax		**11,063**	**10,229**	**22,091**	**19,970**
Tax expense:					
Current tax	2.15	3,398	3,178	6,754	6,232
Deferred tax	2.15	(173)	(324)	(276)	(562)
Profit for the period		**7,838**	**7,375**	**15,613**	**14,300**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit liability/asset, net		(177)	(38)	119	(108)
Equity instruments through other comprehensive income, net		(9)	(8)	51	27
		(186)	**(46)**	**170**	**(81)**
Items that will be reclassified subsequently to profit or loss					
Fair value changes on derivatives designated as cash flow hedge, net		(13)	—	36	6
Exchange differences on translation of foreign operations		212	862	118	1,881
Fair value changes on investments, net		(97)	(34)	(37)	89
		102	**828**	**117**	**1,976**
Total other comprehensive income /(loss), net of tax		**(84)**	**782**	**287**	**1,895**
Total comprehensive income for the period		**7,754**	**8,157**	**15,900**	**16,195**
Profit attributable to:					
Owners of the Company		7,823	7,364	15,592	14,285
Non-controlling interests		15	11	21	15
		7,838	**7,375**	**15,613**	**14,300**
Total comprehensive income attributable to:					
Owners of the Company		7,733	8,140	15,875	16,165
Non-controlling interests		21	17	25	30
		7,754	**8,157**	**15,900**	**16,195**
Earnings per equity share					
Equity shares of par value ₹5/- each					
Basic (₹)		19.32	17.76	38.51	34.47
Diluted (₹)		19.30	17.74	38.46	34.41
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.20	4,049,987,827	4,145,208,267	4,048,846,535	4,144,593,296
Diluted (in shares)	2.20	4,054,326,796	4,151,315,578	4,054,149,523	4,151,441,800

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

As per our report of even date attached

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

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

Vikas Bagaria
Partner
Membership No. 060408

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Chairman
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

Hyderabad
October 23, 2026

Bengaluru
October 23, 2026

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Statement of Changes in Equity

(In ₹ crore)

Particulars	OTHER EQUITY															
		Reserves & Surplus								Other comprehensive income						
	Equity Share capital [1]	Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve [2]	Other reserves [3]	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2025	**2,073**	**54**	**169**	**1,091**	**78,627**	**1,412**	**1,068**	**8,298**	**24**	**285**	**2,904**	**(18)**	**(169)**	**95,818**	**385**	**96,203**
Changes in equity for the six months ended September 30, 2025																
Profit for the period	—	—	—	—	14,285	—	—	—	—	—	—	—	—	14,285	15	14,300
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	(108)	(108)	—	(108)
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	27	—	—	—	27	—	27
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	6	—	6	—	6
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	1,866	—	—	1,866	15	1,881
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	89	89	—	89
Total Comprehensive income for the period	**—**	**—**	**—**	**—**	**14,285**	**—**	**—**	**—**	**—**	**27**	**1,866**	**6**	**(19)**	**16,165**	**30**	**16,195**
Shares issued on exercise of employee stock options *(Refer to Note 2.11)*	1	—	—	—	—	—	—	—	—	—	—	—	—	1	—	1
Employee stock compensation expense *(Refer to Note 2.11)*	—	—	—	—	—	—	463	—	—	—	—	—	—	463	—	463
Transferred on account of exercise of stock options (Refer to note 2.11)	—	—	—	221	—	—	(221)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	62	(62)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	5	—	—	—	—	—	—	5	—	5
Financial liability under option arrangements	—	—	—	—	(10)	—	—	—	—	—	—	—	—	(10)	—	(10)
Changes in the controlling stake of a subsidiary	—	—	—	—	7	—	—	—	—	—	—	—	—	7	2	9
Dividends [1]	—	—	—	—	(9,119)	—	—	—	—	—	—	—	—	(9,119)	—	(9,119)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(3)	(3)
Transferred from Special Economic Zone Re-investment reserve to retained earnings	—	—	—	—	2,215	—	—	(2,215)	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	408	—	—	(408)	—	—	—	—	—	—	—	—
Balance as at September 30, 2025	**2,074**	**54**	**169**	**1,312**	**86,413**	**1,474**	**1,253**	**5,675**	**24**	**312**	**4,770**	**(12)**	**(188)**	**103,330**	**414**	**103,744**

Condensed Consolidated Statement of Changes in Equity (contd.)

(In ₹ crore)

Particulars	OTHER EQUITY															
		Reserves & Surplus								Other comprehensive income						
	Equity Share capital [1]	Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve [2]	Other reserves [3]	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
Balance as at April 1, 2026	**2,024**	**54**	**219**	**280**	**76,503**	**1,065**	**1,538**	**4,824**	**33**	**682**	**6,133**	**(19)**	**(484)**	**92,852**	**445**	**93,297**
Changes in equity for the six months ended September 30, 2026																
Profit for the period	—	—	—	—	15,592	—	—	—	—	—	—	—	—	15,592	21	15,613
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	119	119	—	119
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	51	—	—	—	51	—	51
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	36	—	36	—	36
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	114	—	—	114	4	118
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	(37)	(37)	—	(37)
Total Comprehensive income for the period	**—**	**—**	**—**	**—**	**15,592**	**—**	**—**	**—**	**—**	**51**	**114**	**36**	**82**	**15,875**	**25**	**15,900**
Shares issued on exercise of employee stock options *(Refer to Note 2.11)*	2	—	—	—	—	—	—	—	—	—	—	—	—	2	—	2
Employee stock compensation expense *(Refer to Note 2.11)*	—	—	—	—	—	—	456	—	—	—	—	—	—	456	—	456
Transferred on account of exercise of stock options (Refer to Note 2.11)	—	—	—	513	—	—	(513)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	206	(206)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	15	—	—	—	—	—	—	15	—	15
Transfer to legal reserve	—	—	—	—	(9)	—	—	—	9	—	—	—	—	—	—	—
Dividends [1]	—	—	—	—	(10,123)	—	—	—	—	—	—	—	—	(10,123)	—	(10,123)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(4)	(4)
Transferred from Special Economic Zone Re-investment reserve to retained earnings	—	—	—	—	1,819	—	—	(1,819)	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	743	—	—	(743)	—	—	—	—	—	—	—	—
Balance as at September 30, 2026	**2,026**	**54**	**219**	**793**	**84,525**	**1,271**	**1,290**	**2,262**	**42**	**733**	**6,247**	**17**	**(402)**	**99,077**	**466**	**99,543**

** Net of tax*

[1] Net of treasury shares

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

[3] Under the Swiss Code of Obligation, few subsidiaries of Infosys Consulting are required to appropriate a certain percentage of the annual profit to legal reserve which may be used only to cover losses or for measures designed to sustain the Company through difficult times, to prevent unemployment or to mitigate its consequences.

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

As per our report of even date attached

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

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

Vikas Bagaria
Partner
Membership No. 060408

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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

Hyderabad
October 23, 2026

Bengaluru
October 23, 2026

INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Statement of Cash Flows

Accounting Policy

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

(In ₹ crore)

Particulars	Note No.	Six months ended September 30,	
		2026	2025
Cash flow from operating activities			
Profit for the period		15,613	14,300
Adjustments to reconcile net profit to net cash provided by operating activities:			
Income tax expense	2.15	6,478	5,670
Depreciation and amortization		2,605	2,323
Interest and dividend income		(1,277)	(1,554)
Finance cost		235	211
Impairment loss recognized / (reversed) under expected credit loss model		61	34
Exchange differences on translation of assets and liabilities, net		18	573
Stock compensation expense		460	471
Provision for post sale client support		(47)	(97)
Other adjustments		960	658
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(325)	(4,395)
Loans, other financial assets and other assets		340	(175)
Trade payables		(359)	(451)
Other financial liabilities, other liabilities and provisions		(688)	2,939
Cash generated from operations		**24,074**	**20,507**
Income taxes paid		(5,116)	(2,996)
Net cash generated by operating activities		**18,958**	**17,511**
Cash flows from investing activities			
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	2.2	(1,585)	(1,352)
Deposits placed with corporation		(775)	(683)
Redemption of deposits placed with Corporation		515	392
Interest and dividend received		883	1,613
Payment towards acquisition of business, net of cash acquired	2.1	(3,238)	(637)
Payment of contingent consideration pertaining to acquisition of business		(27)	(13)
Other receipts		1	14
Payments to acquire Investments			
Tax free bonds and government bonds		(345)	(21)
Mutual fund units		(39,313)	(36,091)
Certificates of deposit		(4,827)	(7,149)
Commercial Papers		(2,817)	(2,686)
Non-convertible debentures		(1,332)	(2,639)
Government securities		(717)	(531)
Other Investments		(201)	(22)
Proceeds on sale of Investments			
Tax free bonds and government bonds		283	1,284
Mutual funds units		36,788	32,967
Certificates of deposit		8,850	5,857
Commercial Papers		2,575	4,675
Non-convertible debentures		233	1,625
Government securities		1,022	3,265
Other investments		10	—
Net cash generated / (used in) from investing activities		**(4,017)**	**(132)**

Particulars	Note No.	Six months ended September 30,	
		2026	2025
Cash flows from financing activities			
Payment of lease liabilities		(1,819)	(1,382)
Payment of dividends		(10,126)	(9,122)
Loan repayment of acquired entities	2.1	(812)	—
Payment of dividend to non-controlling interest of subsidiary		(4)	(3)
Shares issued on exercise of employee stock options		2	1
Other payments		(57)	(181)
Net cash used in financing activities		**(12,816)**	**(10,687)**
Net increase / (decrease) in cash and cash equivalents		2,125	6,692
Effect of exchange rate changes on cash and cash equivalents		24	685
Cash and cash equivalents at the beginning of the period	2.8	22,201	24,455
Cash and cash equivalents at the end of the period	2.8	**24,350**	**31,832**
Supplementary information:			
Restricted cash balance	2.8	443	410

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

As per our report of even date attached

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Hyderabad
October 23, 2026

Bengaluru
October 23, 2026

INFOSYS LIMITED AND SUBSIDIARIES

Overview and notes to the Interim Condensed Consolidated Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or 'Infosys') provides 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.

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

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

The Group's interim condensed consolidated financial statements are approved for issue by the Company's Board of Directors on October 23, 2026.

1.2 Basis of preparation of financial statements

These interim condensed consolidated financial statements are prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting , under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values and defined benefit liability/(asset) which is recognised at the present value of defined benefit obligation less fair value of plan assets, the provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). Accordingly, these interim condensed consolidated financial statements do not include all the information required for a complete set of financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company's Annual Report for the year ended March 31, 2026. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited interim condensed consolidated financial statements have been discussed in the respective notes.

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

1.3 Basis of consolidation

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

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

1.4 Use of estimates and judgments

The preparation of the interim condensed consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in *Note no. 1.5* . 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 interim condensed consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the interim condensed consolidated financial statements.

1.5 Critical accounting estimates and judgments

a. Revenue recognition

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

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

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

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

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

b. Income taxes

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

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

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. *(Refer to Notes 2.15)*

c. Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires us to fair value identifiable intangible assets and contingent consideration to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management. *(Refer to Note 2.1 and 2.3)*

d. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology *(Refer to Note 2.2).*

e. Impairment of Goodwill

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

The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins. *(Refer to note 2.3)* .

2. Notes to the Consolidated Financial Statements

2.1 BUSINESS COMBINATIONS

Accounting Policy

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

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

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

Business combinations between entities under common control is accounted for at carrying value of the assets acquired and liabilities assumed in the Group's consolidated financial statements.

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

Acquisition during the six months ended September 30, 2026

During the six months ended September 30, 2026 the Group, completed two business combinations by acquiring 100% partnership interests/voting interests in:

Stratus Global LLC

On April 21, 2026, Infosys Nova Holdings LLC, a wholly owned subsidiary of Infosys Limited, acquired a 100% partnership interest in Stratus Global LLC, a leading insurance technology partner serving Property & Casualty insurers and Managing General Agents, headquartered in USA. The acquisition is expected to further strengthen Infosys' leadership in the insurance sector and accelerate AI-powered digital and data transformation for global P&C insurance clients.

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

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Assets [(1)]	113	-	113
Liabilities	(100)	-	(100)
Loan	(164)	-	(164)
Intangible assets:			
Customer related[#]	-	158	158
Vendor relationship[#]	-	158	158
Brand[#]	-	19	19
Goodwill	-	-	517
Total purchase price			**701**

[(1)] *Includes cash and cash equivalents acquired of ₹47 crore.*

[#] *The estimated useful life is around 2 years to 6 years*

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

Goodwill is expected to be deductible for tax purposes.

The total purchase consideration of ₹701 crore includes upfront cash consideration of ₹650 crore and contingent consideration with an estimated fair value of ₹51 crore as on the date of acquisition. The maximum contingent consideration payable for the acquisition is ₹62 crore. At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rate of 2.9%. The undiscounted value of contingent consideration as of September 30, 2026 was ₹38 crore.

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

Fair value of trade receivables acquired is ₹22 crore as of acquisition date and as of September 30, 2026, the amounts are fully collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹15 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Profit and Loss for the six months ended September 30, 2026.

Optimum Achieve Holdings Inc.

On May 4, 2026, Infosys Nova Holdings LLC, a wholly owned subsidiary of Infosys Limited, acquired 100% voting interests in Optimum Achieve Holdings Inc., a healthcare digital transformation and consulting firm headquartered in USA, along with its other subsidiaries including Optimum Healthcare IT, LLC. This acquisition strengthens Infosys' capabilities in the Healthcare market.

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

(In ₹ crore)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Assets [(1)]	1,115	-	1,115
Liabilities	(395)	-	(395)
Loan	(648)	-	(648)
Intangible assets:			
Customer related[#]	-	212	212
Vendor relationship[#]	-	1,359	1,359
Brand[#]	-	99	99
Deferred tax liabilities on intangible assets	-	(451)	(451)
Goodwill	-	-	2,179
Total purchase price			**3,470**

[(1)] *Includes cash and cash equivalents acquired of ₹185 crore.*

[#] *The estimated useful life is around 1 years to 8 years*

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

Goodwill is not tax deductible.

The total purchase consideration of ₹3,470 crore includes upfront cash consideration of ₹2,844 crore and contingent consideration with an estimated fair value of ₹626 crore as on the date of acquisition. The maximum contingent consideration payable for the acquisition is ₹878 crore. At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rate of 2.9%. The undiscounted value of contingent consideration as of September 30, 2026 was ₹662 crore.

Additionally, this acquisition has retention bonus and management incentives payable to the employees of the acquiree over 4 years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Retention bonus and management incentives are recognized in employee benefit expenses in the Interim Condensed Consolidated Statement of Profit and Loss over the period of service.

Fair value of trade receivables acquired is ₹575 crore as of acquisition date and as of September 30, 2026, the amounts are substantially collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹22 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Profit and Loss for the six months ended September 30, 2026.

Proposed Acquisition

On August 13, 2025, Infosys Singapore Pte. Ltd., a wholly owned subsidiary of Infosys Limited, entered into a definitive agreement to acquire 75% of the equity share capital in Telstra Purple Pty Ltd, including some of its subsidiaries (together known as Versent Group), Australia's leading Digital Transformation Solutions Provider for a consideration including earn-outs and deferred consideration amounting up to AUD 233 million (approximately ₹1,335 crore), excluding retention bonus and management incentives, subject to regulatory approvals and customary closing adjustments.

2.2 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

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

Buildings [(1)]	22-25 years
Plant and machinery [(1)(2)]	5 years
Office equipment	5 years
Computer equipment [(1)]	3-5 years
Furniture and fixtures [(1)]	5 years
Vehicles[(1)]	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

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

[(2)] *Includes Solar plant with a useful life of 25 years*

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

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

Impairment

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

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

The changes in the carrying value of property, plant and equipment for the three months ended September 30, 2026 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [(1)]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at July 1, 2026	**1,440**	**12,624**	**3,745**	**1,739**	**9,685**	**2,433**	**1,343**	**43**	**33,052**
Additions	4	246	105	53	555	98	59	1	1,121
Additions on Business Combinations *(Refer to note 2.1)*	—	—	—	—	—	—	—	—	—
Deletions**	(7)	(2)	(10)	(16)	(119)	(47)	(5)	—	(206)
Translation difference	—	28	2	1	5	2	4	—	42
Gross carrying value as at September 30, 2026	**1,437**	**12,896**	**3,842**	**1,777**	**10,126**	**2,486**	**1,401**	**44**	**34,009**
Accumulated depreciation as at July 1, 2026	**—**	**(5,981)**	**(3,032)**	**(1,430)**	**(6,878)**	**(2,014)**	**(1,117)**	**(38)**	**(20,490)**
Depreciation	—	(121)	(57)	(31)	(331)	(49)	(29)	(1)	(619)
Accumulated depreciation on deletions**	—	—	10	14	118	47	5	—	194
Translation difference	—	(10)	(2)	(1)	(3)	(2)	(5)	—	(23)
Accumulated depreciation as at September 30, 2026	**—**	**(6,112)**	**(3,081)**	**(1,448)**	**(7,094)**	**(2,018)**	**(1,146)**	**(39)**	**(20,938)**
Carrying value as at July 1, 2026	**1,440**	**6,643**	**713**	**309**	**2,807**	**419**	**226**	**5**	**12,562**
Carrying value as at September 30, 2026	**1,437**	**6,784**	**761**	**329**	**3,032**	**468**	**255**	**5**	**13,071**

The changes in the carrying value of property, plant and equipment for the three months ended September 30, 2025 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [(1)]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at July 1, 2025	**1,489**	**11,737**	**3,484**	**1,661**	**9,278**	**2,371**	**1,347**	**48**	**31,415**
Additions	10	6	12	15	412	7	3	—	465
Deletions*	—	—	(6)	(8)	(165)	(67)	—	(3)	(249)
Translation difference	—	38	3	4	29	6	14	—	94
Gross carrying value as at September 30, 2025	**1,499**	**11,781**	**3,493**	**1,672**	**9,554**	**2,317**	**1,364**	**45**	**31,725**
Accumulated depreciation as at July 1, 2025	**—**	**(5,473)**	**(2,857)**	**(1,361)**	**(7,040)**	**(1,970)**	**(1,060)**	**(43)**	**(19,804)**
Depreciation	**—**	(112)	(45)	(31)	(263)	(41)	(27)	—	(519)
Accumulated depreciation on deletions*	**—**	—	6	8	165	67	—	3	249
Translation difference	**—**	(13)	(3)	(3)	(18)	(5)	(13)	—	(55)
Accumulated depreciation as at September 30, 2025	**—**	**(5,598)**	**(2,899)**	**(1,387)**	**(7,156)**	**(1,949)**	**(1,100)**	**(40)**	**(20,129)**
Carrying value as at July 1, 2025	**1,489**	**6,264**	**627**	**300**	**2,238**	**401**	**287**	**5**	**11,611**
Carrying value as at September 30, 2025	**1,499**	**6,183**	**594**	**285**	**2,398**	**368**	**264**	**5**	**11,596**

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 2026 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [1]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2026	**1,440**	**12,574**	**3,714**	**1,732**	**9,607**	**2,438**	**1,369**	**44**	**32,918**
Additions	4	282	141	77	882	121	67	2	1,576
Additions on Business Combinations *(Refer to note 2.1)*	—	—	—	—	15	—	—	—	15
Deletions**	(7)	(5)	(16)	(33)	(382)	(75)	(40)	(2)	(560)
Translation difference	—	45	3	1	4	2	5	—	60
Gross carrying value as at September 30, 2026	**1,437**	**12,896**	**3,842**	**1,777**	**10,126**	**2,486**	**1,401**	**44**	**34,009**
Accumulated depreciation as at April 1, 2026	**—**	**(5,856)**	**(2,985)**	**(1,417)**	**(6,850)**	**(1,995)**	**(1,125)**	**(39)**	**(20,267)**
Depreciation	—	(241)	(109)	(60)	(622)	(96)	(56)	(1)	(1,185)
Accumulated depreciation on deletions**	—	1	16	31	381	75	40	1	545
Translation difference	—	(16)	(3)	(2)	(3)	(2)	(5)	—	(31)
Accumulated depreciation as at September 30, 2026	**—**	**(6,112)**	**(3,081)**	**(1,448)**	**(7,094)**	**(2,018)**	**(1,146)**	**(39)**	**(20,938)**
Carrying value as at April 1, 2026	**1,440**	**6,718**	**729**	**315**	**2,757**	**443**	**244**	**5**	**12,651**
Carrying value as at September 30, 2026	**1,437**	**6,784**	**761**	**329**	**3,032**	**468**	**255**	**5**	**13,071**

** During the three months and six months ended September 30, 2026, certain assets which were not in use having gross book value of ₹139 crore (net book value: Nil) and ₹381 crore (net book value: Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the six months ended September 30, 2025 are as follows:

(In ₹ crore)

Particulars	Land - Freehold	Buildings [1]	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2025	**1,479**	**11,721**	**3,461**	**1,628**	**9,306**	**2,340**	**1,307**	**48**	**31,290**
Additions	20	9	35	51	619	34	32	1	801
Additions on Business Combinations *(Refer to note 2.1)*	—	—	—	—	3	—	—	—	3
Deletions*	—	(5)	(8)	(16)	(435)	(72)	(2)	(4)	(542)
Translation difference	—	56	5	9	61	15	27	—	173
Gross carrying value as at September 30, 2025	**1,499**	**11,781**	**3,493**	**1,672**	**9,554**	**2,317**	**1,364**	**45**	**31,725**
Accumulated depreciation as at April 1, 2025	**—**	**(5,358)**	**(2,813)**	**(1,337)**	**(7,013)**	**(1,929)**	**(1,019)**	**(43)**	**(19,512)**
Depreciation	—	(223)	(89)	(60)	(530)	(81)	(58)	(1)	(1,042)
Accumulated depreciation on deletions*	—	1	8	16	424	71	2	4	526
Translation difference	—	(18)	(5)	(6)	(37)	(10)	(25)	—	(101)
Accumulated depreciation as at September 30, 2025	**—**	**(5,598)**	**(2,899)**	**(1,387)**	**(7,156)**	**(1,949)**	**(1,100)**	**(40)**	**(20,129)**
Carrying value as at April 1, 2025	**1,479**	**6,363**	**648**	**291**	**2,293**	**411**	**288**	**5**	**11,778**
Carrying value as at September 30, 2025	**1,499**	**6,183**	**594**	**285**	**2,398**	**368**	**264**	**5**	**11,596**

* During the three months and six months ended September 30, 2025, certain assets which were not in use having gross book value of ₹226 crore (net book value: Nil) and ₹473 crore (net book value: Nil), respectively were retired.

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

The aggregate depreciation has been included under depreciation and amortization expense in the interim condensed Consolidated Statement of Profit and Loss.

Repairs and maintenance costs are recognized in the condensed Consolidated Statement of Profit and Loss when incurred.

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company was required to transfer its CSR capital assets installed prior to January 2021. Towards this the Company had incorporated a subsidiary 'Infosys Green Forum' (IGF) under Section 8 of the Companies Act, 2013. During the year ended March 31, 2022, the Company had completed the transfer of assets upon obtaining the required approvals from regulatory authorities, as applicable. During fiscal 2024, the application filed by IGF for regularization of the provisional registration was rejected and registration cancelled vide order dated March 26, 2024 by Income Tax Commissioner (Exemption). IGF had filed an appeal before Income Tax Appellate Tribunal (ITAT) against the order. During fiscal 2026, ITAT had upheld the order of Commissioner (Exemption) and dismissed the IGF's appeals. IGF has filed an appeal before the Hon'ble High Court against the ITAT order.

2.3 GOODWILL AND OTHER INTANGIBLE ASSETS

2.3.1 Goodwill

Accounting Policy

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

Impairment

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

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

(In ₹ crore)

Particulars	As at	
	September 30, 2026	**March 31, 2026**
Carrying value at the beginning	**12,117**	**10,106**
Goodwill on acquisitions *(Refer to note 2.1)*	2,696	444
Translation differences	51	1,567
Carrying value at the end	**14,864**	**12,117**

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

2.3.2 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 Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labor, overhead costs that are directly attributable to prepare the asset for its intended use.

Impairment

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

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

2.4 INVESTMENTS

(In ₹ crore)

Particulars	As at	
	September 30, 2026	March 31, 2026
Non-current Investments		
Unquoted		
Investments carried at fair value through other comprehensive income		
Preference securities	634	628
Equity securities	2	2
	636	**630**
Investments carried at fair value through profit or loss		
Equity securities	29	—
Preference securities	114	52
Others [(1)]	369	263
	512	**315**
Quoted		
Investments carried at amortized cost		
Government bonds	28	24
Tax free bonds	402	407
	430	**431**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	2,507	3,278
Equity securities	121	61
Government securities	4,184	4,215
	6,812	**7,554**
Total non-current investments	**8,390**	**8,930**
Current Investments		
Unquoted		
Investments carried at fair value through profit or loss		
Mutual fund units	5,031	2,383
	5,031	**2,383**
Investments carried at fair value through other comprehensive income		
Commercial Paper	1,499	1,205
Certificates of deposit	4,240	8,008
	5,739	**9,213**
Quoted		
Investments carried at amortized cost		
Government bonds	158	100
	158	**100**
Investments carried at fair value through other comprehensive income		
Non convertible debentures	2,833	911
Government securities	—	343
	2,833	**1,254**
Total current investments	**13,761**	**12,950**
Total investments	**22,151**	**21,880**
Aggregate amount of quoted investments	10,233	9,339
Market value of quoted investments (including interest accrued), current	2,991	1,356
Market value of quoted investments (including interest accrued), non current	7,282	8,009
Aggregate amount of unquoted investments	11,918	12,541
Investments carried at amortized cost	588	531
Investments carried at fair value through other comprehensive income	16,020	18,651
Investments carried at fair value through profit or loss	5,543	2,698

[(1)] Uncalled capital commitments outstanding as at September 30, 2026 and March 31, 2026 was ₹160 crore and ₹93 crore, respectively.

Refer to Note 2.10 for Accounting policies on Financial Instruments.

Method of fair valuation:

(In ₹ crore)

Class of investment	Method	Fair value as at	
		September 30, 2026	March 31, 2026
Mutual fund units - carried at fair value through profit or loss	Quoted price	5,031	2,383
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	597	552
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	5,340	4,189
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	4,184	4,558
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	1,499	1,205
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	4,240	8,008
Quoted Equity securities - carried at fair value through other comprehensive income	Quoted price	121	61
Unquoted equity and preference securities - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	143	52
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	636	630
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	369	263
Total		**22,160**	**21,901**

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

2.5 LOANS

(In ₹ crore)

Particulars	As at	
	September 30, 2026	March 31, 2026
Non Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	3	6
	3	**6**
Loans credit impaired - Unsecured		
Other loans		
Loans to employees	3	3
Less: Allowance for credit impairment	(3)	(3)
	—	—
Total non-current loans	**3**	**6**
Current		
Loans considered good - Unsecured		
Other loans		
Loans to employees	239	234
Total current loans	**239**	**234**
Total loans	**242**	**240**

2.6 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at	
	September 30, 2026	March 31, 2026
Non Current		
Security deposits [(1)]	341	281
Unbilled revenues [(1)#]	1,938	1,417
Restricted deposits [(1)*]	91	79
Net investment in lease[(1)]	211	957
Others [(1)]	40	42
Total non-current other financial assets	**2,621**	**2,776**
Current		
Security deposits [(1)]	72	75
Restricted deposits [(1)*]	3,417	3,170
Unbilled revenues [(1)#]	10,915	10,064
Interest accrued but not due [(1)]	472	448
Foreign currency forward and options contracts [(2) (3)]	193	83
Net investment in lease[(1)]	2,317	1,613
Others [(1)]	473	437
Total current other financial assets	**17,859**	**15,890**
Total other financial assets	**20,480**	**18,666**
[(1)] Financial assets carried at amortized cost	20,287	18,583
[(2)] Financial assets carried at fair value through other comprehensive income	43	56
[(3)] Financial assets carried at fair value through profit or loss	150	27

* Restricted deposits represent deposits with financial institutions to settle employee related obligations as and when they arise during the normal course of business.
# Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.

2.7 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at	
	September 30, 2026	March 31, 2026
Current		
Trade Receivable considered good - Unsecured	35,500	35,772
Less: Allowance for expected credit loss	679	538
Trade Receivable considered good - Unsecured	34,821	35,234
Trade Receivable - credit impaired - Unsecured	125	123
Less: Allowance for credit impairment	125	123
Trade Receivable - credit impaired - Unsecured	—	—
Total trade receivables	**34,821**	**35,234**

2.8 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at	
	September 30, 2026	**March 31, 2026**
Balances with banks		
In current and deposit accounts	24,350	22,201
Cash on hand	—	—
Total cash and cash equivalents	**24,350**	**22,201**
Balances with banks in unpaid dividend accounts	42	45
Deposit with more than 12 months maturity	2,750	125

Cash and cash equivalents as at September 30, 2026 and March 31, 2026 include restricted cash and bank balances of ₹443 crore and ₹422 crore respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the company.

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

2.9 OTHER ASSETS

(In ₹ crore)

Particulars	As at	
	September 30, 2026	**March 31, 2026**
Non-current		
Capital advances	150	154
Advances other than capital advances		
Others		
Withholding taxes and others*	558	626
Unbilled revenues [#]	208	321
Defined benefit plan assets	432	205
Prepaid expenses	831	775
Deferred Contract Cost		
Cost of obtaining a contract	414	491
Cost of fulfillment	1,081	968
Total non-current other assets	**3,674**	**3,540**
Current		
Advances other than capital advances		
Payment to vendors for supply of goods	136	474
Others		
Unbilled revenues [#]	5,694	5,419
Withholding taxes and others*	3,494	3,901
Prepaid expenses	4,636	4,265
Deferred Contract Cost		
Cost of obtaining a contract	266	285
Cost of fulfillment	362	667
Other receivables	95	134
Total current other assets	**14,683**	**15,145**
Total other assets	**18,357**	**18,685**

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

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

2.10 FINANCIAL INSTRUMENTS

Accounting Policy

2.10.1 Initial recognition

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

2.10.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for 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 and financial liability under option arrangements recognized in a business combination which is subsequently measured at fair value through profit or loss.

b. Derivative financial instruments

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

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

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

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

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

(ii) Cash flow hedge

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

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

2.10.3 Derecognition of financial instruments

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

2.10.4 Fair value of financial instruments

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

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

2.10.5 Impairment

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

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

The amount of 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 Interim condensed Consolidated Statement of Profit and Loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at September 30, 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 2.8)*	24,350	—	—	—	—	24,350	24,350	
Investments *(Refer to Note 2.4)*								
Equity and Preference securities	—	143	—	757	—	900	900	
Tax free bonds and government bonds	588	—	—	—	—	588	597	(1)
Mutual fund units	—	—	5,031	—	—	5,031	5,031	
Non convertible debentures	—	—	—	—	5,340	5,340	5,340	
Government securities	—	—	—	—	4,184	4,184	4,184	
Commercial paper	—	—	—	—	1,499	1,499	1,499	
Certificates of deposit	—	—	—	—	4,240	4,240	4,240	
Other investments	—	—	369	—	—	369	369	
Trade receivables *(Refer to Note 2.7)*	34,821	—	—	—	—	34,821	34,821	
Loans *(Refer to Note 2.5)*	242	—	—	—	—	242	242	
Other financials assets *(Refer to Note 2.6)*	20,287	—	150	—	43	20,480	20,471	(2)
Total	**80,288**	**143**	**5,550**	**757**	**15,306**	**102,044**	**102,044**	
Liabilities:								
Trade payables	4,498	—	—	—	—	4,498	4,498	
Lease liabilities *(Refer to Note 2.19)*	8,525	—	—	—	—	8,525	8,525	
Financial Liability under option arrangements *(Refer to Note 2.12)*	—	—	881	—	—	881	881	
Other financial liabilities *(Refer to Note 2.12)*	18,589	—	813	—	2	19,404	19,404	
Total	**31,612**	**—**	**1,694**	**—**	**2**	**33,308**	**33,308**	

(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 ₹9 crore*

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 2.8)*	22,201	—	—	—	—	22,201	22,201	
Investments *(Refer to Note 2.4)*								
Equity and preference securities	—	52	—	691	—	743	743	
Tax free bonds and government bonds	531	—	—	—	—	531	552	(1)
Mutual fund units	—	—	2,383	—	—	2,383	2,383	
Non convertible debentures	—	—	—	—	4,189	4,189	4,189	
Government securities	—	—	—	—	4,558	4,558	4,558	
Commercial paper	—	—	—	—	1,205	1,205	1,205	
Certificates of deposit	—	—	—	—	8,008	8,008	8,008	
Other investments	—	—	263	—	—	263	263	
Trade receivables *(Refer to Note 2.7)*	35,234	—	—	—	—	35,234	35,234	
Loans *(Refer to Note 2.5)*	240	—	—	—	—	240	240	
Other financials assets *(Refer to Note 2.6)*	18,583	—	27	—	56	18,666	18,645	(2)
Total	**76,789**	**52**	**2,673**	**691**	**18,016**	**98,221**	**98,221**	
Liabilities:								
Trade payables	4,744	—	—	—	—	4,744	4,744	
Lease liabilities *(Refer to Note 2.19)*	9,176	—	—	—	—	9,176	9,176	
Financial Liability under option arrangements *(Refer to Note 2.12)*	—	—	876	—	—	876	876	
Other financial liabilities *(Refer to Note 2.12)*	18,361	—	642	—	55	19,058	19,058	
Total	**32,281**	**—**	**1,518**	**—**	**55**	**33,854**	**33,854**	

(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 ₹21 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 September 30, 2026 is as follows:

(In ₹ crore)

Particulars	As at September 30, 2026	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments *(Refer to note 2.4)*				
Investments in mutual fund units	5,031	5,031	—	—
Investments in tax free bonds	411	411	—	—
Investments in government bonds	186	186	—	—
Investments in non convertible debentures	5,340	4,451	889	—
Investments in government securities	4,184	3,055	1,129	—
Investments in equity securities	152	121	—	31
Investments in preference securities	748	—	—	748
Investments in commercial paper	1,499	—	1,499	—
Investments in certificates of deposit	4,240	—	4,240	—
Other investments	369	—	—	369
Others				
Derivative financial instruments - gain *(Refer to Note 2.6)*	193	—	193	—
Liabilities				
Derivative financial instruments - loss *(Refer to Note 2.12)*	65	—	65	—
Financial liability under option arrangements *(Refer to Note 2.12)* (1)	881	—	—	881
Liability towards contingent consideration *(Refer to Note 2.12)* (2)	750	—	—	750

(1) *Discount rate ranges from 9.5% to 14.5%*

(2) *Discount rate ranges from 2.5% to 3%*

During the six months ended September 30, 2026, non convertible debentures of ₹371 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 ₹783 crore and government securities of ₹695 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, 2026 was 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 2.4)				
Investments in mutual fund units	2,383	2,383	—	—
Investments in tax free bonds	428	428	—	—
Investments in government bonds	124	124	—	—
Investments in non convertible debentures	4,189	3,572	617	—
Investments in government securities	4,558	4,389	169	—
Investments in equity securities	63	61	—	2
Investments in preference securities	680	—	—	680
Investments in commercial paper	1,205	—	1,205	—
Investments in certificates of deposit	8,008	—	8,008	—
Other investments	263	—	—	263
Others				
Derivative financial instruments - gain *(Refer to Note 2.6)*	83	—	83	—
Liabilities				
Derivative financial instruments - loss *(Refer to Note 2.12)*	593	—	593	—
Financial liability under option arrangements *(Refer to Note 2.12)* [(1)]	876	—	—	876
Liability towards contingent consideration *(Refer to Note 2.12)* [(2)]	104	—	—	104

[(1)] *Discount rate ranges from 9.5% to 14.5%*

[(2)] *Discount rate ranges from 2.5% to 6%*

During the year ended March 31, 2026, government securities and tax free bonds of ₹93 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.

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.

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

2.11 EQUITY

Accounting Policy

Ordinary Shares

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

Treasury Shares

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

Description of reserves

Capital Redemption Reserve

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

Retained earnings

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

Securities premium

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

Share options outstanding account

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

Special Economic Zone Re-investment reserve

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

Other components of equity

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

Currency translation reserve

The exchange differences arising from the translation of financial statements of foreign subsidiaries with functional currency other than Indian rupees is recognized in other comprehensive income and is presented within equity.

Cash flow hedge reserve

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

EQUITY SHARE CAPITAL

(In ₹ crore, except as otherwise stated)

Particulars	As at	
	September 30, 2026	**March 31, 2026**
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)]	2,026	2,024
405,03,60,983 (404,69,40,812) equity shares fully paid-up[(2)]		
	2,026	**2,024**

Note: Forfeited shares amounted to ₹1,500 (₹1,500)

[(1)] *Refer to Note 2.20 for details of basic and diluted shares*

[(2)] *Net of treasury shares 79,15,595 (86,50,911)*

The Company has only one class of shares referred to as equity shares having a par value of ₹5/-. Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depositary Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

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

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

For details of shares reserved for issue under the employee stock option plan of the Company refer to the note below.

The reconciliation of the number of shares outstanding and the amount of share capital as at September 30, 2026 and March 31, 2026 are as follows:

(In ₹ crore, except as stated otherwise)

Particulars	As at September 30, 2026		As at March 31, 2026	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the period	**404,69,40,812**	**2,024**	**414,36,07,528**	**2,073**
Add: Shares issued on exercise of employee stock options	34,20,171	2	33,33,284	1
Less: Shares bought back	—	—	100,000,000	50
As at the end of the period	**405,03,60,983**	**2,026**	**404,69,40,812**	**2,024**

Capital allocation policy

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

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

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

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of September 30, 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.

Dividend

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

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

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

(in ₹)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	2025	2026	2025
Final dividend for fiscal 2026	—	—	25.00	—
Final dividend for fiscal 2025	—	—	—	22.00

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 same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 23, 2026 which resulted in a net cash outflow of ₹10,123 crore, excluding dividend paid on treasury shares. The final dividend was paid on June 25, 2026.

The Board of Directors in their meeting held on October 23, 2026 declared an interim dividend of ₹26/- per equity share which would result in a net cash outflow of approximately ₹10,531 crore, excluding dividend paid on treasury shares.

Employee Stock Option Plan (ESOP):

Accounting Policy

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

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

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

Further, on April 23, 2026, based on the recommendation of the Nomination and Remuneration Committee, the board approved the amendment to the 2019 Plan to extend the grant period by seven (7) years from the date of shareholder approval, thereby extending the validity of the Plan to a total period of ten (10) years from such approval and to amend the vesting parameters for grants there under and certain administrative amendments. The same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 23, 2026.

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 79,15,595 and 86,50,911 shares as at September 30, 2026 and March 31, 2026, respectively, under the 2015 Plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at September 30, 2026 and March 31, 2026.

The following is the summary of grants made during the three months and six months ended September 30, 2026 and September 30, 2025:

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	2025	2026	2025
2015 Plan: RSU				
Equity settled RSUs				
Key Management Personnel (KMP)	-	-	353,274	277,077
Employees other than KMP	9,836	2,400	37,029	7,400
	9,836	**2,400**	**390,303**	**284,477**
2015 Plan: Employee Stock Options (ESOPs)				
Equity settled RSUs				
Key Management Personnel (KMP)	-	-	-	237,370
Employees other than KMP	-	-	-	5,412,790
	-	**-**	**-**	**5,650,160**
Cash settled RSUs				
Key Management Personnel (KMP)	-	-	-	-
Employees other than KMP	-	-	-	108,180
	-	**-**	**-**	**108,180**
Total Grants under 2015 Plan	**9,836**	**2,400**	**390,303**	**6,042,817**
2019 Plan: RSU				
Equity settled RSUs				
Key Management Personnel (KMP)	-	-	84,617	66,366
Employees other than KMP	-	-	-	-
	-	**-**	**84,617**	**66,366**
Total Grants under 2019 Plan	**-**	**-**	**84,617**	**66,366**

Notes on grants to KMP:

CEO & MD

Under the 2015 Plan:

The Board, on April 23, 2026, based on the recommendations of the Nomination and Remuneration Committee approved the following grants for fiscal 2027. In accordance with such approval the following grants were made effective May 2, 2026.

- 2,94,043 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.

- 16,923 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.

- 42,308 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.

Under the 2019 Plan:

The Board, on April 23, 2026, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2027 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 84,617 performance based RSU's were granted effective May 2, 2026.

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

(in ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	2025	2026	2025
Granted to:				
KMP	17	18	34	35
Employees other than KMP	210	218	426	436
Total [(1)]	**227**	**236**	**460**	**471**
[(1)] *Cash-settled stock compensation expense included in the above*	2	4	4	9

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 2027-Equity Shares-RSU	Fiscal 2027-ADS RSU	Fiscal 2026-Equity Shares-RSU	Fiscal 2026-Equity Shares-ESOP	Fiscal 2026-ADS-ESOP
Weighted average share price (₹) / ($ ADS)	1,181	12.32	1,507	1,554	17.93
Exercise price (₹) / ($ ADS)	5.00	0.10	5.00	1,554	17.93
Expected volatility (%)	26-30	28-39	23-25	25-28	26-30
Expected life of the option (years)	1-4	1-4	1-4	3-7	3-7
Expected dividends (%)	3-4	3-4	2-3	2-3	2-3
Risk-free interest rate (%)	6	4	6	6	4
Weighted average fair value as on grant date (₹) / ($ ADS)	1,062	11.22	1,355	390	4.09

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

2.12 OTHER FINANCIAL LIABILITIES

(In ₹ crore)

Particulars	As at	
	September 30, 2026	March 31, 2026
Non-current		
Others		
Accrued compensation to employees [1]	16	10
Accrued expenses [1]	2,140	1,725
Compensated absences	128	117
Financial liability under option arrangements [2] #	124	122
Payable for acquisition of business - Contingent consideration [2]	379	31
Other Payables [1]	10	87
Total non-current other financial liabilities	**2,797**	**2,092**
Current		
Unpaid dividends [1]	42	45
Others		
Accrued compensation to employees [1]	5,645	5,898
Accrued expenses [1]	9,996	9,683
Payable for acquisition of business - Contingent consideration [2]	371	73
Payable by controlled trusts [1]	173	173
Compensated absences	3,546	3,524
Financial liability under option arrangements [2] #	757	754
Foreign currency forward and options contracts [2] [3]	65	593
Capital creditors [1]	221	284
Other payables [1]	346	456
Total current other financial liabilities	**21,162**	**21,483**
Total other financial liabilities	**23,959**	**23,575**
[1] Financial liability carried at amortized cost	18,589	18,361
[2] Financial liability carried at fair value through profit or loss	1,694	1,518
[3] Financial liability carried at fair value through other comprehensive income	2	55

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

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

2.13 OTHER LIABILITIES

(In ₹ crore)

Particulars	As at	
	September 30, 2026	March 31, 2026
Non-current		
Others		
Accrued defined benefit liability	664	473
Others	68	88
Total non-current other liabilities	**732**	**561**
Current		
Unearned revenue	11,823	11,838
Others		
Withholding taxes and others	3,962	3,881
Accrued defined benefit liability	10	49
Others	27	11
Total current other liabilities	**15,822**	**15,779**
Total other liabilities	**16,554**	**16,340**

2.14 PROVISIONS

Accounting Policy

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

a. Post sales client support

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

b. Onerous contracts

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

Provision for post-sales client support

(In ₹ crore)

Particulars	As at	
	September 30, 2026	**March 31, 2026**
Current		
Others		
Post-sales client support	1,963	1,512
Total provisions	**1,963**	**1,512**

Provision for post-sales client support 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.

2.15 INCOME TAXES

Accounting Policy

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

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

The Group offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

Income tax expense in the condensed Consolidated Statement of Profit and Loss comprises:

(In ₹ crore)

Particulars	**Three months ended September 30,**		**Six months ended September 30,**	
	2026	**2025**	**2026**	**2025**
Current taxes	3,398	3,178	6,754	6,232
Deferred taxes	(173)	(324)	(276)	(562)
Income tax expense	**3,225**	**2,854**	**6,478**	**5,670**

Income tax expense for the three months ended September 30, 2026 and September 30, 2025 includes provisions (net of reversals) of ₹99 crore and reversals (net of provisions) of ₹2 crore, respectively. Income tax expense for the six months ended September 30, 2026 and September 30, 2025 includes provisions (net of reversals) of ₹187 crore and provisions (net of reversals) of ₹114 crore, respectively .These provisions and reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

Deferred income tax for the three months and six months ended September 30, 2026 and September 30, 2025 substantially relates to origination and reversal of temporary differences.

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

2.16 REVENUE FROM OPERATIONS

Accounting Policy

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenue from operation for the three months and six months ended September 30, 2026 and September 30, 2025 are as follows:

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	2025	2026	2025
Revenue from software services	46,938	42,392	92,814	82,723
Revenue from products and platforms	2,306	2098	4,640	4,046
Total revenue from operations	**49,244**	**44,490**	**97,454**	**86,769**

Products & platforms

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

Disaggregated revenue information

Revenue disaggregation by business segments has been included in segment information *(Refer to Note 2.23)* . The table below presents disaggregated revenues from contracts with customers by geography and contract type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

For the three months and six months ended September 30, 2026 and September 30, 2025:

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	2025	2026	2025
Revenues by Geography*				
North America	26,895	25,027	54,062	48,894
Europe	16,028	14,125	31,526	27,463
India	1,356	1,387	2,545	2,606
Rest of the world	4,965	3,951	9,321	7,806
Total	**49,244**	**44,490**	**97,454**	**86,769**

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

The percentage of revenue from fixed-price contracts for the three months ended September 30, 2026 and September 30, 2025 is 54%. The percentage of revenue from fixed-price contracts for the six months ended September 30, 2026 and September 30, 2025 is 54%.

Trade Receivables and Contract Balances

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

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

2.17 OTHER INCOME, NET

Accounting Policy

Other income is comprised primarily of interest income, dividend income, gain/loss on 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.

Foreign currency

Accounting Policy

Functional currency

The functional currency of Infosys, its Indian subsidiaries and controlled trusts is the Indian rupee. The functional currencies for foreign subsidiaries are their respective local currencies. These financial statements are presented in Indian rupees (rounded off to crore; one crore equals ten million).

Transactions and translations

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

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

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

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

Government grant

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

Other income for the three months and six months ended September 30, 2026 and September 30, 2025 is as follows:

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	**2025**	**2026**	**2025**
Interest income on financial assets carried at amortized cost				
Tax free bonds and Government bonds	8	16	14	42
Deposit with Bank and others	335	475	652	938
Interest income on financial assets carried at fair value through other comprehensive income				
Non-convertible debentures, commercial paper, certificates of deposit and government securities	284	242	611	574
Income on investments carried at fair value through profit or loss				
Gain / (loss) on mutual funds and other investments	58	54	125	131
Gain / (loss) on investments carried at fair value through other comprehensive income	—	2	—	1
Income on investments carried at amortized cost				
Gain/(loss) on tax free bond	—	57	—	81
Exchange gains / (losses) on forward and options contracts	(132)	(678)	274	(1,350)
Exchange gains / (losses) on translation of other assets and liabilities	230	797	(12)	1,540
Miscellaneous income, net	65	17	168	67
Total other income	**848**	**982**	**1,832**	**2,024**

2.18 EXPENSES

Accounting Policy

Gratuity and Pensions

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

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

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

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

Provident fund

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

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

Superannuation

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

Compensated absences

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

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	2025	2026	2025
Employee benefit expenses				
Salaries including bonus	24,272	22,396	48,384	44,221
Contribution to provident and other funds	818	651	1,606	1,299
Share based payments to employees *(Refer to Note 2.11)*	227	236	460	471
Staff welfare	166	155	320	293
	25,483	**23,438**	**50,770**	**46,284**
Cost of software packages and others				
For own use	951	693	1,826	1,368
Third party items bought for service delivery to clients	3,622	3,332	7,167	6,403
	4,573	**4,025**	**8,993**	**7,771**
Other expenses				
Repairs and maintenance	425	376	815	734
Power and fuel	58	60	118	114
Brand and marketing	329	289	754	676
Rates and taxes	87	84	162	172
Consumables	73	65	140	119
Insurance	85	86	187	165
Provision for post-sales client support and others	124	81	(47)	(97)
Commission to non-whole time directors	6	5	12	9
Impairment loss recognized / (reversed) under expected credit loss model	64	(1)	61	34
Contributions towards Corporate Social Responsibility	161	148	310	265
Others	175	241	533	366
	1,587	**1,434**	**3,045**	**2,557**

2.19 Leases

Accounting Policy

The Group as a lessee

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

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

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

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

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

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

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

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

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

The Group as a lessor

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

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

For 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 three months ended September 30, 2026:

(In ₹ crore)

Particulars	Category of ROU asset				
	Land	Buildings	Vehicles	Computers	Total
Balance as at July 1, 2026	**550**	**3,157**	**24**	**2,380**	**6,111**
Additions*	-	283	3	299	585
Deletions	(3)	(20)	(1)	(52)	(76)
Depreciation	(1)	(197)	(3)	(261)	(462)
Translation difference	1	6	-	11	18
Balance as at September 30, 2026	**547**	**3,229**	**23**	**2,377**	**6,176**

* *Net of adjustments on account of modifications.*

Following are the changes in the carrying value of right-of-use assets for the three months ended September 30, 2025:

(In ₹ crore)

Particulars	Category of ROU asset				
	Land	Buildings	Vehicles	Computers	Total
Balance as of July 1, 2025	**599**	**3,366**	**24**	**2,352**	**6,341**
Additions*	—	118	2	490	610
Deletions	—	—	—	(175)	(175)
Depreciation	(2)	(187)	(3)	(303)	(495)
Translation difference	3	32	1	73	109
Balance as of September 30, 2025	**600**	**3,329**	**24**	**2,437**	**6,390**

* *Net of adjustments on account of modifications*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2026:

(In ₹ crore)

Particulars	Category of ROU asset				
	Land	Buildings	Vehicles	Computers	Total
Balance as of April 1, 2026	**550**	**3,250**	**26**	**2,351**	**6,177**
Additions*	-	391	4	755	1,150
Addition due to Business Combination *(Refer to Note 2.1)*	-	5	—	—	5
Deletions	(3)	(33)	(1)	(212)	(249)
Depreciation	(3)	(383)	(6)	(507)	(899)
Translation difference	3	(1)	—	(10)	(8)
Balance as of September 30, 2026	**547**	**3,229**	**23**	**2,377**	**6,176**

* *Net of adjustments on account of modifications.*

Following are the changes in the carrying value of right-of-use assets for the six months ended September 30, 2025:

(In ₹ crore)

Particulars	Category of ROU asset				
	Land	Buildings	Vehicles	Computers	Total
Balance as of April 1, 2025	**600**	**3,348**	**24**	**2,339**	**6,311**
Additions*	—	293	3	857	1,153
Deletions	—	(19)	—	(369)	(388)
Depreciation	(3)	(374)	(6)	(576)	(959)
Translation difference	3	81	3	186	273
Balance as of September 30, 2025	**600**	**3,329**	**24**	**2,437**	**6,390**

* *Net of adjustments on account of modifications*

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the interim condensed Consolidated Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at September 30, 2026 and March 31, 2026:

(In ₹ crore)

Particulars	As at	
	September 30, 2026	March 31, 2026
Current lease liabilities	3,583	3,160
Non-current lease liabilities	4,942	6,016
Total	**8,525**	**9,176**

2.20 EARNINGS PER EQUITY SHARE

Accounting Policy

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

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

2.21 CONTINGENT LIABILITIES AND COMMITMENTS

Accounting Policy

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

2.21.1 Contingent liability

(In ₹ crore)

Particulars	As at	
	September 30, 2026	**March 31, 2026**
Contingent liabilities :		
Claims against the Group, not acknowledged as debts[(1)]	3,225	3,117
[Amount paid to statutory authorities ₹1,365 crore *(₹2,621 crore)*]		

[(1)] As at September 30, 2026 and March 31, 2026, claims against the Group not acknowledged as debts in respect of income tax matters amounted to ₹2,015 crore and ₹1,964 crore, respectively.

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

Amount paid to statutory authorities against the tax claims amounted to ₹1,332 crore and ₹2,594 crore as at September 30, 2026 and March 31, 2026,

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

2.21.3 Commitments

(In ₹ crore)

Particulars	As at	
	September 30, 2026	**March 31, 2026**
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits)[(1)]	1,222	1,341
Other commitments*	160	93

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

** Uncalled capital pertaining to investments*

2.22 RELATED PARTY TRANSACTIONS

Refer to the Company's Annual Report for the year ended March 31, 2026 for the full names and other details of the Company's subsidiaries and controlled trusts.

Changes in Subsidiaries

During the six months ended September 30, 2026, the following are the changes in the subsidiaries:

- On April 21, 2026, Infosys Nova Holdings LLC, a wholly owned subsidiary of Infosys Limited, acquired 96% of the voting interests in Stratus Global LLC along with its subsidiaries, namely Stratus Technology Services LLC, Stratus Global (India) Private Limited and Stratus Holdings International Inc. along with its subsidiary Stratus Canada Inc. The remaining 4% voting interest in Stratus Global LLC was held by New Heritage Capital Fund III-B, LP, which was also acquired as part of the same acquisition. New Heritage Capital Fund III-B, LP was liquidated effective April 22, 2026, following which Infosys Nova Holdings LLC became the direct holder of 100% of the voting interests in Stratus Global LLC and its subsidiaries.
- On May 04, 2026, Infosys Nova Holdings LLC, a wholly owned subsidiary of Infosys Limited, acquired 100% of voting interests in Optimum Achieve Holdings Inc along with its subsidiary TSC Companies LLC along with its subsidiary Optimum Healthcare IT LLC along with its subsidiaries Optimum CAN Holdings LLC, Optimum Tech Services LLC, Optimum Healthcare IT Pty Ltd, 3-102-936558 Sociedad de Responsabilidad Limitada and Optimum HIT Canada ULC.
- Guidevision UK Limited, a wholly-owned subsidiary of GuideVision, s.r.o. has been liquidated effective September 01, 2026
- In-tech Automotive Engineering Beijing Co., Ltd ("in-tech (Beijing) Information Technology Co.Ltd"), a wholly-owned subsidiary of In-tech Aut Engg Shenyang Co. Ltd, has been liquidated effective September 02, 2026

Changes in key management personnel

The following are the changes in the key management personnel:

- Diane Enberg Jurgens was appointed as an Independent Director effective April 22, 2026
- Nitin Paranjpe an Independent Director was appointed as the Vice Chairman effective April 30, 2026
- Micheal Gibbs retired as an Independent Director effective July 12, 2026

Transaction with key management personnel:

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

(In ₹ crore)

Particulars	Three months ended September 30,		Six months ended September 30,	
	2026	2025	2026	2025
Salaries and other short term employee benefits to whole-time directors and executive officers [(1)(2)]	30	30	59	60
Commission and other benefits to non-executive/independent directors	6	5	13	9
Total	**36**	**35**	**72**	**69**

(1) Total employee stock compensation expense for the three months ended September 30, 2026 and September 30, 2025 includes a charge of ₹17 crore and ₹18 crore, respectively, towards key management personnel. For the six months ended September 30, 2026 and September 30, 2025 includes a charge of ₹34 crore and ₹35 crore, respectively, towards key management personnel. (Refer to Note 2.11)

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

2.23 SEGMENT REPORTING

Ind AS 108, Operating segments, establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

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

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

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

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

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

Business Segments

Three months ended September 30, 2026 and September 30, 2025:

(In ₹ crore)

Particulars	Financial Services [1]	Manufacturing	Energy, Utilities, Resources and Services	Retail [2]	Communication [3]	Life Sciences [4]	Hi-Tech	All other segments [5]	Total
Revenue from operations	13,774	7,913	6,975	5,664	6,150	4,145	3,332	1,291	49,244
	12,320	*7,347*	*5,945*	*5,639*	*5,397*	*2,863*	*3,703*	*1,276*	*44,490*
Identifiable operating expenses	7,425	4,864	3,700	2,817	3,943	2,767	1,937	899	28,352
	7,017	*4,439*	*3,341*	*2,815*	*3,402*	*1,802*	*2,342*	*802*	25,960
Allocated expenses	2,705	1,355	1,289	1,140	1,061	747	600	306	9,203
	2,244	*1,156*	*1,098*	*1,104*	*978*	*527*	*598*	*290*	*7,995*
Segment Profit	**3,644**	**1,694**	**1,986**	**1,707**	**1,146**	**631**	**795**	**86**	**11,689**
	3,059	*1,752*	*1,506*	*1,720*	*1,017*	*534*	*763*	*184*	*10,535*
Unallocable expenses									1,359
									1,182
Other income, net									848
									982
Finance cost									115
									106
Profit before tax									**11,063**
									10,229
Income tax expense									3,225
									2,854
Net Profit									**7,838**
									7,375
Depreciation and amortization									1,359
									1,182
Non-cash expenses other than depreciation and amortization									—
									—

Six months ended September 30, 2026 and September 30, 2025:

(In ₹ crore)

Particulars	Financial Services [1]	Manufacturing	Energy, Utilities, Resources and Services	Retail [2]	Communication [3]	Life Sciences [4]	Hi-Tech	All other segments [5]	Total
Revenue from operations	27,237	15,581	13,428	11,835	11,941	7,986	7,042	2,404	97,454
	24,116	*14,151*	*11,687*	*11,290*	*10,494*	*5,607*	*6,999*	*2,425*	*86,769*
Identifiable operating expenses	14,610	9,551	7,286	6,102	7,527	5,319	4,138	1,633	56,166
	13,679	*8,713*	*6,622*	*5,729*	*6,734*	*3,512*	*4,304*	*1,465*	*50,758*
Allocated expenses	5,322	2,650	2,580	2,325	2,088	1,417	1,198	609	18,189
	4,405	*2,269*	*2,122*	*2,150*	*1,863*	*1,008*	*1,163*	*551*	*15,531*
Segment Profit	**7,305**	**3,380**	**3,562**	**3,408**	**2,326**	**1,250**	**1,706**	**162**	**23,099**
	6,032	*3,169*	*2,943*	*3,411*	*1,897*	*1,087*	*1,532*	*409*	*20,480*
Unallocable expenses									2,605
									2,323
Other income, net									1,832
									2,024
Finance cost									235
									211
Profit before tax									**22,091**
									19,970
Income tax expense									6,478
									5,670
Net Profit									**15,613**
									14,300
Depreciation and amortization expense									2,605
									2,323
Non-cash expenses other than depreciation and amortization									—
									—

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

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

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

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

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

Significant clients

No client individually accounted for more than 10% of the revenues for the three months and six months ended September 30, 2026 and September 30, 2025, respectively.

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

Nandan M. Nilekani
Chairman
DIN: 00041245

Salil Parekh
Chief Executive Officer
and Managing Director
DIN: 01876159

Bobby Parikh
Director
DIN: 00019437

Bengaluru
October 23, 2026

Jayesh Sanghrajka
Chief Financial Officer

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