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Infosys BPM Limited Annual Report 2018-19

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Board and Committees – Infosys BPM Limited

The Board of Directors

Ravikumar Singisetti
Chairman

Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

D.N. Prahlad
Independent Director

Prof. Jayanth R. Varma
Independent Director

Inderpreet Sawhney
Director

Board committees

Audit committee

Prof. Jayanth R. Varma
Chairperson and Financial Expert

D.N. Prahlad
Member

Ravikumar Singisetti
Member

Nomination and remuneration committee

Prof. Jayanth R. Varma
Chairperson

D.N. Prahlad
Member

Ravikumar Singisetti
Member

Corporate social responsibility committee

Ravikumar Singisetti
Chairperson

Anantharaman Radhakrishnan
Member

D.N. Prahlad
Member

Investment committee

Ravikumar Singisetti
Chairperson

Anantharaman Radhakrishnan
Member

Prem Joseph Pereira
Member

As on April 10, 2019

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Board's Report

Dear members,

The Board of Directors hereby submits the report of the business and operations of your Company ('the Company'), along with the audited financial statements, for the financial year ended March 31, 2019. The consolidated performance of the Company and its subsidiaries (Group) has been referred to wherever required.

1. Results of our operations and state of affairs

In ₹ crore, except per equity share data

Particulars	Standalone		Consolidated	
	For the year ended March 31,		For the year ended March 31,	
	2019	2018	2019	2018
Revenue from operations	3,932	3,061	5,900	4,518
Cost of sales	2,856	2,192	4,464	3,369
Gross profit	1,076	869	1,436	1,149
Selling and marketing expenses	200	166	212	169
General and administration expenses	318	280	477	409
Operating profit	558	423	747	571
Other income, net	225	219	211	210
Profit before tax	783	642	958	781
Tax expenses	187	173	249	209
Profit for the year	596	469	709	572
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss	(4)	(3)	(12)	(4)
Items that will be reclassified subsequently to profit or loss	1	(2)	(23)	95
Total other comprehensive income, net of tax	(3)	(5)	(35)	91
Total comprehensive income for the year	593	464	674	663
Earnings per share (EPS) [1]				
Basic	176.30	138.76	209.53	169.14
Diluted	176.30	138.76	209.53	169.14

Notes: The above figures are extracted from the audited standalone and consolidated financial statements as per Indian Accounting Standards (Ind AS).1 crore = 10 million

(1) Equity shares are at par value of ₹10 per share.

Financial Position

in ₹ crore, except equity share and per equity share data

Particulars	Standalone		Consolidated	
	For the year ended March 31,		For the year ended March 31,	
	2019	2018	2019	2018
Cash and cash equivalents	1,837	1,303	2,609	1,928
Current investments	535	458	535	458
Assets held for sale	–	–	–	–
Net current assets	2,673	2,027	3,474	2,683
Property, plant and equipment (including capital work-in-progress)	239	252	271	278
Goodwill	19	19	394	387
Other intangible assets	–	–	13	16
Other non-current assets	77	27	145	88
Total assets	4,848	3,980	6,632	5,258
Liabilities directly associated with assets held for sale	–	–	–	–
Non-current liabilities	11	10	57	35
Retained earnings – opening balance	3,407	3,961	4,080	4,435
Add :				
Profit for the year	596	469	709	572
Exchange differences on translation foreign operations and remeasurement differences	(3)	(5)	(35)	91
Transfer from Special Economic Zone Re-investment Reserve on utilization	66	24	66	24
Less :				
Dividends including dividend distribution tax	–	(1,018)	–	(1,018)
Transfer to general reserve	–	–	–	–
Transfer to Special Economic Zone Re-investment reserve[1]	(66)	(24)	(66)	(24)
Retained earnings – closing balance	4,000	3,407	4,754	4,080
Other equity	34	34	34	34
Total equity	4,034	3,441	4,788	4,114
Total equity and liabilities	4,848	3,980	6,632	5,258
Number of equity shares		3,38,27,751		3,38,27,751

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

Company's overview

Infosys BPM Limited, (IBPM), formerly Infosys BPO Limited, the business process management subsidiary of Infosys Limited, provides end-to-end transformative services to its clients globally. The company's integrated IT and BPM solutions approach drives optimized outcomes and enables it to unlock business value across industries and service lines, address business challenges for its clients helping them navigate their next. The primary focus for Infosys BPM is to enable its clients to achieve their cost reduction objectives, improve process efficiencies, enhance effectiveness, and deliver superior customer experience.

Infosys BPM Limited is a leader in providing innovative solutions to its clients in today's ever changing technology landscape through traditional, digital service offerings and vertical utility platforms.

Whether it is about utilizing innovative business excellence frameworks, ongoing productivity improvements, process reengineering, automation, and cutting-edge technology platforms, we are able to consistently add business value to our clients. Our traditional BPM service offerings, digital service offerings: Digital Transformation Services, and Digital Interactive Services and our improved platform based capability play through recent joint ventures have strengthen our capabilities.

Infosys BPM continues to be ranked leaders across industry utilities such as Insurance, Mortgage, Capital Markets, Energy, Telecom and Retail across enterprise offerings, such as Finance & Accounting, Sourcing & Procurement, and Human Resources Outsourcing as well as Digital offerings, such as Digital Interactive Services, Analytics, RPA and AI by leading analysts such as Nelsonhall, Gartner, Everest, HfS and IDC.

Infosys BPM seeks to differentiate in the market by delivering business value through deep domain expertise and technology prowess. We invest in offerings that help clients optimize their Cost of Revenues (CoR) instead of the traditional approach of optimizing just the Selling, General and Administrative (SG&A) expenses. We leverage the global delivery model to offer onshore, offshore and near shore services to clients. We have established 32 global delivery centers across Asia, the US, Australia, and Europe, keeping in mind geographic penetration, multi-lingual talent, cultural fit, and specific client requirements.

The Company has been consistently ranked among the leading BPM companies globally and has received over 60 awards and recognitions in the last 5 years, from key industry bodies and associations like the GSA, SSON, CII, NHRD, Quality Council of India, and Nasscom, among others. The company has consistently been ranked among the top employers of choice, on the basis of its industry leading HR practices. Clients find immense value through our focused strategy of helping than to navigate their next by digitally transforming their services and by enhancing experience for their stakeholders through our approach of digital automation to amplify business productivity and efficiency, insights to improve business outcomes and effectiveness and innovation to enhance stakeholder delight and experience.

Performance overview (standalone)

Our revenue from operations aggregated to ₹ 3,932 crore, up by 28.45% from ₹ 3,061 crore in the previous year.

Our gross profit amounted to ₹ 1,076 crore as against ₹ 869 crore in the previous year. The operating profit amounted to ₹ 558 crore as against ₹ 423 crore in the previous year. Sales and marketing costs were ₹ 200 crore and ₹ 166 crore for the years ended March 31, 2019 and March 31, 2018 respectively. General and administration expenses were ₹ 318 crore and ₹ 280 crore during the current year and previous year respectively. The net profit after tax was ₹ 596 crore as against ₹ 469 crore in the previous year. The profit after tax for the year is 15.16% of revenue.

Performance overview (consolidated)

Our revenue from operations aggregated to ₹ 5,900 crore, up by 30.59% from ₹ 4,518 crore in the previous year.

Our gross profit amounted to ₹ 1,436 crore as against ₹ 1,149 crore in the previous year. The operating profit amounted to ₹ 747 crore as against ₹ 571 crore in the previous year. Sales and marketing costs were ₹ 212 crore and ₹ 169 crore for the years ended March 31, 2019 and March 31, 2018 respectively. General and administration expenses were ₹ 477 crore and ₹ 409 crore during the current and previous year, respectively. The net profit after tax was ₹ 709 crore as against ₹ 572 crore in the previous year. The Group's profitability after tax for the year is 12.02 % of revenue.

The financial year 2019 was a very productive and significant one for Infosys BPM since we won multiple new logos. These logos include a German Investment Bank, a British contract foodservice company, a German Energy company and a French multinational conglomerate operating in defence, security market and transportation.

We continue to focus on moving our pricing models to outcome based and non-effort based pricing. Several of the deals were signed on fixed and outcome based pricing model in FY19. We truly have a global delivery model, with 32 delivery centers across 16 countries spread across 5 continents (7 in India; 8 rest of APAC and Australia, 7 in Europe, 5 in US and 5 in Latin America).

Infosys BPM offers business process management services in traditional enterprise services such as finance, procurement, supply chain, contact center, human resource management, legal process management and traditional industry-centric processes across banking and financial services, healthcare and insurance, life sciences, manufacturing, energy and utilities, communications and services, retail, consumer packaged goods, logistics. Digital service offerings include digital interactive services such as content management, creative design, multi-channel marketing, social media services and digital analytics value chain among others and digital transformation services such as digital process re-engineering and digital global business services.

Our strategic partnerships with Stater N.V., a wholly-owned subsidiary of ABN AMRO Bank N.V., Netherlands and Hitachi, Panasonic and Pasona in Japan, are concrete steps to build a foundation for expanding future relationships.

On March 28, 2019, Infosys Consulting Pte Limited (a wholly-owned subsidiary of Infosys Limited) entered into a definitive agreement to acquire 75% of the shareholding in Stater N.V., a wholly-owned subsidiary of ABN AMRO Bank N.V., Netherlands, for a consideration including base purchase price of up to € 127.5 million (approximately ₹ 990 crore) and customary closing adjustments, subject to regulatory approvals and fulfilment of closing conditions.

On April 1, 2019, Infosys Consulting Pte Ltd. (a wholly-owned subsidiary of Infosys Limited) acquired 81% voting interests in Hitachi Procurement Service Co., Ltd., (HIPUS), Japan, a wholly-owned subsidiary of Hitachi Ltd, Japan for a total cash consideration of JPY 3.29 billion (approximately ₹ 206 crore) on fulfilment of closing conditions. The Company has paid an advance of JPY 3.29 billion (approximately ₹ 206 crore) to Hitachi towards cash consideration on March 29, 2019. HIPUS handles indirect materials - purchasing functions for the Hitachi Group. As of April 12, 2019 (i.e., the date of adoption of financial statements by the Board of Directors), the Company is in the process of finalizing the accounting for acquisition of HIPUS, including allocation of purchase consideration to identifiable assets and liabilities.

Infosys believes that improving client experience and amplifying human potential is more powerful than just improving efficiency or productivity. A multi-pronged approach of combining the business of digital with business process transformation provides a significant edge for Infosys BPM in value delivery. While we continue to deliver efficiency and productivity with unprecedented agility, we also have powerful stories of reimagined business processes by blending automation with some of the cognitive digital solutions. Competency will be a sum total of technological advances and our integrated business domain people + software: 'humanware'. These combined will form the plinth of successful, error-free business processes.

Infosys BPM has aligned its strategy and investments towards helping clients 'Navigate their Next' and enhance stakeholder experience. The world around us is being reshaped by disruptive trends. These trends like automation, adoption of Artificial Intelligence, use of machine learning and technologies, IoT and Blockchain, calls for all of us to relook at the way we do things. Our approach involves navigating our clients through our digital navigation framework so they can experience their next in their digital journey and this has started. transforming the way, we operate and what we'll be achieving in the years to come.

2. Human resource management

Talent development was one of our strategic priorities in FY 19 and the focus was on talent refactoring on the new age skills and getting our leadership talent ready to take on larger roles as we expanded across geographies and delivered new services.

466 leaders at level senior managers and above were covered in focused leadership programs such as business storytelling, consulting skills, executive presence, digital transformation, etc.

Talent refactoring was a major focus with coverage of 12500+ BPM employees across all levels trained on new age skills like RPA, analytics and digital. This had a huge impact on our talent and business metrics. 100% of the nominated resources from the pool of reskilled workforce, have either progressed or promoted in their roles. 55% of the 'Be The Navigator Projects' in FY 19 were led by reskilled employees, which translated into benefits of USD 65.8 mil; FTE reduction: 321.5. Lex Adoption was another key area where we saw 45% of the employees using Lex for continuous development.

To support clients and business, the teams worked collaboratively between the client, Infosys sales business teams, other partners and various functions of HR to ensure smooth and noise free people transfers from other organizations to Infosys. There were 3 major people transfer solutions conceptualized and smoothly executed with sensitivity during the course of the year.

It has been a flagship year for BPM in terms of commitment to the Employee Value Proposition of careers for two reasons –

1. Launch of Project Ascent for succession planning and pipeline building.
2. Revamping of Internal Job Posting policy to cater to new age talent and their aspirations.

The performance management. practice strived to enable mangers through MOT (Moment of Truth) – the performance calibration sessions. There are 8 units which have covered some milestones in this journey.

The Talent Acquisition function despite increasing spread and focus on niche and disparate skill sets, has performed quite admirably in delivering what is expected by the organization.

This year saw many new skill sets as part of requirements including latest technologies, digital, automation, analytics, in line with our overall vision. Several new initiatives were implemented including new assessment methods and automation initiatives to ensure focus on internal processes and external compliance. In FY19, we hired 13,850 headcounts globally through external hiring in comparison to 10,417 headcounts in FY 2018.

Project Genesis is our flagship CSR program which is a unique industry-academia partnership initiative to train academicians on industry ready curriculum. Through this program we have reached 20000+ students through 400+ academicians this year. The Rural Student Development Program which focuses on disabled and unemployed youth in tier 2 and 3 towns, nearly 1,583 students were trained on employability skills and 72% of the final year students have received placements in various organizations. Igniting young minds and raising aspirations is an integral part of our CSR initiatives and through our Student Outreach Program and Project Genesis Portal 8,600+ students were touched. The National Digital Literacy Mission (NDLM) is aligned to the Government of India's vision of making at least one person in each household in the country, digitally literate by the year 2020. In collaboration with NASSCOM Foundation we continue to support 5 NDLM (4 in Karnataka and 1 in Maharashtra), one center in Karnataka is specifically for people with disabilities. A total of 3,988 people were trained to be digitally literate in these centers. We continue to support 13 digital classrooms in government schools in Karnataka, Andhra Pradesh, Telangana, Tamil Nadu and Maharashtra in association with an NGO, with the objective to create a knowledgeable and empowered rural India through quality education. 900+ students have benefited from these educational facilities.

Our vision is to create an inclusive work place and leverage the power of diversity for sustainable competitive advantage. We have 80+ nationalities working at IBPM across the globe. Our Initiatives are categorized under three areas IWIN (Infosys Women's Inclusivity Network) for Gender Diversity, Infyability for Employees with Disability and Multicultural Diversity/Creating common ground.

Our prime focus of creating an exclusivity, celebrating high performance and encouraging continuous learning paved way for 'The Glory' initiative for a targeted group of high performers in the organization.

Our flagship program for the global teams 'Geo Ambassador' continues to not only foster a higher level of engagement but also strengthen and prepare pipeline of future-ready leaders across geos with a global perspective on the brand value and Employee Value Proposition (EVP) of Infosys.

Our ideation model of ideas-shared, ideas-implemented and ideas-rewarded continues to encourage idea generation and innovation for our employees. 'Careers for you' drive created a world of newer opportunities, avenues and platforms for our employees across delivery centers.

BPHR team transcends through the Employee Engagement Council in driving engagement initiatives and programs to influence better retention, the Amplifier program continuing to strengthen and build capabilities of 1500+ team leads, Club Elite recognizing 200+ its members and 300+ families, Inspiring Team Leader completing its journey of 9 seasons and 195 awards to recognize exceptional performers, achievers in area of operational excellence and client satisfaction.

Alumni

Alumni Portal was launched exclusively for ex-Infoscions to reengage, reconnect and stay connected. This portal has got features like My Documents, ServCentrale, FAQs and Insurance details. 15,569 ex-Infoscions have registered on the portal, 288 ex-Infoscions have availed services through ServCentrale (query management), Birthday wishes were sent to 31,455 ex-Infoscions.

Employee engagement and SAFE perspective

Infosys BPM is committed to provide a healthy, safe and fun filled environment to employees. In order to substantiate these very important aspects, we organize various employee engagement programs and provide forums for employees to showcase their hidden talent.

To name a few major employee connect programs conducted in the last financial year, we organized 500 different engagement activities providing 1,52,600 unique employee experience touch points. Annual day and family day celebrations / events conducted covered more than 12,500 employees (43%) and 'Mind and Body' connect programs across locations enabling over 12,000 (42%) employees from an emotional wellbeing perspective.

Particulars of employees

The Company had 34,317 number of employees as on March 31, 2019. As per Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement containing the names of top 10 employees in terms of remuneration drawn, details of employees posted in India throughout the fiscal and in receipt of a remuneration of ₹1.02 crore or more per annum, details of employees posted in India for part of the year and in receipt of ₹ 8.5 lakh or more a month is enclosed as Annexure 3 to the Board's report.

The details of employees posted outside India and in receipt of a remuneration of ₹ 60 Lakh or more per annum or ₹ 5 lakh or more a month can be made available on request.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We have a mechanism in place to foster a positive work place environment free from harassment of any nature. We have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the work place. Our global policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land wherever we operate. Our ASHI policy applies to everyone involved in the operations of the Company, including vendors and clients.

We have also constituted an Internal Complaints Committee (ICC)* in all locations across India to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The cases are heard and resolved by an independent group.

Our whistleblower policy assures complete anonymity and confidentiality of information to the reporting individual.

We have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we continue to address complaints of sexual harassment at the work place. Our global policy assures discretion and guarantees non-retaliation to complainants.

Keeping the objective of fostering a positive work place environment and free from harassment, we conduct the following awareness campaigns:

- Orientation of new joiners on the Anti-Sexual Harassment Initiative (ASHI)
- Refresher Training sessions, floor walks and an online quiz on ASHI Awareness
- Regular mailers for ASHI awareness
- ASHI awareness session for our contractual staff in India and International Centers
- Local language ASHI posters placed across locations
- ASHI Awareness Video published on LEX

The details of ASHI cases for the fiscal year 2019:

- Number of cases filed - 21
- Disposal by conciliation - 1
- Disposal by disciplinary action(s) – 19

*04 cases evaluated by the Internal Complaints Committee (ICC) were reported in March 2019 and the investigation process was under way as on March 31, 2019.

Liquidity

Our principal sources of liquidity are cash and cash equivalents and the cash flow that we generate from our operations. We continue to be debt-free and maintain sufficient cash to meet our strategic and operational requirements. We understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business requirements. Liquidity enables us to be agile and ready for meeting unforeseen strategic and business needs. We believe that our working capital is sufficient to meet our current requirements.

Dividend

The directors have not recommended any dividend for the financial year ended March 31, 2019.

Transfer to reserves

The Company does not propose to carry any amount to General reserves.

Particulars of loans, guarantees or investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements.

Fixed deposits

We have not accepted any fixed deposits including from the public and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

Particulars of contracts or arrangements made with related parties

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure 2 to the Board's report.

Material changes and commitments affecting financial position between the end of the financial year and date of report

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

Share capital

During the year under review, the Company has not issued any shares and hence the outstanding issued, subscribed and paid up equity share capital stands at ₹ 33,82,77,510 as on March 31, 2019 (₹ 33,82,77,510 as on March 31, 2018).

Subsidiaries

As on March 31, 2019, we have five wholly-owned subsidiaries, namely – Infosys (Czech Republic) Limited s.r.o (formerly Infosys BPO s.r.o), Infosys Poland Sp. z o.o. (formerly Infosys BPO Poland, Sp. z.o.o), Infosys McCamish Systems LLC, Portland Group Pty. Limited and Infosys BPO Americas LLC. The Company does not have any associate company.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as Annexure 1 to the Board's report. The statement also provides the details of performance, financial positions of each of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website www.infosysbpm.com. These documents will also be available for inspection by members during business hours at our registered office in Bengaluru, India.

A. Infosys (Czech Republic) Limited s.r.o

Infosys (Czech Republic) Limited s.r.o had a good fiscal year. The Company has grown by 58 % on revenue terms year on year and expanded its portfolio of annuity clients by six new projects. The expansion took place mainly in the domain areas of Customer Service, Digital, HRO, and IT Service Management. The business growth has driven expansion of the facilities and the center has added 120 seats to its delivery capacity. Despite high utilization of the center, the growth and corresponding investments into facility and hiring has put profitability under pressure towards the second half of the fiscal year. The center has successfully delivered several transformation projects to Infosys clients and is positioned as a center with the right combination of technical and language skills. During the fiscal, Infosys (Czech Republic) Limited s.r.o retained its place in the board of ABSL (Business Services Association) Czech Republic.

During the year under review the Company generated revenue of ₹ 123 crore as against a revenue of ₹ 78 crore for the year ended on March 31, 2018 with a profit of ₹ 4 crore against the profit of ₹ 1 crore for the year ended on March 31, 2018.

B. Infosys Poland Sp. z o. o.

The Lodz Delivery Center revenue has reduced 2.1% YoY. Lodz DC is focusing on F&A, Sourcing and Procurement, Master Data Management, Business Analytics and high-end services (Tax, SOX Compliance, FP&A Consolidation of financial statements) as well as European language based services as a part of Infosys global delivery model. The Center also offers business transformation services for local market companies.

During the year under review, the revenue were ₹ 508 crore as against revenue of ₹ 519 crore for the period ended March 31, 2018 with a profit of ₹ 28 crore as against a profit of ₹ 68 crore for the period ended March 31, 2018.

C. Infosys McCamish Systems LLC

During the year under review, the financial performance has significantly improved over the prior fiscal, continuing the upward trend. We are seeing good traction in new geographical markets including India, Asia-Pacific (APAC), South America and Japan. In the US, large life insurance companies continues to invest in modernizing legacy policy administration systems while focusing on improved customer engagement. Fiscal 2019 saw more clients in Life and Annuity, and producer services businesses expanding relationship with us. Multiple strategic contracts were renewed. Additional line of service were opened with another P&C client win for our PMACS® product. We implemented a new client with Spanish capability in South America for VPAS®. We continue to invest in updating our platform to provide strong and robust solution to match the market trends and to stay ahead of competition.

The analyst community, including Gartner, HfS and Novarica, refers to us positively. The Retirement Services business unit continues its money market leadership position.

During the year under review, the revenue were ₹ 1,289 crore as against revenue of ₹ 820 crore for the period ended March 31, 2018 with a net profit of ₹ 86 crore as against a profit of ₹ 67 crore for the period ended March 31, 2018.

D Portland Group Pty. Limited

Infosys Portland (Portland Group Pty Ltd) had a steady year, largely maintaining consulting revenue and headcount in operating regions, whilst increasing revenue from software on-sell agreements. The expansion of the US business continued and a strong pipeline of consulting work for FY20 was visible across the business as at year-end FY19.

During the year under review, the Company generated a revenue of ₹ 142 crore as against a revenue of ₹ 89 crore for the previous year ended on March 31, 2018 and with a profit of ₹ 8 crore against the profit of ₹ 2 crore for the year ended on March 31, 2018.

E Infosys BPO Americas LLC

Infosys BPO Americas LLC, an entity that was incorporated during 2016 and is in the process of completing multi state and offshore licensing. As on May 22, 2019, the entity has received regulatory approvals from 44 states and has started evaluating the requirements needed for licensing in India. As of May 22, 2019, the entity has 39 billable full time employees, running a few originations related processes for PennyMac. As a part of these operations we currently run a call center as well as a few data processes. Starting soon the call center effort is going to be realigned to add more work on core origination processes with the client. We are currently scoping and planning execution of this shift of effort from the call center to back processes.

During the year under review, the revenue was ₹ 10 crore as against revenue of Nil for the period ended March 31, 2018 and with a loss of ₹ 2 crore against loss of ₹ 5 crore for the year ended on March 31, 2018.

Awards and recognition

During the year under review, your Company received numerous awards and recognition, both international and national. Here is a quick glimpse:

- Best CSR Practice Award in IT sector at the CSR Summit & Awards 2019 (Innovating for a Better world to create a Sustainable Impact) by UBS Forums
- TISS LeapVault CLO Awards under the category - L&D Team of the Year, August 2018
- Runner-up at Dale Carnegie Global Leadership Award 2018 on the topic Leadership Management - L&D Team of the Year, October 2018
- Runner-up at People Matters L&D Awards 2018 under the category, Best in future tech skill Building - L&D Team of the Year, October 2018
- Won the 3rd place at NHRD Tech Heart under the category HR Showcase - L&D Team of the Year, December 2018

Industry analyst recognition

Digital Transformation Services

- A leader in NeslonHall's Digital Transformation through RPA & AI NEAT, June 2018
- Winners in HFS' Blueprint: Digital OneOffice, May 2018
- Winners in HFS' Blueprint: Smart Analytics, May 2018
- Ranked 10th in HFS' Top 10 RPA Service Providers, November 2018
- Major contender in Everest Group's Analytics BPS PEAK Matrix™ Assessment, May 2018

Finance and Accounting

- Leaders in Everest Group's Finance & Accounting PEAK Matrix™ Assessment, March 2019
- Leaders in ISG Provider Lens™ Finance & Accounting Outsourcing Archetype Report, June 2018
- Leaders in ISG Provider Lens™ Finance & Accounting Digital Outsourcing Quadrant Report, August 2018
- Major contender in Everest Group's Finance & Accounting Digital Augmentation Suite (F&A DAS) PEAK Matrix™ Assessment, August 2018

Sourcing and Procurement

- A leader in NelsonHall's Sourcing & Procurement NEAT, September 2018

Customer Services

- Ranked 10th in HFS Top 10 Front Office Customer Engagement Operations Services, January 2019
- Aspirant in Everest Group's Contact Center Outsourcing (CCO) PEAK Matrix™ Assessment, June 2018

Human resources outsourcing

- Major contender in Everest Group's MPHRO PEAK Matrix™ Assessment, January 2019
- A leader in NelsonHall's Multi Process HR Services, November 2018
- An innovator in NelsonHall's Learning BPS NEAT, June 2018
- A major player in NelsonHall's Payroll Services NEAT, March 2019

Banking and financial services

- A Leader in NelsonHall's RPA & AI in Banking NEAT, March 2019
- Winners in HFS' Blueprint: BFS Operations, April 2018
- Major contender in the Everest Group's Mortgage BPO PEAK Matrix™ Assessment, January 2019

- Major contender in Everest Group's Capital Markets BPO PEAK Matrix™ Assessment, September 2018
- Major contender in Everest Group's Know your Customer – Anti Money Laundering (KYC-AML) BPO PEAK Matrix™ Assessment, June 2018
- Major contender in Everest Group's Banking BPO Digital Capability Platform (DCP) PEAK Matrix™ Assessment, March 2018

Insurance

- Infosys McCamish Named a Leader in Gartner's Magic Quadrant for Life Insurance Policy Administration Systems, North America, August 2018*
- Major contender in Everest Group's Property & Causality Insurance BPO PEAK Matrix™ Assessment, March 2019
- Major contender and Star Performer in Everest Group's Life and Pensions Insurance BPO PEAK Matrix™ Assessment, October 2018
- Major contender Everest Group's Insurance TPA PEAK Matrix™ Assessment, June 2018
- High performer in HFS' Blueprint: Insurance Operations, May 2018

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Manufacturing

- A major player in IDC MarketScape: Worldwide Manufacturing PLM Systems Integrator and BPO Services, October 2018

Telecom

- Winners in HFS' Blueprint: Telecom Operation, July 2018

Travel, Hospitality & Logistics

- Ranked 7th in HFS' Top 10 Travel, Hospitality and Logistics Service Provider, October 2018

Quality

In alignment with our focus last year on working alongside clients to catalyze and co-create business value and enhance stakeholder experience, the function has made significant progress through Zero Distance, Productivity Improvement, Data Analytics, Lean and Knowledge Management. This has been affirmed through several stakeholder commendations, external validations through audits and assessments and several awards won by the function during the year.

Key highlights are

- Quality team has led the Mission Productivity from front, through various initiatives like lean deployment, capacity modelling, data analytics and Sapience run across a large number of projects. The improvement projects at IBPM have won several awards from coveted industry bodies like Indian Statistical Institute and National Quality Excellence (NQEA), the star of them all being winning the client CXO award;
- The knowledge management initiatives spearheaded by the Quality function have borne excellent results. The KM certification program added 97 certified KM practitioners during the year. These practitioners contributed close to 30 best practices resulting in a value add of close to $60K;
- Staying attuned to the focus on strengthening delivery the several early stage interventions focused on ensuring 'Right First Time' like Solution design to Transition handover assessment, The transition Health Review, the 90 Days Post go live assessments, the Quality Health Review have been noteworthy and has shown results in reduction of repeat errors and risk occurrences.
- The team played the lead role in migrating our Quality Management system to the requirements of ISO 9001:2015 and getting certified in a short time frame of 12 months, making it one of the shortest time span in the industry. The team successfully fronted the SOC (ISAE 3402 / SSAE 18) audits at enterprise level and has enabled us achieved a Non-Qualified (clean) report for the 7th year in a row.

3. Corporate governance philosophy

Corporate governance is about maximizing shareholder value legally, ethically and sustainably. At Infosys BPM, the goal of corporate governance is to ensure fairness to every stakeholder. We believe sound corporate governance is critical to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long term shareholder value and respect minority rights in all our business decisions. Our Corporate governance report for fiscal 2019 forms part of this Annual Report. We wish to state that your Company has complied with all norms of corporate governance applicable to Unlisted Public Companies as envisaged under the Companies Act, 2013.

Number of meetings of the Board

The Board met four times during the financial year, the details of which are given in the corporate governance report that forms part of this Annual Report. The intervening gap between any two meetings were within the period prescribed by the Companies Act, 2013.

Policy on directors' appointment and remuneration

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. The Board consists of five members, two non-executive, one executive, and two independent directors. The Board periodically evaluates the need for change in its composition and size. The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is available on the website of the Company at www.infosysbpm.com. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

Declaration by independent directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Board evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The Board had evaluated during fiscal 2019, the performance of all the directors as per the requirements of the Companies Act, 2013. The outcome of the Board evaluation for fiscal 2019 was discussed by the nomination and remuneration committee and the Board at the meetings held on April 10, 2019.

Directors and key managerial personnel (KMP)

Inductions

The Board, on the recommendation of the nomination and remuneration committee, made the following appointments during the year under review:

- Inderpreet Sawhney was appointed as Director with effect from October 13, 2018.
- Prem Joseph Pereira was appointed as Chief Financial Officer and KMP, effective January 17, 2019.

Retirement and Resignation

- Sangita Singh resigned as Director effective June 23, 2018.
- Nishit Ajitkumar Shah resigned as Chief Financial Officer and KMP effective January 16, 2019.

Re-appointment

- Jayanth R Varma was re-appointed as an Independent Director effective April 1, 2019.
- As per the provisions of the Companies Act, 2013, Anantharaman Radhakrishnan, who has been longest in the office, retires by rotation at the ensuing AGM and, being eligible, seeks reappointment. The Board recommends his reappointment based on performance evaluation.

Committees of the Board

As on March 31, 2019, the Board had four committees:

The audit committee, the nomination and remuneration committee, the corporate social responsibility committee, and the investment committee. The composition, functions, scope, number of meetings held and attended by the members, etc., of each committee are furnished in the Corporate governance report which forms part of this Annual Report.

Internal financial control and its adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Director's responsibility statement

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values, the provisions of the Act (to the extent notified). The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. 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 directors confirm that:

- In preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed there are no material departures.
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- They have prepared the annual accounts on a going concern basis.
- They have laid down internal financial controls, which are adequate and are operating effectively.
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

4. Audit reports and auditors

- The Auditors' Report for fiscal 2019 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.
- The Secretarial Auditors' Report for fiscal 2019 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as Annexure 4 in this Annual Report.

Auditors

Statutory auditors

Under Section 139 of the Indian Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. In line with the requirements of the Companies Act, 2013, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number 117366 W/W 100018) ('Deloitte') was appointed as the statutory auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 15th Annual General Meeting of the Company till the conclusion of the 20th Annual General Meeting to be held in the year 2022. The requirement of the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

During the year the statutory auditors have confirmed that they satisfy the independence criteria required under Companies Act 2013, Code of ethics issued by Institute of Chartered Accountants of India.

Secretarial audit

As required under Section 204 of the Companies Act, 2013 and Rules thereunder, the Board has appointed Parameshwar G. Hegde of Hegde & Hegde, Practicing Company Secretaries, as secretarial auditor of the Company for fiscal 2020.

Cost records and cost audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

Reporting of frauds by auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Annual return

In accordance with the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure 5 to the Board's report.

5. Risk management framework

Your Company has always taken a comprehensive view to risk management to address risks inherent to clients as well as enterprise. The risk management report form part of this Annual Report.

6. Corporate social responsibility

The Company through Infosys Foundation has undertaken various CSR programs like eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development. The funds were allocated to a corpus and utilized through the year on these activities which are in accordance with the purposes specified in Schedule VII of the Companies Act, 2013.

The total CSR spend by the Company during the financial year was ₹15.50 crore. The committee is responsible for formulating CSR policy and monitoring the CSR activities of the Company.

The CSR policy and initiatives taken by the Company on Corporate Social Responsibility during the year are available on the Company's website, www.infosysbpm.com. Annual Report on CSR activities is attached as Annexure 6 to the Board's report.

7. Conservation of energy, technology absorption, foreign exchange earnings and outgo.

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as Annexure 7 to the Board's report.

Acknowledgments

We thank our customers, vendors, investors and bankers for their continued support during the year. The Board also places on record its appreciation of the contribution made by employees at all levels.

The Board also acknowledges the cooperation and support extended by Government authorities of various countries where the Company has operations: the Government of India, particularly the Ministry of Labour and Employment, the Ministry of Communication and Information Technology, the Ministry of Commerce and industry, the Ministry of Corporate Affairs, the Ministry of Finance, the Central Board of Indirect Taxes and Customs, the Central Board of Direct Taxes, the Reserve Bank of India, the State Governments, the Software Technology Parks (STPs) / Special Economic Zones (SEZs) – Bengaluru, Chennai, Gurugram, Jaipur, Pune and other government agencies for their support and look forward to their continued support in the future.

for and on behalf of the Board of Directors

	Sd / -	Sd / -
Bengaluru	Ravikumar Singisetti *Chairman and Director*	Anantharaman Radhakrishnan *Managing Director and Chief Executive Officer*
April 10, 2019		

Annexure 1 – Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 – AOC-1]

List of Subsidaiaries

(₹ crore except % of)

Name of the subsidiary	Financial period ended	Date of Acquisition	Exchange rate/ Reporting currency	Share capital	Reserves and surplus	Total assets	Total liabilities (excluding share capital and reserves and surplus)	Investments*	[(1)]Turnover	[(1)]Profit / (loss) before taxation	[(1)]Provision for taxation	[(1)] Profit / (loss) after taxation
Infosys (Czech Republic) Limited s.r.o[(2)(3)] (formerly Infosys BPO s.r.o)	March 31, 2019	NA	1 CZK = ₹ 3.01	3	65	108	40	10	123	5	1	4
Infosys Poland Sp. z o.o. [(2)] (formerly Infosys BPO Poland, Sp. z.o.o)	March 31, 2019	October 1, 2007	1 PLN = ₹ 18.07	4	570	691	117	23	508	37	9	28
Infosys McCamish Systems LLC [(2)]	March 31, 2019	December 4, 2009	1 USD = ₹ 69.16	175	89	1,044	780	–	1,289	132	46	86
Portland Group Pty. Limited [(2)]	March 31, 2019	January 4, 2012	1 AUD = ₹ 49.02	18	97	207	92	–	142	12	4	8
Infosys BPO Americas LLC[(2)(4)]	March 31, 2019	NA	1 USD = ₹ 69.16	20	(10)	18	8	–	10	(2)	–	(2)

[(1)] Converted at monthly average exchange rates

[(2)] Wholly-owned subsidiary of Infosys BPM Limited

(3) Incorporated effective Febraury 04, 2004
(4) Incorporated effective November 20, 2015

for Shenoy & Kamath
Chartered Accountants
Firm's Registration Number: 006673S

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

M. Rathnakar Kamath
Partner
Membership No. 202841

Ravikumar Singisetti
Director

Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

Bengaluru
January 9, 2019

D. N. Prahlad
Director

Inderpreet Sawhney
Director

Prof. Jayanth R. Varma
Director

Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Annexure 2 – Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

As per Section 188 of the Companies Act, 2013, whenever a company avails or renders any service directly or through agents amounting to 10% or more of the turnover of the company or ₹ 50 crore, whichever is lower, prior approval of the shareholders is required. However, shareholders' approval for such transactions need not be sought if the transactions are between the holding company and its wholly-owned subsidiaries whose accounts are consolidated with the holding company and placed for shareholders' approval.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered during the year ended March 31, 2019 which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for IBPM standalone for the year ended March 31, 2019 are as follows :

In ₹ crore

Name of related party	Nature of relationship	Duration of contract	Salient terms [1]	Amount
Revenue transactions :				
Purchase of services				
Infosys Limited	Holding Company	Apr 1, 2012 – ongoing	Based on transfer pricing guidelines	101
Purchase of shared services including facilities and personnel				
Infosys Limited	Holding Company	Apr 1, 2012 – ongoing	Based on transfer pricing guidelines	27
Sale of services				
Infosys Limited	Holding Company	Apr 1, 2012 – ongoing	Based on transfer pricing guidelines	655
Sale of shared services including facilities and personnel				
Infosys Limited	Holding Company	Apr 1, 2012 – ongoing	Based on transfer pricing guidelines	3

[1] Appropriate approvals have been taken for related party transactions.

for and on behalf of the Board of Directors

Bengaluru
April 10, 2019

Sd / -
Ravikumar Singisetti
Chairman and Director

Sd / -
Anantharaman Radhakrishnan
Chief Executive Officer and Managing Director

Annexure 3 – Particulars of employees

Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Top 10 employees in terms of remuneration drawn during the year

S l . no	Name	Designation	Education qualification	Age	Experience (in years)	Gross Remuneration in fiscal 2019 (in ₹)	Previous employment and Designation
1	Kapil Jain	Global Head of Sales and Capability	BE, MS, MBA	52	29	4,92,58,852	Infosys Limited, Senior Engagement Manager
2	Vivek Sharma	Sales Head	BE, PGD	48	24	4,01,61,605	Igate Global Solutions, Group Sales Manager
3	Binod Choudhary	Business Head	BE, MA, PGD	58	30	3,19,95,149	Equinox - I Flex, Vice President
4	Timothy Mai	Senior Industry Principal	BS, MBA	56	31	3,03,31,696	Yahoo, Director, Global Procurement
5	Radhakrishnan Anantharaman	Chief Executive Officer & Managing Director - BPM	BE, PGD	51	28	2,95,22,110	Infosys Limited, AVP & GEM
6	Madhusudan Hegde	Sales Head	BE, MMS	45	22	2,93,59,212	Syntel INC, Divisional Manager
7	Srikrishna Koneru	Strategic Business Practice Head - Sourcing & Procurement	BE, PGD	54	31	2,69,32,124	HP Global Business OPS, Client Manager
8	Neil Simon Lawson	Client Partner	Diploma	54	20	2,65,74,533	Accenture, Global BPO Sales Director
9	John Thottungal	Sales Head	BE, MMS	44	23	2,63,68,759	ICICI Prudential, Manager
10	Sreekant Natarajan	Senior Business Development Manager	BE, MBA	43	13	2,49,36,083	HCL, Great Britan, Senior Area Sales Manager

Notes: The details in the above table is based on payouts made during the year.

For overseas employees, the average exchange rates have been used for conversion to Indian Rupees.

#Remuneration comprises of basic salary, allowances and taxable value of perquisites

Employees drawing a remuneration of ₹ 1.02 crore or above per annum and posted in India

Sl No.	Name	Designation	Educational qualification	Age	Experience (in years)	Gross Remuneration in fiscal 2019 (in ₹)	Previous employment and Designation
1	Raghavendra K	Head Human Resource Development - BPM	B.Com, PGD	58	34	1,78,29,550	Strides Acrolab Ltd, VP - HR
2	Anup Kapoor	Global Head Operations - IBPM	CA	53	20	1,64,65,664	Anasal Properities & Infra Ltd, Chief Financial Officer
3	Sheshadri B C	Business Head - Delivery Excellence	B.Sc., LLB, MBA	55	33	1,38,09,871	Infosys Limited, Delivery Manager
4	Dependra Mathur	Head - Compensation & Benefits and International HR	BE, PGD	54	30	1,24,54,570	WEP PERIPHERALS, General Manager
5	Srimathi Kanakapura Swamy	Head - Technology Services - IBPM	BE	49	28	1,10,65,943	Infosys Limited, Group Project Manager
6	Binny Mathews	Business Head	B.Sc., PGD	50	25	1,10,41,148	Mjunction Services Ltd, Senior General Manager

Sl No.	Name	Designation	Educational qualification	Age	Experience (in years)	Gross Remuneration in fiscal 2019 (in ₹)	Previous employment and Designation
7	Vijay Narsapur	Strategic Business Practice Head - Customer Experience & Human Resource Management	B.Tech., PGD	47	23	1,08,95,667	Aditya Birla Minacs, Senior Vice President - Operations
8	V Raja	Head - Global Transition and Solutions - BPM	BE, PGD	51	28	1,06,49,163	Maven BPO Services, Chief Operating Officer
9	Geetha Das	Business Head - Technology Solutions and Automation	B. Tech., M.Tech	55	29	1,04,43,518	Infosys Limited, Head - IS Business Services
10	Satish Nair	Business Head - New BPM	BE, MBA	47	21	1,03,60,314	Fabmall (India) Pvt Ltd, Head - Technology & Service
11	Vinay Gopala Rao	Strategic Business Practice Head - Finance & Accounting	B.Com., CA	51	27	1,03,50,912	K P Rao and Company, Partner

Employed for part of the year with an average salary above ₹ 8.5 lakhs per month posted in India

Sl No.	Name	Designation	Educational qualification	Age	Experience (in years)	Gross Remuneration in fiscal 2019 (in ₹)	Previous employment and Designation
1	Nishit Ajit Shah	Chief Financial Officer - IBPM	B.Com, CA	46	20	1,08,98,464	Infosys Limited, Unit Financial Controller
2	Ramakrishnan Natarajan	Business Head - Technology Support & Optimization	B.Sc., PGDM	60	32	90,31,491	Loreal India Ltd, Logistics Manager
3	Praveen Gopalkrishna Kombial	Business Head - Financial Services, Healthcare, Insurance and Life Sciences	B.Tech., PGDBM	46	22	86,67,424	Ge Country Wide, AVP - Risk

Notes: The details in the above table is based on payouts made during the year.

#Remuneration comprises of basic salary, allowances and taxable value of perquisites

for and on behalf of the Board of Directors

Bengaluru
April 10, 2019

Sd / -
Ravikumar Singisetti
Chairman and Director

Sd / -
Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

Annexure 4 – Secretarial audit report for the financial year ended March 31, 2019

(Pursuant to section 204 (1) of Companies Act 2013 and rule No 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members, Infosys BPM Limited,

Plot Nos 26/3, 26/4 & 26/6

Electronics City, Hosur Road Bangalore-560100

Karnataka, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Infosys BPM Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of :

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment, if any, and

iii. Other laws applicable specifically to the Company namely :

   a. The Information Technology Act, 2000 and the rules made thereunder;

   b. The Special Economic Zones Act, 2005 and the rules made thereunder;

   c. Software Technology Parks of India rules and regulations 2004;

   d. The Patents Act, 1970;

   e. The Trade Marks Act, 1999.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

I report that, during the period under review the Company has complied with the provisions of the Acts, rules, regulations and standards mentioned above.

I further report that, being an unlisted Company, during the audit period, the following Acts and rules and regulations made thereunder were not applicable to the Company:

(i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iii) The Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations and Guidelines made / issued thereunder;

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by statutory financial audit, tax audit and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates/reports taken on record by the Board of Directors of the Company, in my opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that, during the audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

Place: Bengaluru
Date: April 10, 2019

Sd/-
P. G. Hegde
Hegde & Hegde
Company Secretaries
FCS: 1325/ C.P.No: 640

Annexure 5 – Extract of annual return

Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Registration and other details :

Corporate Identity Number (CIN) of the Company	U 7 2 2 0 0 K A 2 0 0 2 P L C 0 3 0 3 1 0
Registration date	April 3, 2002
Name of the Company	Infosys BPM Limited
Category / sub category of the Company	Company Limited by shares Public non-government company
Address of the registered office and contact details	Electronics City, Hosur Road, Bengaluru, Karnataka, India Tel : 91 80 2852 2405 Fax : 91 80 2852 2411 email : cosecretarybpm@infosys.com website : www.infosysbpm.com
Listed company (Yes / No)	No
Name, address and contact details of registrar and transfer agent, if any	Karvy Fintech Private Limited Unit : Infosys Limited, Karvy Selenium Tower B Plot 31-32, Serilingampally, Financial District Nanakramguda, Hyderabad – 500 032 Contact person Shobha Anand Assistant General Manager Tel : 91 40 67161559 email : shobha.anand@karvy.com

Principal business activities of the Company

Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
Business Process Management Services	631	100

Particulars of holding, subsidiary and associate companies

Particulars	Country	CIN / GLN	Holding / subsidiary/ associate	% of shares held	Applicable
Infosys Limited	India	L85110KA1981PLC013115	Holding	99.98	2 (46)
Infosys (Czech Republic) Limited s.r.o	Czech Republic	NA	Subsidiary	100	2 (87)
Infosys Poland Sp.z.o.o	Poland	NA	Subsidiary	100	2 (87)
Infosys McCamish Systems LLC	US	NA	Subsidiary	100	2 (87)
Portland Group Pty Limited	Australia	NA	Subsidiary	100	2 (87)
Infosys BPO Americas LLC	US	NA	Subsidiary	100	2 (87)

Share holding pattern (equity share capital breakup as percentage of total equity)

(i) Category-wise share holding

Category of shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)Promoter and promoter group									
(1) Indian									
(a) Individual / HUF	–	–	–	–	–	–	–	–	–
(b) Central Government	–	–	–	–	–	–	–	–	–
(c) State Government(s)	–	–	–	–	–	–	–	–	–
(d) Bodies Corporate	3,38,22,319	–	3,38,22,319	99.98	3,38,22,319	–	3,38,22,319	99.98	–
(e) Banks / Financial Institutions	–	–	–	–	–	–	–	–	–
(f) Any other	–	–	–	–	–	–	–	–	–
Sub - total A(1)	3,38,22,319	–	3,38,22,319	99.98	3,38,22,319	–	3,38,22,319	99.98	–
(2) Foreign									
(a) Individuals (NRIs / Foreign Individuals)	–	–	–	–	–	–	–	–	–
(b) Other Individuals	–	–	–	–	–	–	–	–	–
(c) Bodies Corporate	–	–	–	–	–	–	–	–	–
(d) Banks / Financial Institutions	–	–	–	–	–	–	–	–	–
(e) Any other	–	–	–	–	–	–	–	–	–
Sub - total A(2)	3,38,22,319	–	3,38,22,319	99.98	3,38,22,319	–	3,38,22,319	99.98	–
Total Shareholding of Promoters A=A(1)+A(2)									
(B)Public shareholding									
(1) Institutions									
(a) Mutual Funds	–	–	–	–	–	–	–	–	–
(b) Banks / Financial Institutions	–	–	–	–	–	–	–	–	–
(c) Central Government	–	–	–	–	–	–	–	–	–
(d) State Government(s)	–	–	–	–	–	–	–	–	–
(e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
(f) Insurance Companies	–	–	–	–	–	–	–	–	–
(g) Foreign Institutional Investors	–	–	–	–	–	–	–	–	–
(h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
(i) Any other (specify)	–	–	–	–	–	–	–	–	–
Sub - total B(1)	–	–	–	–	–	–	–	–	–
(2) Non-institutions									
(a) Bodies Corporate									
(i) Indian	176	5,256	5,432	0.02	176	5,256	5,432	0.02	–
(ii) Overseas	–	–	–	–	–	–	–	–	–
(b) Individuals									
(i) Individual shareholders holding nominal upto ₹1 lakh–share capital									

Category of shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh–									
Sub - total B(2)		176	5,256	5,432	0.02	176	5,256	5,432	0.02 –
B = B(1) + B(2)		176	5,256	5,432	0.02	176	5,256	5,432	0.02 –
(c) Others (specify)	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–
Total public shareholding	176	5,256	5,432	0.02	176	5,256	5,432	0.02	–
(C) Shares held by custodians for ADRs	–	–	–	–	–	–	–	–	–
Grand total (A+B+C)	3,38,22,495	5,256	3,38,27,751	100	3,38,22,495	5,256	3,38,27,751	100	–

(2)Shareholding of Promoters

Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total share	No. of shares	% of total shares of the Companys	% of shares pledged / encumbered to total shares	% change in share holding during the
Infosys Ltd	3,38,22,319	99.98	–	3,38,22,319	99.98	–	–
V. Balakrishnan	1	0	–	1	0	–	–
U. Ramadas Kamath	1	0	–	1	0	–	–
Deepak Natraj	1	0	–	1	0	–	–
H. Venkatesh Gadiyar	1	0	–	1	0	–	–
R. Nithyanandan	1	0	–	1	0	–	–
G. S. Chaitanya	1	0	–	1	0	–	–
Total	3,38,22,325	99.98	–	3,38,22,325	99.98	–	–

(iii) Change in promoters' shareholding

There was no change during the period.

(iv) Shareholding pattern of top ten shareholders

(other than directors, promoters and holders of GDRs and ADRs):

Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Amit Agarwal				
At the beginning of the year	875	0	875	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	875	0	875	0
Dhiraj Poddar				
At the beginning of the year	750	0	750	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc		–	–	–
At the end of the year (or on the date of separation, if separated during the year)	750	0	750	0
Naveen Kumar				
At the beginning of the year	750	0	750	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	750	0	750	0
Sanjay Chandiram				
At the beginning of the year	750	0	750	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	750	0	750	0
Naveen Tiruvalluri				
At the beginning of the year	375	0	375	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	375	0	375	0
Manjesh Verma				
At the beginning of the year	375	0	375	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	375	0	375	0
Avishek Gupta				
At the beginning of the year	375	0	375	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–

Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the end of the year (or on the date of separation, if separated during the year)	375	0	375	0
Sandeep Narang				
At the beginning of the year	250	0	250	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	250	0	250	0
Rahul Nehru				
At the beginning of the year	200	0	200	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	200	0	200	0
Amit K Ghandhi				
At the beginning of the year	200	0	200	0
Date-wise increase or decrease in shareholding during the year, specifying the reasons for the same in respect of allotment, transfer, bonus, sweat equity etc	–	–	–	–
At the end of the year (or on the date of separation, if separated during the year)	200	0	200	0

Shareholding of directors and key managerial personnel

None of the existing directors and key managerial personnel hold shares in the Company

Indebtedness

The Company has not availed any loan during the year and is a debt-free Company

Remuneration of directors and key managerial personnel

Remuneration to Managing Director, Whole-time Directors and / or Manager:

(in ₹)

Particulars of remuneration (1)	Anantharaman Radhakrishnan	Total Amount
Gross salary		
(a) Salary as per provisions contained in Section 17 of the Income-tax Act, 1961	29,522,110	29,522,110
(b) Value of perquisites u / s 17 Income-tax Act, 1961	–	–
(c) Profits in lieu of salary under Section 17 Income-tax Act, 1961	–	–
Stock option	–	–
Sweat equity	–	–
Commission as % of profit others, specify	–	–
Others, please specify	–	–
Total (A)	29,522,110	29,522,110
Ceiling as per the Act		399,894,745

Note: 1. Remuneration comprises basic salaries, allowances and taxable value of perquisites:

Restricted stock units (RSUs) and stock options of Infosys Limited (holding Company) were granted to certain eligible employees as per the Infosys Limited 2015 Stock Compensation Plan.

The 2015 Plan is available at https://www.infosys.com/investors/corporate-governance/documents/incentive-compensation-plan.pdf

B Remuneration to other directors: Independent Directors

(in ₹)

Particulars of remuneration	Prof. Jayanth Varma	D N Prahlad	Total Amount
Fee for attending board / committee meetings	45,000	80,000	1,25,000
Commission	20,00,000	20,00,000	40,00,000
Total (1)	20,45,000	20,80,000	41,25,000
Other Non-Executive Directors			
Fee for attending board / committee meetings	–	–	–
Commission	–	–	–
Others, please specify	–	–	–
Total (2)	–	–	–
Total (B) = (1+2)	20,45,000	20,80,000	41,25,000
Ceiling as per Act			7,99,78,949

C Remuneration to key managerial personnel other than MD / Manager / WTD

Particulars of remuneration	Chief Financial Officer[1]	Company Secretary Bindu Raghavan	Total Amount
Gross Salary			
(a) Salary as per the provisions contained in Section 17 of the Income Tax Act, 1961	1,25,41,014	21,81,778	1,47,22,792
(b) Value of perquisites u / s 17 Income-tax Act, 1961	–	–	–
(c) Profits in lieu of salary under Section 17 Income-tax Act, 1961	–	–	–
Commission as % of profit others, specify	–	–	–
OOthers, please specify	–	–	–
Total	1,25,41,014	21,81,778	1,47,22,792

Note:

Remuneration comprises basic salaries, allowances and taxable value of perquisites.

(a) Nishit Ajitkumar Shah resigned as Chief Financial Officer and KMP effective January 16, 2019, and hence his remuneration for Fiscal 2019 is from April 1, 2018 to January 16, 2019

(b) Prem Joseph Pereira appointed as Chief Financial Officer and KMP effective January 17, 2019, and hence his remuneration for fiscal 2019 is from January 17, 2019 to March 31, 2019

Penalties, punishment, compounding of offences

There were no penalties, punishment, compounding of offences for the year ending March 31, 2019.

Annexure 6 – Annual report on CSR activities

[Pursuant to Section 135 of the Companies Act, 2013]

Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. Our Corporate Social Responsibility (CSR), thus, is not limited to philanthropy, but also includes a number of initiatives that lead to social development, conservation of natural resources using technology and other innovative means, and the reduction of our carbon footprint.

The proposed areas for CSR activities are eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development projects. The funds will be allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

CSR Committee

We have a Board Committee (CSR Committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. As on March 31, 2019, our CSR committee comprises:

- Ravikumar Singisetti, Chairperson
- Anantharaman Radhakrishnan
- D. N. Prahlad

Financial details

Section 135 of the Companies Act and Rules made thereunder prescribes every Company having net worth of ₹500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any financial year shall ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company.

The financial details as sought by the Companies Act, 2013 for fiscal 2019 are as follows:

in ₹ crore

Particulars	Amount
Average net profit of the Company for last three financial years	771.00
Prescribed CSR expenditure (2% of the average net profit as computed above)	15.40
Details of CSR expenditure during the financial year:	
Total amount to be spent for the financial year (including capital expenditure)	15.40
Amount spent	15.51
Amount unspent	–

The major projects and heads under which the outlay amount was spent in fiscal 2019 are as follows:

in ₹ crore

Theme-based CSR project / activity / beneficiary	Location of the project / program	Amount outlay (budget)	Amount spent on the projects or programs in fiscal 2019	Cumulative expenditure up to the reporting period
Expenditure on projects / programs by Infosys BPM Limited				
Promoting education, enhancing vocational skills				
Indraprastha Institute of Information Technology	New Delhi	4.00	4.00	4.00
International Centre for Theoretical Sciences	Bengaluru	2.30	2.30	2.30
Skill Programs	Bengaluru	1.10	1.11	1.11
Parivaar Education Society	Kolkata	1.00	1.00	1.00
Ramakrishna Mission Ashrama	Sohra	1.00	1.00	1.00
NASSCOM Foundation	Hoskote, Kolar, Mangalore, Sidlaghatta, Yerwada	0.53	0.53	0.53
SGBS Unnati Foundation	Bengaluru	0.05	0.15	0.15
Eradicating hunger, poverty and sanitation programs				
The Akshaya Patra Foundation	Hyderabad	3.00	3.00	3.00
Rural development projects				
Visakha Jilla Nava Nirmana Samithi	Narasipatnam	1.47	1.47	1.47
N M Sadguru Water and Development Foundation	Jhalawar, Kota, Banswara	0.72	0.72	0.72
Integrated Development Society	Dasamantapur	0.23	0.23	0.23
		15.40	15.51	15.51

Our CSR responsibilities

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the projects and activities in compliance with our CSR objectives.

Bengaluru April 10, 2019	Sd / - Ravikumar Singisetti *Chairman*	Sd / - Anantharaman Radhakrishnan *Managing Director and Chief Executive Officer*

Annexure 7 – Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgoing

[Pursuant to the Companies (Accounts) Rules, 2014]

Conservation of energy

The operations of our Company are not energy-intensive. However, adequate measures have been taken to reduce energy consumption by using energy-efficient computers and by the purchase of energy-efficient equipment. Capital investment on energy conservation equipments

The Company has invested in the purchase of energy efficient equipments. We constantly evaluate new technologies and invests in them to make its infrastructure more energy efficient.

Technology absorption

- Efforts, in brief, made towards technology absorption: Not Applicable
- Benefits derived as a result of the above efforts. for example, product improvement, cost reduction, product development, import substitution, etc.: Not Applicable
- In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: Not Applicable – Details of technology imported: Not Applicable
  – Year of import: Not Applicable
  – Whether the technology has been fully absorbed: Not Applicable
  – If not fully absorbed, areas where absorption has not taken place, and the reasons therefore: Not Applicable
- Expenditure incurred on research and development: Not Applicable

Foreign exchange earnings and outgo standalone

in ₹ crore

Particulars	As at March 31,	
	2019	2018
Foreign exchange earnings	3,535	2,725
Foreign exchange outgo	1,543	1,027
Net foreign exchange earnings (NFE)	1,992	1,698
NFE / earnings (%)	56.35	62.31

for and on behalf of the Board of Directors

Bengaluru
April 10, 2019

Sd / -
Ravikumar Singisetti
Chairman and Director

Sd / -
Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

Our corporate governance philosophy

Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

Corporate governance framework

We believe that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance. At Infosys BPM ('the Company'), the Board of Directors ('the Board') is at the core of our corporate governance practice. The Board thus oversees the Infosys' BPM Management's ('the Management') functions and protects the long-term interests of our stakeholders. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The driving principles of our corporate governance framework is as follows:

- Corporate governance standards should satisfy both the spirit of the law and the letter of the law;
- Ensure transparency and maintain a high level of disclosure;
- Clearly distinguish between personal conveniences and corporate resources;
- Communicate externally, and truthfully, about how the Company is run internally;
- Comply with the laws of all countries in which we operate;
- Have a simple and transparent corporate structure driven solely by business needs;
- The management is the trustee of the shareholders capital and not the owner.

With the increasing globalization, corporate governance has assumed great significance in India. The increasing diversity of the investing community and the integration of global capital markets make corporate governance a key issue in the investment decision of the investor. We in our pursuit towards achieving our aspirations of becoming a global corporation must have global benchmarks for corporate governance standards. Good governance as an ongoing process seeks to ensure truth, transparency, accountability and responsibility and committed to meet the aspirations of all our stake holders.

The Corporate conduct is integral part of our business. The actions are governed by the values and principles which are reinforced at all levels in the organization. Our code of business principles reflects our continued commitment to ethical business practices, values and compliance to all laws of the land.

Corporate governance is not merely compliance but also a philosophy to be professed and its objective is to create and adhere to a corporate culture of transparency and openness and to develop capabilities and identified opportunities that best serves the goal of value creation, thereby creating an outperforming organization. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company, is an important part of corporate governance. Consequently, the organization is able to attract and enhance the trust and confidence of the stakeholders.

In line with the Company's commitment to good corporate governance practices and compliance with the provisions of Companies Act, 2013, our Company has constituted Audit Committee, Nomination and Remuneration committee and Corporate Social Responsibility Committee consisting of majority of independent directors. As a step further towards this objective, our Company has also complied with major aspects of the US Sarbanes–Oxley Act of 2002 and Companies Act 2013 such as constituting of the Whistle Blower Policy, Code of conduct for senior officers and executives and also Section 404 of the US Sarbanes-Oxley Act, relating to certification by the CEO and CFO of the appropriateness of internal controls relating to the financial reporting. Our Company has complied with all norms of corporate governance applicable to unlisted Public Company as envisaged under the Companies Act, 2013. The Company has also complied with Secretarial Standards on Board and General Meetings issued by the Institute of Company Secretaries of India.

A. Board of Directors

Size and composition of the Board

The Board is headed by Ravikumar Singisetti as Chairman. The Board consists of five directors including managing director and chief executive officer. The Board also consists of two independent directors.

Composition of the Board and directorships held as on March 31, 2019 are as follows:

Directorships held as at March 31, 2019:

Name of the Director	Age	Position	Relationship with other Directors	Indian listed companies	All companies around world [(1)]
Anantharaman Radhakrishnan	51	CEO & MD	None	–	2
Ravikumar Singisetti	48	Chairman and Director	None	–	10
Prof. Jayanth R. Varma[(2)]	59	Director	None	1	1
D. N. Prahlad	63	Director	None	1	7
Sangita Singh[(3)]	50	Director	None	–	1
Inderpreet Sawhney[(4)]	54	Director	None	–	3

(1) Directorship in companies around the world including Infosys BPM Limited, its holding and subsidiaries

(2) Re-appointed as Independent Director of the Company to hold office up to April 30, 2019

(3) Resigned effective June 23, 2018

(4) Appointed effective October 13, 2018

Responsibilities of the chairman, managing director and chief executive officer

The Company has a non-executive chairman of the Board and a Chief Executive Officer and Managing Director (CEO & MD). The responsibility and authority of these officials are as follows:

The non-executive as chairman of the Board ("the Chairman") is the leader of the Board. As Chairman, he will be responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairman is primarily responsible for ensuring that the Board provides effective governance for the Company. In doing so, the Chairman will preside at meetings of the Board and at meetings of the shareholders of the Company.

The Chairman takes a lead role in managing the Board and facilitates effective communication among directors. The Chairman is responsible for matters pertaining to governance, including the organization and composition of the Board, the organization and conduct of Board meetings, effectiveness of the Board, Board committees and individual directors in fulfilling their responsibilities.

The Chairman provides leadership to the Board, identify guidelines for the conduct and performance of directors, oversee the management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation.

The Chairman actively work with the nomination and remuneration committee to plan the Board and Board committees' composition, induction of directors to the Board, plan for director succession, participate in the Board effectiveness evaluation process and meet with individual directors to provide constructive feedback and advice.

The CEO and MD is responsible for corporate strategy, brand equity, planning, external contacts and all management matters. He is also responsible for achieving the annual business targets and acquisitions.

Role of the Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

Definition of Independent Directors

The Companies, Act 2013, defines an "independent director" as a person who is not a promoter or employee or one of the key managerial personnel of the Company or its subsidiaries. The law also state that the person should not have any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving the remuneration as an independent director. We abide by the definition of independent director.

Board membership criteria

The nomination and remuneration committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. The Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth.

The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of 60 years and shall not appoint an Independent Director who has attained the age of 70 years. The term of the person holding this position may be extended at the discretion of the committee beyond the age of 60 years / 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 60 years / 70 years as the case may be.

Selection of the new directors

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process involved in selecting new directors to the nomination and remuneration committee, which consists majority of independent directors. The committee, based on defined criteria in turn makes recommendations to the Board on the induction of new directors.

Membership term

The Board constantly evaluates the contribution of the members and periodically shares updates with the shareholders about re appointments consistent with applicable statutes. The current law in India mandates the retirement of two-third of the executive board members (who are liable to retire by rotation) every year, and qualifies the retiring members for re-appointment. Executive directors are appointed by the shareholders for the tenure of a maximum period of five years, but are eligible for re appointment upon completion of their term. An independent director shall hold office for a term up to five consecutive years on the board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company.

Board member evaluation

One of the key functions of the Board is to monitor and review the board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors through a peer evaluation excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship with stakeholders, Company performance and strategy, and the effectiveness of the whole Board and its various committees. Feedback on each director is encouraged to be provided as part of the survey. The evaluation for fiscal 2019 has been completed.

Independent directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include:

- Ability to contribute to and monitor our corporate governance practices
- Ability to contribute by introducing international best practices to address top-management issues
- Active participation in long-term strategic planning
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities; these include participation in Board and committee meetings.

Retirement policy for directors

The age of retirement for all executive directors is 60 years. The nomination and remuneration committee may, at its discretion, determine their continuation as members of the Board upon superannuation / retirement. The age of retirement for non-executive directors and independent directors is 70 years.

Succession planning

The nomination and remuneration committee works with the Board on the leadership succession plan, and also prepares contingency plans for succession in case of any exigencies.

Board compensation review

The remuneration / compensation / commission etc. to Directors will be determined by the nomination and remuneration committee and recommended to the Board for approval. The remuneration to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director. Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. The nomination and remuneration committee determines and recommends to the Board, the compensation payable to the Executive director. The remuneration for executive director consists of a fixed component and a performance incentive. The shareholders determine the compensation of the executive director for the entire period of the term. The compensation payable to the independent directors is limited to a fixed amount per year as determined and approved by the Board, the sum of which does not exceed 1% of net profits for the year, calculated as per the provisions of the Companies Act, 2013. The Board reviews the performance of independent directors on an annual basis

Memberships in other Boards

The Executive director is excluded from serving on the Board of any other entity except for group companies, unless the said entity is an industrial entity whose interests are germane to the business of the Company or a government body that is of relevance to the business of the Company or an entity whose objectives is the upliftment of the society. Independent directors are generally not expected to serve on the Boards of competing companies. There are no limitations except those imposed by law and good corporate governance.

B. Board meetings

Scheduling and selection of agenda items for Board Meetings

The dates of Board meetings for the next fiscal are decided in advance. The meetings are held at the Company's registered office at Electronics City, Bangalore, India. The Chairman of the Board and the Company Secretary draft the agenda for each meeting, along with explanatory notes and distribute it in advance to the directors. Every Board member can suggest the inclusion of items on the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held when necessary. Independent directors are expected to attend at least four Board meetings in a year. The Board Committees also meets four times in a year.

Number of board meetings and the attendance during fiscal 2019

Name of the Director	Number of meetings held during the tenure	Number of meetings attended
Anantharaman Radhakrishnan	4	4
Ravikumar Singisetti	4	4
Prof. Jayanth R Varma[1]	4	3
D.N. Prahlad	4	4
Sangita Singh[2]	1	1
Inderpreet Sawhney[3]	2	2

(1) Re-appointed as Independent Director with effect from April 1, 2019

(2) Resigned effective June 23, 2018

(3) Appointed effective October 13, 2018

Availability of information to board members

The Board has unrestricted access to all Company-related information including that of our employees. At Board meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Information is provided to the Board members on a continuous basis for their review, inputs and approval periodically. Strategic and operating plans are presented to the Board in addition to the quarterly and annual financial statements.

Specific cases of acquisitions, important managerial decisions, material positive / negative developments and statutory matters are presented to the committees of the Board and later, with the recommendation of the committees, to the Board for its approval. As a process, information to directors is submitted along with the agenda well in advance of Board meetings. Inputs and feedback of Board members are taken and considered while preparing the agenda and documents for the Board meeting. At these meetings, directors can provide their inputs and suggestions on various strategic and operational matters.

Discussion with independent directors

Schedule IV of the Companies Act, 2013 and the Rules made thereunder, mandates the independent directors of the Company to hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management.

In Infosys BPM Limited, we hold periodic meetings attended exclusively by the independent directors. All the independent directors of the Company shall strive to be present at such meetings. At such meetings, the independent directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board, including the Chairman. During the year under review the Independent Directors met once on April 10, 2018.

Materially significant related party transactions

There are no materially relevant related party transactions, pecuniary transactions or relationships between our Company and its directors for the year ended March 31, 2019 that may have a potential conflict with the interest of the Company at large except for those which are disclosed in the financial statements. Non material related party transactions in the normal course of business are held at arm's length.

Remuneration to directors in fiscal 2019

Non-executive/ Independent directors

In ₹

Name of the Director	Director Identification Number (DIN)	Relationship with other Directors	Salary	Perquisites	Commission	Sitting fees	Total
Ravikumar Singisetti **	7534544	None	–	–	–	–	–
Prof. Jayanth R Varma*[1]	402667	None	–	–	20,00,000	45,000	20,45,000
D.N. Prahlad*	504146	None	–	–	20,00,000	80,000	20,80,000
Sangita Singh **[2]	7694463	None	–	–	–	–	–
Inderpreet Sawhney**[3]	7925783	None	–	–	–	–	–

(1) Re-appointed as Independent Director effective April 1, 2019

(2) Resigned effective June 23, 2018

(3) Appointed effective October 13, 2018

* Independent Directors

** Non-executive Directors

Executive director, Managing Director and Chief Executive Officer

Name of the Director	Director Identification Number (DIN)	Relationship with other Directors	Salary	Perquisites	Commission	Sitting fees	Total
Anantharaman Radhakrishnan	7516278	None	2,95,22,110	–	–	–	2,95,22,110

*Salary includes contribution to PF, Gratuity, and Superannuation allowance and performance incentive.

C. Board committees

Currently, the Board has five committees – the Audit committee, the Nomination and remuneration committee, the Corporate social responsibility committee, the Share allotment / transfer committee and the Investment committee. The Audit and Nomination and remuneration committees comprise of non-executive and independent director as Chairperson and constitutes majority of independent directors. The Board is responsible for the constituting, assigning, co-opting and fixing the terms of service for committee members of various committees.

Frequency and duration of committee meetings and agenda

The Chairman of the Board, in consultation with the Company Secretary and the Committee Chairperson, determines the frequency and duration of the committee meetings. Normally, the committees meet four times a year. The recommendations of the committee are submitted to the Board for approval.

Quorum for the meetings

The quorum should be either two members or one-third of the members of the committees, whichever is higher.

Audit committee

Section 177 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 requires all public companies having a paid-up capital of ₹10 crore or more (or) turnover of ₹100 crore or more (or) outstanding loans or borrowings or debentures or deposits in aggregate exceeding ₹50 crore or more to constitute an Audit committee consisting of minimum of three directors with independent directors forming a majority. Since our Company has ₹33.83 crore as paid up share capital and ₹3932 crore as turnover as per latest audited balance sheet and we meet both these criteria, constitution of Audit Committee is mandatory for our Company. However, audit committee was constituted long back in our Company even before it was mandated by law.

Terms of reference

The terms of reference of the Audit Committee are set out in the Audit committee charter.

Composition

As on March 31, 2019, the Committee consists of the following members:

- Prof. Jayanth R Varma, Chairperson
- D. N Prahlad, Member
- Ravikumar Singisetti, Member

Audit committee attendance

The attendance details of the committee meetings are as follows:

Name of the Director	Number of meetings held during the tenure	Number of meetings attended
Prof. Jayanth R. Varma	4	3
D. N Prahlad	4	4
Ravikumar Singisetti	4	4

During the year, the committee met four times. The meetings were held on April 11, 2018, July 11, 2018, October 13, 2018 and January 9, 2019.

Report for the year ended March 31, 2019

The audit committee helps the Board monitor the Managements financial reporting process, and ensure that the disclosures are not only accurate and timely, but follow the highest levels of transparency, integrity and quality of financial reporting. The committee also oversees the work of the internal and the independent auditors, and reviews the processes and safeguards employed by them. The audit committee is responsible for recommending selection, evaluation and, where appropriate, replacement of the independent auditors in accordance with the law. It recommends to the Board the remuneration and terms of appointment of the internal, secretarial and independent auditors. All possible measures are taken by the committee to ensure the objectivity and independence of the independent auditors. In addition, the committee reviews the policies, processes and controls relating to the valuation of undertakings or assets of the Company that are carried out as and when required.

The Management is responsible for the Company's internal controls and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the generally accepted auditing standards, and for issuing a report based on the audit. The committee's responsibility is to monitor these processes. The committee is also responsible for overseeing the processes related to the financial reporting and information dissemination. This is to ensure that the financial statements are true, fair, sufficient and credible. In addition, the committee recommends to the Board the appointment of the Company's internal and independent auditors. In this context, the committee discussed with the Company's auditors the overall scope and plans for the independent audit. In this context, the committee discussed the overall scope and plans for the independent audit with the Company's auditors.

The Management shared with the committee the Company's financial statements, prepared in accordance with the Indian Accounting Standards (Ind AS).

The committee discussed with the auditors, in the absence of the Management (whenever necessary), the Company's audited financial statements including the auditors' judgments about the quality, not just the applicability, of the accounting principles, the rationality of significant judgments and the clarity of disclosures in the financial statements.

Relying on the review and discussions conducted with the Management and the independent auditors, the audit committee believes that the Company's financial statements are fairly presented in conformity with Ind AS in all material aspects. The committee has also reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with the prevailing laws and regulations. In conducting such reviews, the committee found no material discrepancy or weakness in the internal control systems of the Company.

The committee, on a periodic basis, reviewed the process adopted by the Management on impairment of assets including financial assets and goodwill.

The committee granted omnibus approval for the related party transactions proposed to be entered into by the Company during fiscal 2018. On a periodic basis, the committee reviewed and approved transactions of the Company with related parties and recommended the Board for approval as and when necessary.

The committee monitored and reviewed investigations of the whistleblower complaints received during the year.

Based on its discussion with the Management and the auditors and a review of the representations of the Management and the report of the auditors, the committee has recommended the following to the Board:

- The audited financial statements of Infosys BPM Limited prepared in accordance with Ind AS for the year ended March 31, 2019 be accepted by the Board as a true and fair statement of the financial status of the Company.
- The audited consolidated financial statements of Infosys BPM Limited and its subsidiaries prepared in accordance with Ind AS for the year ended March 31, 2019 be accepted by the Board as a true and fair statement of the financial status of the group.
- Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number 117366 W/W 100018) ('Deloitte') was appointed as the statutory auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 15th AGM held on June 24, 2017, till the conclusion of the 20th AGM to be held in 2022, subject to ratification by shareholders at the general meeting or as may be necessitated by the Act from time to time. The Committee took note that the Companies Act, 2013 has exempted the requirement of ratification of appointment of auditors on an annual basis at the AGM.
- The appointment of Ernst & Young LLP as the internal auditors of the Company for the fiscal year ending March 31, 2020, to review various operations of the Company.
- The appointment of Parameshwar G. Hegde of Hegde & Hegde, Company Secretaries as secretarial auditor for the fiscal year ending March 31, 2020 to conduct the secretarial audit as prescribed under Section 204 and other applicable sections of the Companies Act, 2013.

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the chairperson of the audit committee in exceptional cases. We further affirm that no director or employee has been denied access to the audit committee during fiscal 2019. The Whistleblower Policy is available on our website, at https://www.infosys.com/investors/corporategovernance/Documents/whistleblower-policy.pdf.

In conclusion, the committee is sufficiently satisfied that it has complied with its responsibilities as outlined in the audit committee charter.

Sd/-

Prof. Jayanth R. Varma
Chairperson-Audit Committee

Bengaluru

April 10, 2019

2. Nomination and remuneration committee

Composition

Our nomination and remuneration committee consists of three members as on March 31, 2019:

- Prof. Jayanth R. Varma, Chairperson
- D. N Prahlad , Member
- Ravikumar Singisetti, Member

The purpose of the committee is to screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors, consistent with criteria approved by the Board, and to recommend, for approval by the Board, nominees for election at the AGM. The committee makes recommendations to the Board on candidates for

(i) nomination for election or re-election by the shareholders; and

(ii) any Board vacancies that are to be filled. It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board.

The nomination and remuneration committee coordinates and oversees the annual self-evaluation of the Board and of individual directors. It also reviews the performance of all the executive directors on a periodic basis or at such intervals as may be necessary on the basis of the detailed performance parameters set for each executive director at the beginning of the year. The nomination and remuneration committee may also regularly evaluate the usefulness of such performance parameters, and make necessary amendments.

Nomination and remuneration committee attendance

The attendance details of the committee meetings are as follows:

Name of the Director	Number of meetings held during the tenure	Number of meetings attended
Prof. Jayanth R. Varma	4	3
D. N Prahlad	4	4
Ravikumar Singisetti	4	4

During the year, the committee met four times. The meetings were held on April 11, 2018, July 11, 2018, October 13, 2018 and January 09, 2019.

Report for the year ended March 31, 2019

The committee oversees key processes through which the Company recruits new members to its Board, and also the processes through which the Company recruits, motivates and retains outstanding senior management and oversees the Company's overall approach to human resources management. The Committee coordinates and oversees the annual self evaluation of the Board and of individual directors. It also reviews the performance of all the executive directors on a periodic basis or at such intervals as may be necessary on the basis of the detailed performance parameters set for each executive director at the beginning of the year.

Following the provisions of the Companies Act, 2013, Anantharaman Radhakrishnan will retire at the ensuing AGM. The committee considered his performance and recommended that shareholders approve the necessary resolution for his reappointment.

The committee reviewed various initiatives undertaken by the Company to ensure the safety, security and wellbeing of employees, as well as their overall development through learning programs and on-the-job training. The committee also gave broad directions to guide the overall leadership development plans of the Company.

Sd / -

Prof. Jayanth R Varma
Chairperson – Nomination and remuneration committee

Bengaluru

April 10, 2019

3. Corporate social responsibility committee

The CSR report, as required under the Companies Act, 2013 for the year ended March 31, 2019 is attached as Annexure 7 to the Board's report. The committee on a periodic basis reviewed and approved the budget and disbursement of funds for CSR activities.

In accordance to Section 135 of the Companies Act, 2013, the Board in its meeting held on October 7, 2013, constituted corporate social responsibility committee. The CSR committee of the Board is responsible for overseeing the execution of the Company's CSR policy.

Composition

As on March 2019, the corporate social responsibility committee consists of the following three members:

- Ravikumar Singisetti, Chairperson
- Anantharaman Radhakrishnan, Member
- D N Prahlad, Member

The CSR committee was set up to formulate and monitor the CSR policy of the Company. The CSR committee adopted a policy that outlines the Company's objective of catalyzing economic development that positively improves the quality of life for the society, and aims to be a responsible corporate citizen and create positive impact through its activities on the environment, communities and stakeholders.

The CSR committee is also responsible for overseeing the activities / functioning of the Infosys Foundation in identifying the areas of CSR activities, programs and execution of initiatives as per predefined guidelines. The Foundations, in turn, guide the CSR committee in reporting the progress of deployed initiatives, on a periodic basis.

The attendance details of the committee meetings are as follows:

Name of the Director	Number of meetings held during the tenure	Number of meetings attended
Ravikumar Singisetti	4	4
Anantharaman Radhakrishnan	4	4
D N Prahlad	4	4

During the year, the committee met four times. The meetings were held on April 11, 2018, July 11, 2018, October 13, 2018 and January 09, 2019.

4. Investment committee

Composition of the committee

As on March 31, 2019, the Investment committee consists of the following members:

- Ravikumar Singisetti, Chairperson
- Anantharaman Radhakrishnan, Member
- Prem Joseph Pereira, Member

Terms of reference

To manage effectively and efficiently the surplus of Company funds by properly channelizing them in a manner so as to enhance the best possible returns with minimum of risk.

Attendance of directors during fiscal 2019

Name of the Director	Number of meetings held during the tenure	Number of meetings attended
Ravikumar Singisetti	4	4
Anantharaman Radhakrishnan	4	4
Nishit Ajitkumar Shah[(1)]	3	3
Prem Joseph Pereira[(2)]	1	1

(1) Resigned effective January 16, 2019

(2) Appointed effective January 17, 2019

Report for the year ended March 31, 2019

The committee has the mandate to approve investments in various corporate bodies within the statutory limits and powers delegated by the Board. The committee had ratified the investments made by the Company during the fiscal 2019.

Management review and responsibility

Formal evaluation of officers

The nomination and remuneration committee of the Board approves the compensation and benefits for the executive Board member as well as members of the management council.

Evaluation process for Chief Executive Officer

In our Company, performance is assessed based on clearly defined objective criteria. This is in line with our Company's policy of being data oriented in every transaction and decision. The evaluation starts with the principle, 'In God we trust, everyone else must bring data'. Performance is measured against commitments and best-in class benchmarks Our Company believes in leadership by example and hence leaders are to show the way in terms of committing to specific, measurable, aggressive and stretch targets. The performance appraisal system for Executive Director provides for the alignment of the Directors' targets with those of our Company through a "Balanced Scorecard Framework", which is rigorous and structured. The executive director has three key roles viz. business leadership, strategy execution and governance. Each role is associated with a set of performance metrics.

For instance, for the CEO, the business leadership role involves set of performance metrics defined in terms of client relationships, service excellence, branding, market expansion, alliances, and acquisitions etc. The CEO's financial metrics include revenue, net profits, expenses, etc. Performance metrics, for Board members in the strategy execution role are defined in terms of building end-toend service capability, broadening geography and vertical footprint, etc. For a Board member in the governance role, they are defined in terms of ethical issues, legal violations, social responsibility, etc. They are also defined for managing risks, developing business leaders and strengthening values and ethics.

The executive director has to make detailed performance presentations to the Board on his performance vis-à-vis targets, budgets / targets for the ensuring quarter / year and other strategic issues. Apart from this, the executive director is also required to prepare and submit to the CEO and nomination and remuneration committee performance reports once in a quarter. The nomination and remuneration committee in consultation with the CEO reviews the performance of the executive director.

The remuneration of the directors is commensurate and proportionate to the growth of our Company's profits.

Evaluation process for non-executive and independent directors

Independent Directors are evaluated through a peer evaluation process on an annual basis. Each external board member has to present before the entire Board on how they have performed / added value to our Company. Every Board member evaluates each external Board member on a scale of 1 to 5 based on the performance indicators.

Independent Directors also have 3 key roles viz. governance, control and guidance. Some of the performance indicators based on which the Independent Directors are evaluated are as follows:

- Ability to contribute to and monitor the corporate governance of our Company.
- Ability to contribute by introducing international best practices to address top-management issues.
- Active participation in long-term strategic planning.
- Commitment to the fulfilment of a director's obligations and fiduciary responsibilities – this includes participation and attendance.
- Contribution by way of customer lead generation and brand building.

The Chairman and CEO in consultation with heads of the department, handle all interactions with the investors, media and various government agencies. The CEO and the respective heads of departments manage all interaction with clients and employees.

Risk management

Our Company has an integrated approach to managing the risks inherent in various aspects of its business. As part of this approach, the Board of Directors is responsible for monitoring risk levels according to various parameters and the management council is responsible for ensuring implementation of mitigation measures, if required. The audit committee provides the overall direction on the risk management policies. The Risk Management framework is in place.

Management discussion and analysis

A detailed report on our Management's discussion and analysis forms part of this Annual Report.

Shareholders

Distribution of shareholding as at March 31, 2019

Sl no.	Category (Shares)	No. of Holders
1	1,001 and Above	1
2	501-1,000	4
3	1-500	16
Total	21	100

Secretarial audit

Pursuant to Section 204 of Companies Act 2013 and Rules thereunder, the Board of Directors of the Company appointed Parameshwar G Hegde of Hedge & Hedge Practicing Company Secretaries to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act 2013. Further, the Company adheres to various Secretarial Standards issued by the Institute of Company Secretaries of India.

Whistle Blower Policy

Our Company has Whistle Blower Policy in place to ensure and promote ethics, transparency and accountability. The Whistle blower is a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Company's Code of Conduct or Ethics policy. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the Chairperson of the audit committee in exceptional cases.

Internal control

Our Management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board. Our internal control over financial reporting includes those policies and procedures that :

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our Management and directors; and

General body meetings

Details of the last three annual general meetings are as follows:

Financial year ended	Date	Time	Venue
March 31, 2018	June 23, 2018	11.30 am	Plot No. 26/3,26/4 and 26/6, Electronics City, Hosur Road, Bengaluru 560100
March 31, 2017	June 24, 2017	9.00 am.	Plot No. 26/3,26/4 and 26/6, Electronics City, Hosur Road, Bengaluru 560100
March 31, 2016	August 31, 2016	10.00 a.m.	Plot No. 26/3,26/4 and 26/6, Electronics City, Hosur Road, Bengaluru 560100

Management's Discussion and Analysis

Overview

Infosys BPM Limited, the business process management subsidiary of Infosys (NYSE: INFY), provides end-to-end transformative services for its clients across the globe. The Company's integrated IT and BPM solutions approach enables it to unlock business value across industries and service lines and address business challenges for its clients, utilizing innovative business excellence frameworks, ongoing productivity improvements, process reengineering, automation and cutting-edge technology platforms, Infosys BPM enables its clients to achieve their cost reduction objectives, improve process efficiencies, enhance effectiveness, and deliver superior customer experience.

Infosys BPM has 32 delivery centers in 14 countries spread across 6 continents, with 38,064 employees from 80+ nationalities, as of March 2019.

Our business

Infosys BPM Limited ("Infosys BPM"), was incorporated on April 3, 2002 as "Progeon Limited", and subsequently changed to "Infosys BPO Limited" on August 29, 2006 and to "Infosys BPM Limited" on December 18, 2017, offering business process management solutions to its global clients by leveraging process, domain and people management expertise. At Infosys BPM we have built our organization around managing risk for our clients through a scalable, cost-effective and predictable delivery platform. We focus on acquiring "strategic" clients with whom we can build a deep and wide relationship over time. The company is committed to provide best-in-class services in both horizontal and vertical focus areas. Horizontal solutions comprise of Sourcing & Procurement (S&P), Customer Service (CS), Finance & Accounting (F&A), Analytics (AT), Legal Process Outsourcing (LPO), Human Resources (HR), Sales and Fulfilment (S&F), Industry Solution (IS) & Digital Business Services(DBS), while Vertical (Industry) solutions include Financial Services and Insurance (FSI), Manufacturing (MFG), Energy & Utilities, Communication and Services (ECS), Retail, Consumer packaged goods and Logistics (RCL), Life Sciences and Healthcare(LSH).

We believe in continuously building a business mix, which will allow us to provide long-term and continuing benefits to our clients. Our objective is to enable our customers move up the risk-reward curve, by providing them the benefits of outsourcing, while effectively managing and mitigating risks associated with off-shoring based on our experience and process management skills.

Infosys BPM provides business process management services to organizations that wish to outsource their business processes. Infosys BPM is a majority owned and controlled subsidiary of Infosys Ltd. Rich industry experience helps us understand the evolving needs of our clients better and provides us the ability to offer appropriate solutions across different industry verticals and horizontals in a short time.

Since inception, Infosys BPM has focused on end-to-end outsourcing and operates on the principle that true BPM is transformation. In addition to the cost arbitrage, Infosys BPM consistently demonstrates value arbitrage with enterprise wide improvement in client operations through process optimization, process reengineering and best practices.

Financial condition and business performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Indian Accounting Standards (Ind AS)- under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that they reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

I. Industry structure and development

The BPM Industry is undergoing a paradigm shift in terms of the functioning and delivering value to their set of customers. This change has been triggered due to a global level Digital disruption which is now at its peak across processes and domains. Companies are exerting tremendous importance on transforming their end-to-end processes with lesser manpower and more accurate results for the repetitive tasks.

This digital disruption is encouraging us to take a bold step in the space of Digitalization and Artificial Intelligence by signing up projects that can mutually benefit the transformation journey of our clients and ours. Infosys BPM thus offers niche solutions to different industries with an objective to enhance their productivity, business effectiveness, process efficiency and stakeholder's experience. Our solutions combine deep domain knowledge, and strategic program and process management experience with consulting, technology, and proven integration and support capabilities.

To leverage these disruptions, Infosys BPM has highly skilled teams who can act as domain professionals and execute initiatives that the client values. Renewed business process management will be about the inverted work triangle – from manual work to fully automated stuff, all combined, cohesively and coherently will bring about the change that will transform the businesses end-to-end. The new business process management will be about focusing on enhancing stakeholders' experience. Integrated solutions incorporating internal technologies and external partners to cater to all requirements including cloud based tech platform solutions and analytics tools and technologies will be the new solutions to bank upon.

II. Financial condition

Financial position as on March 31, 2019 at a glance:

Sources of Funds

1. Equity share capital

We have only one class of shares referred to as equity shares having a par value of ₹ 10 each. Our authorized share capital is ₹ 123 crore, divided into 12.3 crore equity shares of ₹ 10/- each. The issued, subscribed and paid up capital stood at ₹ 34 crore as at March 31, 2019 (same as the previous year).

2. Other equity

A. Reserves and surplus

Securities premium reserve and capital reserve balance as at March 31, 2019 are ₹ 25 crore, and ₹ 1 crore respectively, which is same as at March 31, 2018 - under both standalone and consolidated basis.

Retained earnings for the year increased by ₹ 530 crore and ₹ 643 crore mainly due to net profit for the year, amounting to ₹ 596 crore and ₹ 709 crore on a standalone and consolidated basis respectively.

An amount of ₹ 90 crore is transferred to Special Economic Zone reinvestment reserve net of utilisation during the year under both standalone and consolidated basis. This has been created out of the profit of eligible SEZ units in terms of the provisions under Sec 10AA(1)(ii) of Income Tax Act,1961.

General reserves balance as at March 31, 2019 amounted to ₹ 1000 crore, same as the previous year under both standalone and consolidated basis.

B. Other components of equity

On a Standalone basis, other components of equity decreased during the year by ₹ 3 crore, mainly due to the fair valuation of equity instruments through other comprehensive income by ₹ 1 crore and decrease in remeasurement of the net defined benefit liability/asset, net of tax effect by ₹ 4 crore.

On a consolidated basis, other components of equity decreased during the year by ₹ 35 crore mainly due to decrease in exchange difference on translation of foreign operations by ₹ 24 crore, decrease in remeasurement of the net defined benefit liability, net of tax effect by ₹ 5 crore and the fair valuation of equity instruments through other comprehensive income effect by ₹ 7 crore.

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Securities Premium	25	25	25	25
Retained Earnings	2,906	2,376	3,560	2,917
Capital Reserve	1	1	1	1
General Reserve	1,000	1,000	1,000	1,000
Special Economic Zone Re-investment Reserve	90	24	90	24
Other components of equity	(22)	(19)	78	113
Total	4,000	3,407	4,754	4,080

Application of funds

3. Property, plant and equipment

Additions to gross block - Standalone

For the current year, we capitalized ₹ 62 crore of assets comprising of ₹ 47 crore in computer equipments, ₹ 1 crore in building and ₹ 14 crore in infrastrcture investments. The infrastrcture investments includes expenditure on Leasehold improvements, plant and machinary, furniture and fixtures, and office equipment of ₹ 6 crore, ₹ 2 crore, ₹ 4 crore and ₹ 2 crore, respectively for the year.

During the previous year, we capitalized ₹ 70 crore to our gross block, comprising of ₹ 26 crore in computer equipment and ₹ 44 crore in infrastrcture investments. The infrastrcture investments includes expenditure on leasehold improvements, plant and machinary, furniture and fixtures and, office equipment of ₹ 22 crore, ₹ 13 crore, ₹ 6 crore and ₹ 3 crore, respectively for the year.

Additions to gross block - Consolidated

For the current year, we capitalized ₹ 78 crore of assets comprising of ₹ 60 crore in computer equipment and ₹ 18 crore in infrastrcture investments. The infrastrcture investments includes expenditure on leasehold improvements, plant and machinary, furniture and fixtures, buildings and, office equipment of ₹ 7 crore, ₹ 2 crore, ₹ 5 crore, ₹ 1 crore and ₹ 3 crore, respectively for the year.

During the previous year, we capitalized ₹ 80 crore of assets comprising of ₹ 33 crore for investment in computer equipment and ₹ 47 crore in infrastrcture investments. The infrastrcture investments include expenditure on leasehold improvements, plant and machinary, furniture and fixtures, buildings and, office equipment of ₹ 24 crore, ₹ 13 crore, ₹ 5 crore, ₹ 1 crore and ₹ 4 crore, respectively for the year.

Deductions from gross block - Standalone

For the current year, we deducted ₹ 18 crore from the gross block due to retirement of assets on disposal of various assets. For the previous year, we retired various assets with a gross block of ₹ 23 crore.

Deductions from gross block - Consolidated

For the current year, we deducted ₹ 26 crore from the gross block due to retirement of assets on disposal of various assets. For the previous year, we retired various assets with a gross block of ₹ 25 crore.

Capital expenditure commitments

On a standalone basis, we have a capital expenditure commitment of ₹ 36 crore, as at March 31, 2019 as compared to ₹ 30 crore as at March 31, 2018.

On a consolidated basis, we have a capital expenditure commitment of ₹ 65 crore, as at March 31, 2019 as compared to ₹ 34 crore as at March 31, 2018.

4. Goodwill and other intangible assets

A. Goodwill

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Philips acquisition (Poland entity)	–	–	40	42
Mccamish acquisition	–	–	212	200
Portland Group acquisition	–	–	137	140
Philips acquisition (IBPM entity)	–	–	5	5
Total	–	–	394	387

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGU's, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGU's. The increase in goodwill is due to Transalation difference.

B. Other intangible assets

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Software	–	–	5	–
Customer-related contract	–	–	8	16
Total	–	–	13	16

Customer-related contract represents value attributable to contract as per valuation conducted by external valuer, same is amortised over the deal period. On a consolidated basis: a) Software: During the year ₹ 4 crore was amortised and ₹ 5 crore is shown as intangible asset towards Sky tree contract which was acquired for the worth of ₹ 9 crore . (b) Customer related contarct:₹ 8 crore was amortised and balance amount of ₹ 8 crore is shown as intangible asset towards customer contracts. On a standalone basis, there are no other intangible assets added in current and previous year.

5. Financial assets

A. Investments in subsidaries

We have made several strategic investments during the past years aimed at deriving business benefits and operational efficiency for us. Infosys BPM Limited has the following five wholly-owned Subsidaries as on March 31, 2019.

Name of the Company	Date of Incorporation	Amount invested in ₹ crore
Infosys (Czech Republic) limited s.r.o	4-Feb-04	3
Infosys Poland, Sp.z.o.o *	1-Oct-07	59

Name of the Company	Date of Incorporation	Amount invested in ₹ crore
Infosys McCamish Systems LLC *	4-Dec-09	289
Portland Group Pty Ltd. *	4-Jan-12	211
Infosys BPO Americas, LLC	23-Nov-15	20

* The date of incorporation is the date on which Infosys BPM Ltd. acquired 100% voting power in respective companies.

Investments in equity instruments of subsidaries are carried at cost as per Separate Financial Statements.

Other investments

The details of investments as at March 31, 2019 and March 31, 2018 are as follows:

in ₹ crore

Category of investment	Standalone		Consolidated		Subsequent measurement as per Ind AS 109
	As at March 31				
	2019	2018	2019	2018	
Equity instruments & Preference securities	–	–	33	80	Partly through profit & loss and partly through other comprehensive income
Government bonds	6	–	6	–	Amortized cost
Non convertible debentures	310	398	310	398	Fair value through other comprehensive income
Fixed maturity plan securities	57	53	57	53	Fair value through profit and loss
Certificate of deposits	359	368	359	368	Fair value through other comprehensive income
Liquid mutual fund units	70	38	70	38	Fair value through profit and loss
Promissory notes	–	–	–	12	Fair value through profit and loss
Other securities			–		Fair value through profit and loss

Non-current investments represent investments in non-convertible debentures(NCDs), Equity instruments, Preference securities, Fixed maturity plan securities, Mutual funds and Promissory notes. Current investments include investments in Certificate of deposits, Liquid mutual funds and Government bonds under both standalone and consolidated basis.

B. Trade receivables and unbilled revenues

On a Standalone basis, trade receivables amounted to ₹ 715 crore. (including ₹ 60 crore dues from Group companies) as at March 31, 2019 as compared to ₹ 569 crore as at March 31, 2018 and unbilled revenue amounted to ₹ 127 crore and ₹ 55 crore as at March 31, 2019 and March 31, 2018. Trade receivables are at 18.2% of revenues for the year ended March 31, 2019 and 18.6% of revenues for the year ended March 31, 2018.

On a consolidated basis, trade receivables amounted to ₹ 1098 crores (Including ₹ 66 crore from Group companies) as at March 31, 2019 as compared to ₹ 859 crore as at March 31, 2018 and unbilled revenue amounted to ₹ 458 crore and ₹ 230 crore as at March 31, 2019 and March 31, 2018. Trade receivables are at 18.6% of revenues for the year ended March 31, 2019 and 19.0% of revenues for the year ended March 31,2018.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers located globally. On a consolidated basis, Days Sales Outstanding was 69 days compared to 69 days in the previous year.

On account of adoption of Ind AS 109, we evaluate all customer dues for collectability. Allowances for credit losses with no significant financing component is measured at an amount equal to lifetime ECL (Expected Credit Loss). We pursue the recovery of dues, in part or full. The movement in allowances for credit losses during the year is as follows:

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Opening balance	8	8	11	10
Add: Amount provided	7	–	9	1
Less: Amount written-off	–	–	–	–
Closing balance	15	8	20	11

C. Cash and cash equivalents

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Current accounts	85	110	373	261
Deposit accounts	1,069	582	1,553	1,056
Add: Deposits with financial institutions / body corporate	683	611	683	611
Total cash and cash equivalents	1,837	1,303	2,609	1,928

The bank balances in India include both Rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are maintained to meet the expenditure of the overseas branches and to meet project-related expenditure of the overseas operations and regulatory requirements. The deposit account represents deposits with banks and financial institutions.

D. Loans

The details of loans are as follows:

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Non-current				
Unsecured, considered doubtful				
Loans & Advances to employees	5	4	6	4
Less: Allowance for doubtful loans to employees	5	4	6	4
Current				
Unsecured, considered good				
Loans and advances to employees	19	18	19	18
Loans to fellow subsidiary company	–	–	78	39
Total	19	18	97	57

Loans & advances to employees under current assets represents personal loan and salary advances to employess both in India and abroad, which is recoverable within a year.

E. Other financial assets

The details of other financial assets are as follows:

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Non-current				
Security deposits	3	2	4	3
Rental deposits	31	29	39	35
Current				
Unbilled Revenue	127	55	458	230
Interest Accrued but not due	37	19	38	21
Rental Deposits	–	3	–	3
Security Deposits	–	1	–	1
Foreign currency forward contracts	14	–	14	–
Restricted Deposit	98	81	98	81
Intercompany – Receivable	–	–	–	–
Others	1	5	33	11
Total	311	195	684	385

On account of adoption of Ind AS 115, Revenue from Contracts with Customers, unbilled revenues where the right to consideration is unconditional upon passage of time is classified as financial assets.

Interest accrued but not due represents interest on amount deposited in banks. The interest accrued has increased on account of increase in interest rates and increase in earnings from fixed deposits.

Rent deposits are towards buildings on lease by the company for its business process service operations.

Restricted deposits represent deposit with financial institutions to settle employee related obligations as and when they arise during the normal course of business.

6. Other assets

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Non-current				
Prepaid expenses	1	–	66	61
Capital advances	1	1	3	1
Prepaid gratuity	4	5	4	5
Deferred contract cost	51	–	51	–
Withholding and other taxes receivable	20	21	21	21
Current				
Advances for goods and services	10	9	11	10
Withholding and other taxes receivable	48	29	51	32
Prepaid expenses	17	6	169	101
Deferred customer contracts	7	–	7	–
Unbilled revenue	11	–	43	–
Total	170	71	426	231

Advances for goods and services represent payment made to suppliers for supply of goods and services.

Withholding and other taxes receivable represent transaction taxes paid in various domestic and overseas jurisdictions which are recoverable.

Deferred customer contract costs are upfront costs incurred for the contract and amortized over the term of the contract.

On account of transition to Ind AS 115, Revenue from Contracts with Customers, unbilled revenues where the contractual right to consideration is dependent on completion of contractual milestones is classified as non-financial assets.

7. Deferred tax assets / liabilities

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Deferred tax assets, net	58	50	107	86
Deferred tax liabilities, net	0	0	(26)	(1)
Total	58	50	81	85

Deferred tax assets primarily comprise deferred taxes on property, plant and equipment, accrued compensation to employees, trade receivable, compensated absences, post sales client support, carry forward loss, tax subsidy and others. Deferred tax liability primarily comprise on intangibles and others.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

8. Income tax assets / liabilities

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Income tax assets (net)	96	77	98	82
Income tax liabilities (net)	16	12	37	13
Net income tax asset/(liabilities)	80	65	61	69

The income tax assets represent domestic and overseas corporate tax. Income tax liability represents estimated income tax liabilities, both in india and overseas, net of advance tax and tax deducted at source.

9. Financial liabilites

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Non-current				
Other financial liabilities				
Compensated absences	1	1	3	4
Current				
Other financial liabilities				
Client deposits	–	1	–	1
Accrued compensation to employees	171	132	240	198
Provision for expenses	141	132	607	329
Retention monies	–	–	1	–
Capital creditors	10	2	12	3
Compenated absences	80	71	105	93
Other payables	23	12	26	14
Foreign currency forward contracts	1	2	2	2
Total	427	353	996	644

Financial liabilities (except foreign currency forward contract) are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Foreign Currency forward contracts amortised through profit & loss.

Trade payables represent the amount payable to vendors for the supply of goods, both domestic and overseas and for services rendered.

Accrued compensation to employees includes provision for salaries, allowances and variable pay to employees both in India and abroad, provision for bonus, performance and salary incentives payable to the staff.

Provision for expenses represent amounts accrued for other operational expenses. Compensated absences are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation.

10. Other liabilites

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Non-current				
Deferred rent	10	9	28	30
Current				
Unearned revenue	184	71	384	210
Deferred rent	2	4	7	8
Withholding and other tax payable	70	39	87	55
Client Deposits	5	–	4	–
Total	271	123	510	303

Unearned revenue represents revenue not recognised due to non confirmity with revenue recognition principles.The deferred revenues amounted to ₹ 184 crore as at March 31, 2019 and ₹ 71 crore as at March 31, 2018 on a standalone basis. The deferred revenues amounted to ₹ 384 crore as at March 31, 2019 and ₹ 210 crore as at March 31, 2018 on a consolidated basis.

Withholding and other taxes payable represent tax deducted at source on contractors, foreign payments, professional charges, rent payments, salaries, advertisement, ESI/PF payable etc.

11. Provisions

On a standalone basis, provision for post-sales client support, warranties and others amounted to ₹ 28 crore as at March 31, 2019, and ₹ 22 crore as at March 31, 2018.

On a consolidated basis, provision for post-sales client support, warranties and others amounted to ₹ 46 crore as at March 31, 2019, and ₹ 33 crore as at March 31, 2018.

The provision for service level agreement compliance is based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

III. Results of our operations

The function-wise classification of the standalone Statement of Profit and Loss is as follows:

in ₹ crore

Particulars	Year ended March 31			
	2019	%	2018	%
Revenue from operations	3,932	100.0	3,061	100.0
Cost of Revenue	2,856	72.6	2,192	71.6
Gross profit	1,076	27.4	869	28.4
Selling and marketing expenses	200	5.1	166	5.4
General and administrative expenses	318	8.1	280	9.1
Operating profit	558	14.2	423	13.8
Other income	225	5.7	219	7.2
Profit before tax	783	19.9	642	21.0
Tax expense	187	4.8	173	5.7
Profit after tax	596	15.2	469	15.3

The function-wise classification of the consolidated Statement of Profit and Loss is as follows:

in ₹ crore

Particulars	Year ended March 31			
	2019	%	2018	%
Revenue from operations	5,900	100.0	4,518	100.0
Cost of Revenue	4,464	75.7	3,369	74.6
Gross profit	1,436	24.3	1,149	25.4
Selling and marketing expenses	212	3.6	169	3.7
General and administrative expenses	477	8.1	409	9.1
Operating profit	747	12.7	571	12.6
Other income	211	3.6	210	4.6
Profit before tax	958	16.2	781	17.3
Tax expense	249	4.2	209	4.6
Profit after tax	709	12.0	572	12.7

1. Revenue

Of the total revenues for the year ended March 31, 2019, on a standalone basis, approximately 94.4% were export revenues whereas 5.6% were domestic revenues, as compared to 93.9% being export revenues and 6.1% domestic revenues during the previous year.

Of the total revenues for the year ended March 31, 2019, on a consolidated basis, approximately 96.1% were export revenues whereas 3.9% were domestic revenues, as compared to 95.7% being export revenues and 4.3% domestic revenues during the previous year.

Revenues for the current year increased by 28.5 % and 30.6 % under the both standalone and consolidated basis respectively as compared to the immediately preceding year.

1.1 Analysis of Revenues

The company's revenues are segmented into onsite and offshore revenues. Onsite revenues are those services which are performed at our global development centers, while offshore services are those services which are performed at India DC.

The details of revenues and products are as follows:

in %

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Onsite	28.5	22.7	52.9	51.7
Offshore	71.5	77.3	47.1	48.3
Total	100.0	100.0	100.0	100.0

The proportion of work performed at our facilities and at client sites varies from period to period. The services performed onsite typically generate higher revenues per capita, but at lower gross margins in percentage as compared to the services performed at our own facilities in India. Therefore, any increase in the onsite effort impacts our margins.

1.2 Revenues by project type

The company's revenues are generated principally on time and material basis and fixed price contracts. Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognized as unbilled revenues. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The segmentation of service revenues based on project types is as follows:-

in %

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Fixed price	26.0	24.5	33.0	30.0
Time and material	74.0	75.5	67.0	70.0
Total	100.0	100.0	100.0	100.0

1.3 Voice versus Non-Voice

Infosys BPM has from the beginning advocated a non-voice BPM strategy. The management is of the opinion that non voice would offer greater opportunities for process improvements, higher client retention and greater revenues. On a standalone basis, for the current year ended March 31, 2019, the voice and non voice proportion was at 10:90 whereas for the previous year, the voice and non-voice proportion was 15:85. On a consolidated basis, for the current year ended March 31, 2019, the voice and non voice proportion was at 9:91 whereas for the previous year, the voice and non-voice proportion was 10:90

2. Expenditure

in ₹ crore

YoY growth	As at March 31								Growth %
	2019				2018				
	Standalone	%	Consolidated	%	Standalone	%	Consolidated	%	(YoY) Consol
Employee benefit expenses	2,434	61.9	3,181	53.9	1,888	61.7	2,537	56.2	25.4
Cost of technical sub-contractors	302	7.7	537	9.1	210	6.9	357	7.9	50.4
Travel expenses	161	4.1	178	3.0	125	4.1	143	3.2	24.5
Cost of software for own use	40	1.0	643	10.9	30	1.0	376	8.3	71.0
Communication expenses	51	1.3	102	1.7	65	2.1	82	1.8	24.4
Office expenses	94	2.4	102	1.7	79	2.6	86	1.9	18.6
Power and fuel	29	0.7	31	0.5	25	0.8	27	0.6	14.8
Insurance charges	4	0.1	6	0.1	4	0.1	6	0.1	–
Rent	115	2.9	167	2.8	96	3.1	138	3.1	21.0

YoY growth	As at March 31								Growth %
	2019				2018				
	Standalone	%	Consolidated	%	Standalone	%	Consolidated	%	(YoY) Consol
Depreciation and amortisation expense	83	2.1	109	1.8	77	2.5	105	2.3	3.8
Other expenses	61	1.6	97	1.6	39	1.3	90	2.0	7.8
Total Expenses	3,374	85.8	5,153	87.3	2,638	86.2	3,947	87.4	30.6
Revenue	3,932	100.0	5,900	100.0	3,061	100.0	4,518	100.0	30.6

Employee benefit expenses consist of salaries paid to employees in India and include overseas staff expenses.

The utilization rates of Billable employees are as follows:

in %

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Including trainees	88.5	88.8	88.5	88.9
Excluding trainees	90.9	91.1	90.6	91.0

On standalone basis, cost of technical subcontractors, represents Purchase of services from subsidiaries, Legal & professional charges, recruitment and training expenses and auditor's remuneration constituting approximately 7.7% and 6.9% of total revenue for the current year and previous year respectively for IBPM. On consolidated basis, cost of technical subcontracts was 9.1% and 7.9% of total revenue for the current year and previous year respectively.

On a standalone basis, Travel expenses, representing cost of travel abroad for transition and discovery, client visits, local conveyance etc. constituted approximately 4.1% and 4.1% of total revenue for the current year and previous year respectively for IBPM. On a standalone basis, Travel expenses constituted approximately 3.0% and 3.2% of total revenue for the current year and previous year respectively.

Cost of software for own use primarily represents the cost of software packages and tools procured for our internal use. These packages and tools enhance the quality of our services. On a standalone basis, cost of software was 1.0% and 1.0% of revenues for the current year and previous year respectively. On a consolidated basis, cost of software was 10.9% and 8.3% of revenues for the current year and previous year respectively.

A major part of the Company's revenue comes from offshore business process services. This involves the large-scale use of communication links in order to be online with clients. On a standalone basis, communication expenses constituted 1.3% and 2.1% of revenues for the current year and previous year respectively. On a consolidated basis, communication expenses constituted 1.7% and 1.8% of revenues for the current year and previous year respectively.

On a standalone basis, office expenses, represents the cost incurred for office maintenance, computer maintenance, Printing and machinery, etc. constituting approximately 2.4% and 2.6% of total revenue for the current year and previous year respectively for IBPM. On a consolidated basis, Office expenses constituted approximately 1.7% and 1.9% of total revenue for the current year and previous year respectively.

Rent comprises of overseas and domestic rent payments for space utilised by sales and marketing team. On a standalone basis, the rent represents approximately 2.9% and 3.1% of total revenue for the current year and previous year respectively for IBPM. On a consolidated basis, the rent represents approximately 2.8% and 3.1% of total revenue for the current year and previous year respectively.

Other expenses represent brand building, consumables, rates and taxes, marketing expenses, donations, provisions, etc., which were 1.6% and 1.3% of the revenues for the current year and previous year respectively for IBPM on a standalone basis. On consolidated basis, other expenses constituted approximately 1.6% and 2.0% of the revenues for the current year and previous year respectively.

3. Gross Profit

During the current year, on a standalone basis, the Company earned a gross profit of ₹ 1076 crore representing 27.4% of revenues as compared to ₹ 869 crore representing 28.4% of revenues during the previous year.

During the current year, on a consolidated basis, the company earned a gross profit of ₹ 1436 crore representing 24.3% of revenues as compared to ₹ 1149 crore representing 25.4% of revenues during the previous year.

The decrease in Gross profit as a percentage of revenue for the current year as compared to the previous year was attributable to increase in Cost of revenue expenses as a percentage of revenue during the same period.

Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities.

The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Amount spent during the year for CSR activities is INR 15.51 crore.

4. Operating profits

During the current year, on a standalone basis, the Company earned an operating profit of ₹ 558 crore representing 14.2% of revenues as compared to ₹ 423 crore representing 13.8% of revenues during the previous year.

During the current year, on a consolidated basis, the Company earned an operating profit of ₹ 747 crore representing 12.7% of revenues as compared to ₹ 571 crore representing 12.6% of revenues during the previous year.

The increase in operating profit as a percentage of revenue for the current year as compared to the previous year was attributable to an increase in cost of revenue expenses as a percentage of revenue during the same period.

5. Interest

On a standalone basis, the Company continued to be debt-free during the year . On a consolidation basis, the Company has paid interest for the loan taken from subsidiary (Infosys Public Services, Inc. USA) of Infosys Limited, which amounts to ₹ 1 crore.

6. Depreciation and amortization

On a standalone basis, the company provided a sum of ₹ 83 crore and ₹ 77 crore towards depreciation and amortization for the year ended March 31, 2019 and March 31, 2018 respectively representing 2.1% and 2.5% of total revenues respectively. The depreciation as a percentage of average gross block is 10.3% and 10.1% for the year ended March 31, 2019 and March 31, 2018 respectively.

On a consolidated basis, the company provided a sum of ₹ 109 crore and ₹ 105 crore towards depreciation and amortization for the year ended March 31, 2019 and March 31, 2018 respectively representing 1.8% and 2.3% of total revenues respectively. The depreciation as a percentage of average gross block is 11.3% and 11.6% for the year ended March 31, 2019 and March 31, 2018 respectively.

7. Other income, net

Other income includes interest received on deposits with banks and other financial institutions, dividends from mutual fund investments exchange differences and other miscellaneous income.

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Interest received on financial assets				
Financial assets - carried at amortised cost	102	119	111	127
Financial assets - carried at fair value through other comprehensive income	64	40	64	40
Financial assets - carried at fair value through profit or loss and Gain/Loss				
Dividend on investment in mutual fund units	–	1	–	–
Miscellaneous income, net	27	25	27	25
Exchange gains/(losses) on foreign currency forward contracts and other assets and liabilities	11	10	14	(6)
Profit on sale of property, plant and equipment	1	1	1	1
Gains/(losses) on sale of investment	17	20	(9)	20
Rental Income from holding company	3	3	3	3
Gains/(losses) on foreign currency, net				
Total	225	219	211	210

Sensitivity to rupee movement

On a standalone basis, for each of the years ended March 31, 2019 and March 31, 2018, every percentage point depreciation/appreciation in the exchange rate between the Indian Rupee and US Dollar, had an impact on the Company's incremental operating margins by approximately 0.38% and 0.44% respectively. On a consolidated basis, it had an impact of 0.25% and 0.34% in each of the current and previous years.

Gains/ (losses) on forward foreign exchange and option contracts

The Group uses forward exchange contracts and options to hedge its exposure to movements in foreign exchange rates. The use of these forward exchange contracts and options contracts reduces the risk or cost to the company and the company does not use the forward exchange contracts for trading or speculation purposes.

The composition of currency-wise revenue for the year ended March 31,2019 and March 31, 2018 is as follows:

in %

Currency	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
US Dollar (USD)	65.2	61.8	64.2	64.0
UK Pound (GBP)	9.0	9.3	8.3	6.8
Euro (EUR)	8.8	9.6	13.7	12.9
Australian Dollar (AUD)	6.0	7.4	6.0	6.5
Other	11.0	11.9	7.8	9.8
Total	100.0	100.0	100.0	100.0

8. Provision for tax

The present Indian corporate tax rate is 34.94% (comprising a base rate of 30.0% and a surcharge of 12.0% on the base rate and an educational cess of 4.0% on the cumulative tax). The Company had exemptions from payment of Indian corporate income taxes for a period of ten consecutive years of operation of software development facilities designated as “Software Technology Parks” (the “STP Tax Holiday”). The period of the STP Tax Holiday available was restricted to 10 consecutive years beginning from the financial year when the unit started rendering business process management services or March 31, 2013, whichever was earlier.

Infosys BPM also has operations in a Special Economic Zone (“SEZ”). Income from SEZs is fully tax exempt for the first 5 years, 50.0% exempt for the next 5 years and 50.0% exempt for another 5 years subject to fulfilling certain conditions. Pursuant to the amendments in the Indian Income Tax Act, the Company has calculated its tax liability after considering Minimum Alternate Tax (MAT). The MAT liability can be carried forward and set off against the future tax liabilities.

Provisions for taxation represent estimated income tax liabilities, both in India and abroad. On a standalone basis, for the year ended March 31, 2019, provision for taxation amounting to ₹ 195 crore and deferred tax asset of ₹ 8 crore were recognised. Effective Tax Rate for the current year is 25.1 % as compared to 27.2 % for the previous year. Effective tax rate is generally influenced by various factors, including non deductible expenses, exempt non operating income, overseas taxes , benefits from SEZ units, tax reversals & provisions and other tax deductions. The decrease in effective tax rate from fiscal 2018 to fiscal 2019 was mainly due to increase in deductions for new employment, decrease in Non-operating income and increase in Benefit of SEZ units

On a consolidated basis, for the year ended March 31, 2019, provision for taxation amounts to ₹ 245 crore and deferred tax liability of ₹ 4 crore were recognized. Net impact of provision for taxation for different period is as follows.

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Current taxes	195	182	245	199
Deferred taxes	(8)	(9)	4	10
Total	187	173	249	209

9. Net profit

On a standalone basis, the net profit of the Company from ordinary activities amounted to ₹ 596 crore and ₹ 469 crore for the year ended March 31, 2019 and March 31, 2018 respectively. This represents 15.2% and 15.3% of total revenue for the respective years. Excluding other income of ₹ 225 crore (5.7% of revenues) in the current year as compared to ₹ 219 crore (7.2% of revenues) in the previous year, the net profit would have been ₹ 371 crore and ₹ 250 crore in the current and previous years respectively.

On a consolidated basis, the net profit of the Company from ordinary activities amounted to ₹ 709 crore and ₹ 572 crore for the year ended March 31, 2019 and March 31, 2018 respectively. This represents 12.0% and 12.7% of total revenue for the respective years. Excluding other income of ₹ 211 crore (3.6% of revenues) in the current year as compared to ₹ 210 crore (4.6% of revenues) in the previous year, the net profit would have been ₹ 498 crore and ₹ 362 crore in the current and previous years respectively.

The decrease in net profit as a percentage of revenue for the current year as compared to the previous year was attributable to increase in cost of revenue expense and decrease in other income as a percentage of revenue during the same period.

10. Earnings per equity share (EPS)

Particulars	Standalone			Consolidated		
	2019	2018	% increase	2019	2018	% increase
Basic	176.30	138.76	27.1	209.53	169.14	23.9
Diluted	176.30	138.76	27.1	209.53	169.14	23.9

Weighted average equity shares used in computing earnings per quity share as follows:

Particulars	Standalone		Consolidated	
	2019	2018	2019	2018
Basic	3,38,27,751	3,38,27,751	3,38,27,751	3,38,27,751
Diluted	3,38,27,751	3,38,27,751	3,38,27,751	3,38,27,751

11. Segmental profitability

The Company internally reorganized its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequent to the internal reorganization, there were changes in the reportable business segments based on management approach, as defined under Ind AS 108, Operating Segments. The CODM evaluates the Company'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 segment - consolidated

in ₹ crore

FY'2019	FA [1]	IS [2]	CS [3]	S&F [4]	S&P [5]	DB [6]	MCM [7]	Others	Total
Segmental revenues	973	921	476	764	288	343	1,287	848	5,900
Segmental operating income	122	247	51	188	55	45	108	40	856
Segmental operating income (%)	12.5%	26.8%	10.7%	24.6%	18.9%	13.0%	8.4%	4.7%	14.5%

[1] Finance & Accounts
[2] Industry Solutions
[3] Customer Service
[4] Sales & Fulfilment
[5] Sourcing & Procurement
[6] Digital Business
[7] McCamish

Geographic segment - consolidated

in %

Particulars	North America	Europe	Others*	Total
Segmental revenues				
FY'2019	3,715	1,322	863	5,900
FY'2018	2,655	1,123	740	4,518
Growth %	39.9	17.7	16.6	30.6

* India and rest of the world

12. Liquidity

The growth of the company has been largely financed by cash generated from operations. On a standalone basis, as at March 31, 2019 the company had cash and cash equivalents of ₹ 1837 crore as comapred to ₹ 1303 as at March 31, 2018. The cash and cash equivalents increased by ₹ 534 crore during the current year. On a consolidated basis, as at March 31, 2019 the company had cash and cash equivalents of ₹ 2609 crore as comapred to ₹ 1928 as at March 31, 2018. The cash and cash equivalents increased by ₹ 681 crore during the current year.

Cash flow statement

in ₹ crore

Particulars	Standalone		Consolidated	
	As at March 31			
	2019	2018	2019	2018
Cash Flows				
Operating activities	368	342	632	453
Investment activities	155	(83)	97	(126)
Financing activities	–	(1,018)	(40)	(978)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	11	1	(8)	45
Net increase / (decrease) in cash and cash equivalents	523	(759)	689	(651)
Cash and cash equivalents at the beginning of the period	1,303	2,061	1,928	2,534
Cash and cash equivalents at the end of the period	1,837	1,303	2,609	1,928

The company's treasury policy calls for investing only in highly rated banks, financial institutions and companies for short maturities with a limit for individual entities. The company retains the money both in rupee and foreign currency accounts. The bank balances in overseas accounts are maintained to meet the expenditure of the overseas branches in the respective countries, and to meet project-related expenditure overseas. The company's policy is to maintain sufficient cash in the balance sheet to fund the ongoing capex requirements, the operational expenses and other strategic initiatives for the next one year and to maintain business continuity in case of exigencies.

13. Related party transactions

These have been discussed in details in the Notes to the Accounts in this Annual Report.

14. Events occurring after the Balance Sheet date

There were no significant events that occurred after the Balance Sheet date.

IV. Opportunities and threats

1. Our strengths

Infosys BPM helps clients deliver improved business outcomes in addition to optimizing the efficiency of their business processes. We also have a proven global delivery model and commitment to quality and process execution. We operate our business from 32 global centers - 7 in India, 8 in APAC, 7 in Europe, 5 in the US and 5 in Latin America. Client stickiness, deep, lasting client relationships and a strong brand name has helped us establish as the employer of choice. Expertise in lean automation and continuous improvement in the business of digital through our Digital Transformation Services helps us in improving the productivity and being more effective for the client.

2. Our strategy

Infosys BPM Limited's strategy helps client navigate their next by digitally transforming their shared services and by enhancing experience for their stakeholders, customers, employees and suppliers. Through our integrated 'business domain people + software = 'humanware' approach we continue to co-create business value and enhancing experience for our clients, constantly enabling our humanware to partner with our clients and navigate them to their next by being empathetic advisors

Infosys BPM has an increasing need for highly skilled talent who can act as domain professionals and execute initiatives that the client values. Through our digital traditional services and digital service offerings we provide consultative solutions to our clients, thus helping us enhance stakeholder's experience. Our recent JV's (with Hitachi and ABN Amro Bank) also strengthens our digital procurement and mortgage-platform based capabilities.

We will continue to strengthen our position in the market through focused vertical utilities platform play, and strengthening both our capabilities as well as digital through our new Digital Transformation Services offerings: through Infosys NIA, Robotics Process as a Service, Digital Transformation Services, Predictive Analytics, Digital Interactive Services, McCamish Insurance Utilities. Infosys BPM has so far emerged as a trusted and valued collaboration partner for clients and an employer of choice for aspiring professionals.

3 Our competition

We operate in a highly competitive and rapidly changing market. At one end of the spectrum, we compete with consulting firms such as Accenture Limited and Deloitte Consulting LLP. We also compete with divisions of large multinational technology firms such as Capgemini, Hewlett-Packard Company and IBM Corporation. Besides these, we directly compete with core Business Process Management players such as TCS BPS, Genpact Limited, Wipro BPM, EXL Service and WNS Global Services. In the future, we expect intensified competition from these firms also from new platform Business Process as a Service (BPaaS) players and captives. We understand that price alone cannot constitute a sustainable competitive advantage and we have improvised on our ability to attract and retain talent in the organization. We have also strengthened our articulation of long-term value to potential clients. We are focusing on increasing the scale and breadth of service offerings to provide one-stop solutions for customer needs.

IV. Outlook, risk and concerns

This section contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors

The following lists our outlook, risks and concerns:

- Our revenues and expenses are difficult to predict and can vary significantly from period to period. We may not be able to sustain our previous profit margins or levels of profitability.
- The economic environment, pricing pressure and decreased employee utilization rates could negatively impact our revenues.
- Our revenues are highly dependent on clients primarily located in the U.S. and Europe, as well as on clients concentrated in certain industries. An economic or industry slowdown in these regions may affect our business.
- Our success depends largely on our ability to attract, hire, train, motivate and retain talent.
- Intense competition in the market for technology services could affect our cost advantages.
- Our revenues are highly dependent upon a small number of clients, and the loss of any one of our major clients could significantly impact our business.
- Legislation in certain countries in which we operate, may restrict companies in those countries from outsourcing work to us, or may limit our ability to send our employees to certain client sites.
- Some of our long-term client contracts contain benchmarking provisions which, if triggered, could result in lower future revenues and profitability under the contract.
- Our business will suffer if we fail to anticipate and develop new services in order to keep pace with rapid changes in technology.
- Disruptions in telecommunications, system failures, or cyber-attacks could harm our ability to execute our Global Delivery Model, which could result in client dissatisfaction and a reduction of our revenues.
- We may be liable to our clients for damage caused by disclosure of confidential information, system failures, errors or unsatisfactory performance of services.
- The markets in which we operate are subject to the risk of earthquakes, floods, tsunamis and other natural and manmade disasters.
- Our net income would decrease if the Government of India reduces or withdraws tax benefits and other incentives it provides to us or when our tax holidays expire or terminate.
- Wage pressures in India and the hiring of employees outside India may prevent us from sustaining our competitive advantage and may reduce our profit margins.
- Terrorist attacks or a war could adversely affect our business, results of operations and financial condition.

For more details on risk factors refer to our quarterly and annual filings with the Securities and Exchange Commission (SEC), U.S., available on our website, www infosys.com.

VI. Internal control system and their adequacy

The CEO and CFO certification provided in the CEO and CFO Certification section of the Annual Report discusses the adequacy of our internal control systems and procedures.

VII. Material developments in human resources/ industrial relations, including number of people employed

Our culture and reputation as a leader in the business process outsourcing services industry enables us to recruit and retain some of the best available talent in India.

Risk Management Report

The risk management report outlines various dimensions of our enterprise risk management function. This may contain statements that are forward-looking in nature. As every business is home to uncertainties, so is ours. These could materially vary the actual results from those reflected in the forward-looking statements. Our business, financial conditions and/ or prospects could also be affected by risks and uncertainties not currently known to us or we believe are not material. Readers are advised to refer to the detailed discussion of risk factors and related disclosures in our group regulatory filings, and exercise their judgment in assessing risks associated with the Company.

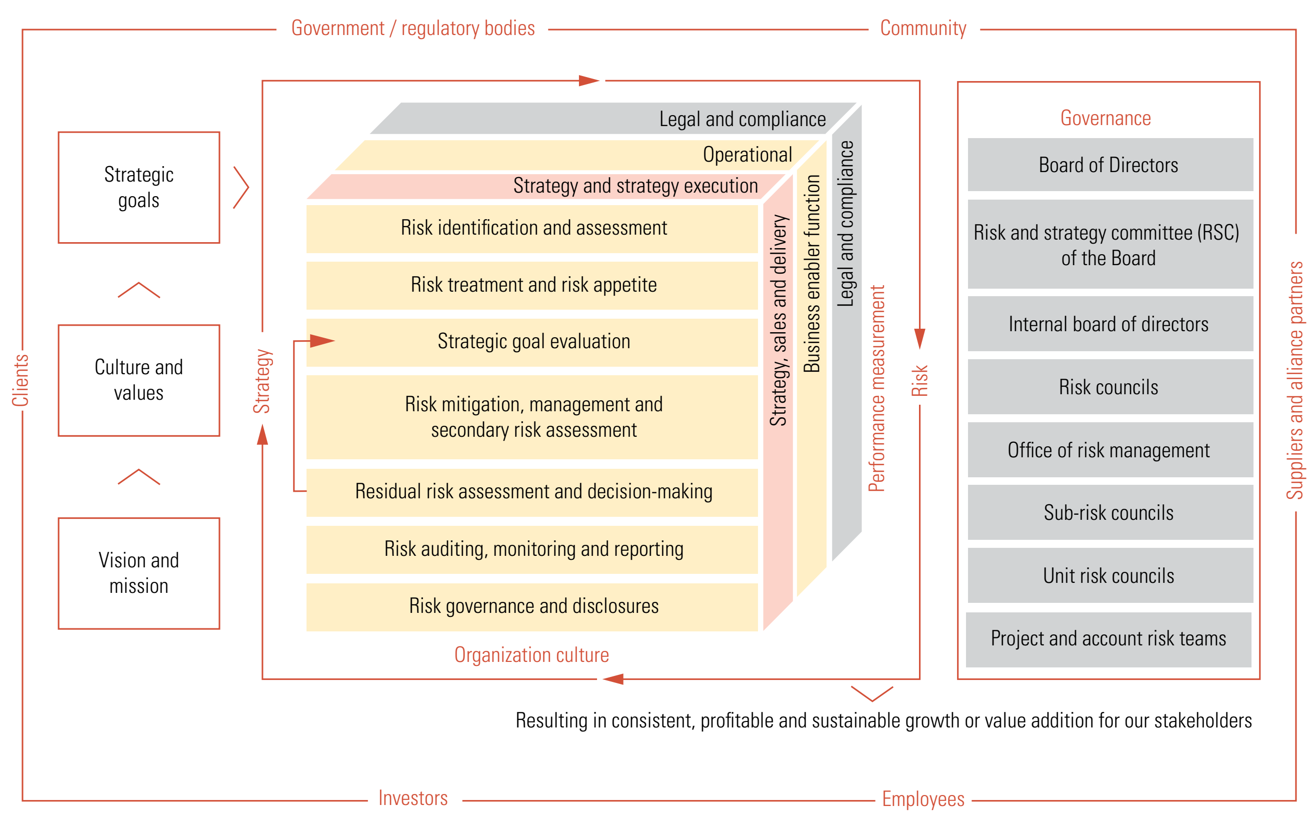
Overview

The Infosys Enterprise Risk Management (ERM) enables the achievement of strategic objectives by identifying, analyzing, assessing, mitigating, monitoring and governing any risk or potential threat to these objectives. While achievement of strategic objectives is the key driver, our values, culture, obligation and commitment to employees, customers, investors, regulatory bodies, partners and the community around us are the foundation on which our ERM framework is developed. Systematic and proactive identification of risks and mitigation thereof enable effective or quick decision-making and boosts the performance of the organization. The ERM unit functions as a decision-enabler which not only seeks to minimize the impact of risks but also enables the effective resource allocation based on the risk impact ranking and risk appetite. Strategic decisions are taken after careful consideration of risks based on secondary risks and residual risks.

Our ERM framework encompasses all the risks that the organization is facing under different categories, such as strategic, operational, and legal and compliance risks. Any of these categories can have internal or external dimensions. Hence, appropriate risk indicators are used to identify these risks proactively. We take cognizance of risks faced by our key stakeholders and their cumulative impact while framing our risk responses

Infosys BPM has adopted the new integrated risk management framework that is being implemented across the Group companies. The new framework is based on international standards and tailored to suit business needs of Infosys Group including Infosys BPM

Infosys Integrated Enterprise Risk Management Framework



Risk governance structure

At the corporate level, leadership team lead by Chief Executive Officer are responsible for managing the risks. The Board of Directors (the 'Board') are responsible for monitoring the management of risks. Risks are identified by risk management functions or roles at different levels in the organization are presented at the appropriate councils in the governance structure. Critical risks or cross functional risks at each level are escalated to the next level in the governance structure. Criticalrisks under different categories of risks at the group level are reviewed by Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Risk Officer and General Counsel in various councils. Critical risks from these councils are presented to the internal Board of Directors and then to the risk and strategy committee of the Board on a quarterly basis.

The key highlights of the ERM framework adopted by Infosys BPM are as follows:

- Subsidiary level sub risk councils comprising of the CEO, CFO, Head of Quality and Head of Risk Management, along with group CRO, review all internal and external risks such as the business strategy risks, people risks, market risks, delivery risks, IP related risks to name a few, on a quarterly basis.
- All critical strategic and strategic execution risks are presented to group strategic and strategic execution risk council (SSERC) on a quarterly basis.
- Operational, and legal and compliance risks at the subsidiary are routed to group operational risk council, and legal and compliance risk council which meet once a quarter.
- All critical risks pertaining to BPM are discussed in the BPM board meeting.

The day-to-day implementation of the risk management process are undertaken by respective functional teams and their implementation are overseen at the organization level by a Risk Management Core Group comprising members from each of the BEF and operations. On a monthly basis, this team reviews all the incidents, exceptions, and suggests necessary changes to the appropriate policies, processes, technology and standards for implementation and communication to stakeholders.

Please refer to Risk management report in Infosys Annual Report 2018-19 for details of Infosys integrated risks management framework.

Risk management highlights of the year

During the year, our focus was on extending the adoption of the new integrated ERM framework and strengthening the risk management program. We carried out following risk management activities during last fiscal:

- Regularly assessed strategic threats to our business, especially relating to product roadmap, business strategy, market risks, etc.
- Reviewed key operational risks applicable to BPM and the impact to our business.
- Reviewed legal and compliance risks applicable to BPM and the impact to our business

Third party assurance

Infosys BPM's internal controls are also audited by third party and this is done via Attestation Standards (AT 801) which is an internationally recognized auditing standard developed by International Auditing and Assurance Standards Board (IAASB), which is part of the International Federation of Accountants (IFAC). AT 801 audit suggests that a service organization has been through an in depth audit of control activities, which generally include controls over information technology and related processes. Infosys BPM has been providing all clean reports since 2004. The audit is conducted by one of big four audit firms.

Infosys BPM has covered the following locations for SOC1, Type 2 audit: Manila (Alabang & BGC), Philippines; Bangalore, Chennai (TRIL & TIDEL), Pune, Jaipur and Gurgaon, India; Lodz, Poland; Brno, Czech Republic; Dalian and Hangzhou, China; Monterrey, Mexico; Belo Horizonte, Brazil; San Jose, Costa Rica; Arizona, Phoenix; Aguadilla, Puerto Rico; Milwaukee, USA.

Report on health, safety and environment

We are committed to providing a safe and healthy work place to our employees, consultants, contract workmen, visitors and high standards of environmental protection. We have established a Health, Safety and Environmental Management System and are certified to OHSAS 18001:2007 specifications and ISO14001:2015 at most of our campuses in India. The HSEMS initiative christened as OZONE, helps us comply with all applicable legal requirements across our operations.The various processes under the initiative includes and are not limited to:

Risk management

Risk Management includes the identification of hazards and environmental impacts for all activities (including new or modified activities, products and services) assessment of their impacts, implementation of measures to minimize or control the impacts, and monitoring the same in a structured manner.

Health and safety

Safety is every employee's responsibility and concern. Forums and helplines are provided to our employees to report incidents and workplace hazards. They are actively involved in suggesting and implementing changes to the HSE policy.

An Occupational Health and Safety (OH&S) Committee is set up in each development center. This committee is made up of OH&S representatives who represent employees of a designated workgroup. The OH&S committee brings employees and the Management together in a non-adversarial, cooperative effort to promote OH&S within the entire workplace. The committee would discuss, explore, study and make recommendations on various OH&S related issues. The committee will also provide employees with the opportunity to voice concerns relating to hazards. The Committee is chaired by the DC Head in the locations.

SAFE - Secure affirmative fun environment

SAFE initiative is committed to ensure Safe Affirmative Fun Environment to employees. This is a comprehensive physical and psychological health initiative, customized to an IT and ITES environment and constantly innovating to cater to the needs of the employees with offerings which include interactive portals, quizzes, comprehensive health and wellbeing plan for employees with offerings such as preventive healthcare options for employees and families, health checks, talks, consultations, fitness related interventions, and health awareness campaigns. Safety Week and Health Week - comprising master health check-ups and focused health and stress campaigns, was conducted in our campuses which saw good participation by employees.

A hotline help and the psychological counseling that provide timely, expert help to employees and their families on issues related to relationships, stress, depression and personal issues is also established.

Incident reporting and investigation

Incidents can be reported by employees through an internal application or through an email reporting mechanism. Incidents reported are investigated and analyzed, and appropriate corrective actions and preventive measures are taken to reduce future injuries and losses.

The investigations focus on root causes and system failures.

Environment

On the environmental front persistent and focused efforts through smart building automation, highly-efficient building designs, deep green retrofits and renewable energy have helped us in resource conservation and efficient management of waste scientifically has enabled us minimize waste to landfills. Energy: Several energy reduction programs have been initiated. We have installed 763 KW of solar panels at our Multilevel parking lot and have a ground mount plants of 253 KW at Jaipur catering as a source of renewable energy. With such initiatives we have been able to reduce our per capita electricity consumption across our campuses during the year.

Water: We have been able to achieve a per capita reduction of fresh water during the year which has been achieved with the use of water efficient fixtures, innovative wastewater treatment technologies, reuse of treated wastewater, rainwater harvesting. We have our own sewage treatment plants to recycle and reuse wastewater generated at our campuses every day. Recycled water is used for landscape maintenance, HVAC and for flushing purposes at our campuses.

Waste Management: We strive to reuse, recycle and responsibly dispose waste. Waste is segregated at source and disposed to authorized recyclers in adherence to applicable legislations. We are working on effective organic waste recycling through initiatives like establishment of biogas plants, organic waste converters etc., in our campuses

Assessments and reviews

Health, Safety and Environment performance, effectiveness of processes and programs for achievement of established HSE objectives and targets are evaluated through periodic reviews and audits of the HSEMS.

Report on health, safety and environment

Training needs are identified based on the nature of jobs, which may have a significant impact on the environment or may pose occupational health and safety risks. Training includes awareness building, mock drills, classroom sessions and periodic demonstrations. Various campaigns were held across development centers to create awareness amongst employees.

Business continuity

The Business Continuity Management System (BCMS) initiative at Infosys referred to as the Phoenix program which:

- Enables identification business impacts due to disruption in our services
- Identification and Management of related risks
- Establishment of Business continuity plans which are regularly tested. Corporate, Development Centre and Account level plans exist.
- Drills and exercises are conducted periodically to test our preparedness levels to handle all potential disasters, and to check the liaison effectiveness and involvement with external organizations. Observations recorded during these mock drills are analyzed and acted upon and the learnings are included in the plans and trainings.

We are also certified to ISO22301.

CEO and CFO certification

The Board of Directors

Infosys BPM Limited, Bengaluru

Dear members of the Board,

We, Anantharaman Radhakrishnan, Managing Director and Chief Executive Officer, and Prem Joseph Pereira, Chief Financial Officer of Infosys BPM Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at March 31, 2019, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information of the Company and the Board's report for the year ended March 31, 2019.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's code of conduct and ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
   a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
   c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
   d. Disclosed in this report any changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation of Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
   a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
   b. Any significant changes in internal controls during the year covered by this report.
   c. All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
   d. Any instances of fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct and ethics for the year covered by this report.

	Sd/-	Sd/-
Bengaluru	Anantharaman Radhakrishnan	Prem Joseph Pereira
April 10, 2019	*Managing Director and Chief Executive Officer*	*Chief Financial Officer*

Independent Auditor's Report

To the members of Infosys BPM Limited

Report on the audit of standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of Infosys BPM Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and, Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's registration number: 117366W/W-100018

Anand Subramanian
Partner
Membership number: 110815

Bengaluru
April 10, 2019

Balance Sheet

(In ₹ crore)

Particulars	Note no.	As at March 31,	
		2019	2018
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	228	249
Capital work-in-progress		11	3
Goodwill		19	19
Financial assets			
Investments	2.2	849	968
Loans	2.3	–	–
Other financial assets	2.4	34	31
Deferred tax assets (net)	2.14	58	50
Income tax assets (net)	2.14	96	77
Other non-current assets	2.7	77	27
Total non-current assets		1,372	1,424
Current assets			
Financial assets			
Investments	2.2	535	458
Trade receivables	2.5	715	569
Cash and cash equivalents	2.6	1,837	1,303
Loans	2.3	19	18
Other financial assets	2.4	277	164
Other current assets	2.7	93	44
Total current assets		3,476	2,556
Total assets		4,848	3,980
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.9	34	34
Other equity		4,000	3,407
Total equity		4,034	3,441
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	2.10	1	1
Other non-current liabilities	2.12	10	9
Total non - current liabilities		11	10
Current liabilities			
Financial liabilities			
Trade payables	2.11		
(A) total outstanding dues of micro enterprises and small enterprises; and		–	–
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		72	29
Other financial liabilities	2.10	426	352
Other current liabilities	2.12	261	114
Provisions	2.13	28	22
Income tax liabilities (net)	2.14	16	12
Total current liabilities		803	529
Total equity and liabilities		4,848	3,980

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

As per our report of even date attached.

for Deloitte Haskins & Sells LLP
Chartered Accountants

Firm's registration number: 117366W/ W-100018

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

Anand Subramanian *Partner* Membership number: 110815	Ravi Kumar Singisetti *Chairman and Director*	Anantharaman Radhakrishnan *Managing Director and Chief Executive Officer*	Inderpreet Sawhney *Director*	D. N. Prahlad *Director*
	Prof. Jayanth R. Varma *Director*	Prem Pereira *Chief Financial Officer*	Bindu Raghavan *Company Secretary*	

Bengaluru
April 10, 2019

Statement of Profit and Loss

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

Particulars	Note no.	Years ended March 31,	
		2019	2018
Revenue from operations	2.15	3,932	3,061
Other income, net		225	219
Total income		4,157	3,280
Expenses			
Employee benefit expenses	2.17	2,434	1,888
Cost of technical sub-contractors and professional charges	2.17	302	210
Travel expenses		161	125
Lease rentals	2.18	115	96
Depreciation and amortization expense	2.1	83	77
Other expenses		279	242
Total expenses		3,374	2,638
Profit before tax		783	642
Tax expense:			
Current tax	2.14	195	182
Deferred tax	2.14	(8)	(9)
Profit for the year		596	469
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset, net		(4)	(3)
		(4)	(3)
Items that will be reclassified subsequently to profit or loss			
Fair value changes on investmens, net	2.2	1	(2)
		1	(2)
Total other comprehensive income/(loss), net of tax		(3)	(5)
Total comprehensive income for the year		593	464
Earnings per equity share			
Equity shares of par value ₹10/- each			
Basic and diluted (₹)		176.30	138.76
Weighted average number of shares used in computing earnings per share			
Basic and diluted	2.20	3,38,27,751	3,38,27,751

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

As per our report of even date attached.

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Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Bengaluru
April 10, 2019

Statement of Changes in Equity

(In ₹ crore)

Particulars	Equity share capital	Other equity						Total equity attributable to equity holders of the company
		Reserves and surplus					Other comprehensive income	
		Securities premium(2)	Retained earnings	Capital reserve(2)	General reserve	Special economic zone re-investment reserve(1)(2)		
Balance as at April 1, 2017	34	25	2,949	1	1,000	–	(14)	3,995
Changes in equity for the year ended March 31, 2018								
Profit for the year	–	–	469	–	–	–	–	469
Fair value changes on investments, net of tax (Refer note 2.2)	–	–	–	–	–	–	(2)	(2)
Remeasurement of the net defined benefit liability/asset, net of tax	–	–	–	–	–	–	(3)	(3)
Total comprehensive income for the year	–	–	469	–	–	–	(5)	464
Transfer to Special Economic Zone Re-investment Reserve	–	–	(59)	–	–	59	–	–
Transfer from Special Economic Zone Re-investment Reserve on utilization	–	–	35	–	–	(35)	–	–
Dividends (including corporate dividend tax)	–	–	(1,018)	–	–	–	–	(1,018)
Balance as at March 31, 2018	34	25	2,376	1	1,000	24	(19)	3,441
Balance as at April 1, 2018	34	25	2,376	1	1,000	24	(19)	3,441
Changes in equity for the year ended March 31, 2019								
Profit for the year	–	–	596	–	–	–	–	596
Fair value changes on investments, net of tax (Refer note 2.2)	–	–	–	–	–	–	1	1
Remeasurement of the net defined benefit liability/asset, net of tax	–	–	–	–	–	–	(4)	(4)
Total comprehensive income for the year	–	–	596	–	–	–	(3)	593

Particulars	Equity share capital	Other equity						Total equity attributable to equity holders of the company
		Reserves and surplus					Other comprehensive income	
		Securities premium(2)	Retained earnings	Capital reserve(2)	General reserve	Special economic zone re-investment reserve(1)(2)		
Transfer to Special Economic Zone Re-investment Reserve	–	–	(110)	–	–	110	–	–
Transfer from Special Economic Zone Re-investment Reserve on utilization	–	–	44	–	–	(44)	–	–
Balance as at March 31, 2019	34	25	2,906	1	1,000	90	(22)	4,034

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

(2) A description of the purposes of each reserve within equity have been disclosed in Note 2.9.

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

As per our report of even date attached.

for Deloitte Haskins & Sells LLP
Chartered Accountants

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Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Bengaluru
April 10, 2019

Statement of Cash Flows

Accounting policy

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

(In ₹ crore)

Particulars	Note no.	Years ended March 31,	
		2019	2018
Cash flow from operating activities			
Profit for the year		596	469
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization expense		83	77
Income tax expense	2.14	187	173
Sale of duty scrips		(25)	–
Profit on sale of property, plant and equipment		(1)	(1)
Interest on bank deposits and others		(102)	(119)
Income on other financial assets		(81)	(61)
Exchange differences on translation of other assets and liabilities		(11)	(1)
Allowance for credit loss on financial assets		8	1
Other adjustments		6	(4)
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(235)	(92)
Loans and other financial assets and other assets		(108)	4
Trade payables	2.11	43	22
Other financial liabilities, other liabilities and provisions		216	68
Cash generated from operations		576	536
Income taxes paid		(208)	(194)
Net cash generated by operating activities		368	342
Cash flow from investing activities			
Expenditure on property, plant and equipment, net of sale proceeds		(61)	(58)
Loans to employees	2.3	(1)	(1)
Deposits placed with corporation		(16)	(6)
Interest received on bank deposits and others		129	180
Investment in subsidiary	2.2	(14)	–
Proceeds from sale of duty scrips		25	–
Payment to acquire financial assets			
Non-convertible debentures		(66)	(104)
Certificates of deposit		(342)	(363)
Government bonds		(6)	–
Liquid mutual fund units and fixed maturity plan securities		(4,296)	(3,407)
Proceeds on sale of financial assets			
Non-convertible debentures		136	–
Government bonds		–	10
Certificates of deposit		390	279
Liquid mutual fund units and fixed maturity plan securities		4,277	3,387
Net cash (used in) / generated from investing activities		155	(83)
Cash flows from financing activities			
Payment of dividends (including corporate dividend tax)		–	(1,018)
Net cash used in financing activities		–	(1,018)

Particulars	Note no.	Years ended March 31,	
		2019	2018
Exchange differences on translation of other assets and liabilities		11	1
Net increase/(decrease) in cash and cash equivalents		523	(759)
Cash and cash equivalents at the beginning of the year		1,303	2,061
Cash and cash equivalents at the end of the year		1,837	1,303
Supplementary information:			
Restricted cash balance		–	–

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

As per our report of even date attached.

for Deloitte Haskins & Sells LLP
Chartered Accountants

Firm's registration number:
117366W/ W-100018

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Chief Financial Officer

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Company Secretary

Bengaluru
April 10, 2019

1. Company overview and significant accounting policies

1.1 Company overview

Infosys BPM Limited ('Infosys BPM' or 'the Company') (formerly known as Infosys BPO Limited) was incorporated on April 3, 2002 to provide business process management services to organizations that outsource their business processes. Infosys BPM is a majority-owned and controlled subsidiary of Infosys Limited. The Company helps clients improve their competitive positioning by managing their business processes in addition to providing increased value.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India.

The standalone financial statements are approved by the Company's Board of Directors on April 10, 2019.

1.2 Basis of preparation of financial statements

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) . 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 applied consistently to all periods presented in these standalone financial statements 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.

1.3 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the standalone financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

1.4 Critical accounting estimates

a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Further, the Company uses significant judgements while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date (Refer to Note 2.15).

b. Income taxes

The Company's major tax jurisdiction is India even though the Company also files tax returns in other overseas jurisdiction. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer to Note 2.14)..

c. Property, plant and equipment

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

d. 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 is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash-generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purpose.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which the Management has based it's determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent the Management's best estimate about future developments.

1.5 Recent accounting pronouncements

a. Ind AS 116 - Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 - Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 - Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective: Retrospectively to each prior period presented applying Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective: Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:
- Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 and March 31, 2018 will not be retrospectively adjusted.

The effect of adoption as on transition date would be an increase in right of use asset in the range of ₹380 crores to ₹450 crores, an increase in lease liability by ₹410 crores to ₹480 crores. The Company has elected certain available practical expedients on transition.

b. Ind AS 12 Appendix C - Uncertainty over Income Tax Treatments: On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 12 Appendix C - Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

c. Amendment to Ind AS 12 - Income taxes: On March 30, 2019, the MCA issued amendments to the guidance in Ind AS 12 - Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall reconize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally reconized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

d. Amendment to Ind AS 19 - Plan amendment, curtailment or settlement : On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19 - Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to reconize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously reconized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is evaluating the effect of this amendment on the standalone financial statements and the impact is not expected to be material.

2.1 Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building(1)	22-25 years
Plant and machinery(1)	5 years
Computer equipment(1)	3-5 years
Furniture and fixtures(1)	5 years
Office equipment(1)	5 years
Leasehold improvements	Over the 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.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year-end.

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 put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in net profit in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

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 or 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 generated unit ('CGU') to which the asset belongs.

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

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on number of factors including operation results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash-generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash flows that are largely independent of the cash flows from other assets or group of assets. Impairment occurs when the carrying amount of CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of the CGU if 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.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss in goodwill is reconized in the Statement of Profit and Loss and is not reversed in the subsequent period.

The changes in the carrying value of property, plant and equipment are as follows:

(In ₹ crore)

Particulars	Land-leasehold (1)	Buildings	Leasehold improvement	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as at April 1, 2018	12	153	114	59	113	270	66	787
Additions	–	1	6	2	2	47	4	62
Deletions	–	–	(2)	–	(4)	(9)	(3)	(18)
Gross carrying value as at March 31, 2019	12	154	118	61	111	308	67	831

Particulars	Land-leasehold (1)	Buildings	Leasehold improvement	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Accumulated depreciation as at April 1, 2018	1	61	77	37	104	201	57	538
Depreciation	–	6	18	8	4	41	6	83
Accumulated depreciation on deletions	–	–	(2)	–	(4)	(9)	(3)	(18)
Accumulated depreciation as at March 31, 2019	1	67	93	45	104	233	60	603
Carrying value as at March 31, 2019	11	87	25	16	7	75	7	228
Carrying value as at April 1, 2018	11	92	37	22	9	69	9	249

The changes in the carrying value of property, plant and equipment are as follows:

(In ₹ crore)

Particulars	Land-leasehold (1)	Buildings	Leasehold improvement	Plant and machinery (2)	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as at April 1, 2017	12	153	93	46	111	264	61	740
Additions	–	–	22	13	3	26	6	70
Deletions	–	–	(1)	–	(1)	(20)	(1)	(23)
Gross carrying value as at March 31, 2018	12	153	114	59	113	270	66	787
Accumulated depreciation as at April 1, 2017	1	56	62	30	100	182	53	484
Depreciation	–	5	16	7	5	39	5	77
Accumulated depreciation on deletions	–	–	(1)	–	(1)	(20)	(1)	(23)
Accumulated depreciation as at March 31, 2018	1	61	77	37	104	201	57	538
Carrying value as at March 31, 2018	11	92	37	22	9	69	9	249
Carrying value as at April 1, 2017	11	97	31	16	11	82	8	256

(1) Gross carrying value of leasehold land represents amounts paid under certain lease-cum-sale agreement to acquire land including agreement where the Company has an option to purchase or renew the property on expiry of the lease period.

(2) Include ₹3 crore spent on CSR activities for the year ended March 31, 2018.

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

The rental income from the leasing of certain assets to holding company is as follows;

(In ₹ crore)

Particulars	Years ended March 31, 2019	Years ended March 31, 2018
Rental Income	3	3

2.2 Investments

(In ₹ crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current investments		
Equity instruments of subsidiaries	582	569
Non-convertible debentures	210	346
Fixed maturity plan securities	57	53
Total non-current investments	849	968
Current investments		
Liquid mutual fund units	70	38
Government bonds	6	–
Certificates of deposit	359	368
Non-convertible debentures	100	52
Total current investments	535	458
Total carrying value	1,384	1,426

(In ₹ crore, except as otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current investments		
Unquoted		
Investments carried at cost		
Investments in equity instruments of subsidiaries		
Infosys (Czech Republic) Limited s.r.o.	3	3
Infosys Poland Sp z.o.o, 5,000 (5,000) equity shares of PLN 500 each, fully paid	59	59
Infosys McCamish Systems LLC	289	289
Portland Group Pty Limited, 17,45,00,000 (17,45,00,000) equity share of AUD 1 each, fully paid	211	211
Infosys BPO Americas LLC	20	7
	582	569
Quoted		
Investments carried at fair value through other comprehensive income		
Non-convertible debentures (Refer to Note 2.2.3)	210	346
	210	346
Investments carried at fair value through profit or loss		
Fixed maturity plan securities (Refer to Note 2.2.4)	57	53
	57	53
Total Non-current investments	849	968
Current investments		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units (Refer to Note 2.2.1)	70	38
	70	38
Investments carried at fair value through other comprehensive income		
Certificates of deposit (Refer to Note 2.2.5)	359	368
	359	368
Quoted		
Investments carried at amortized cost		
Government bonds (Refer to Note 2.2.2)	6	–
	6	–
Investments carried at fair value through other comprehensive income		
Non-convertible debentures (Refer to Note 2.2.3)	100	52
	100	52
Total current investments	535	458
Total investments	1,384	1,426
Aggregate amount of quoted investments	373	451
Market value of quoted investments (including interest accrued thereon)	371	451
Aggregate amount of unquoted investments	1,011	975

Particulars	As at March 31,	
	2019	2018
Investment carried at cost	582	569
Investment carried at amortized cost	6	–
Investment carried at fair value through other comprehensive income	669	766
Investment carried at fair value through profit or loss	127	91

Refer to Note 2.8 for accounting policies on financial instruments.

Details of amounts recorded in other comprehensive income:

(In ₹ crore)

Particulars	Years ended March 31,					
	2019			2018		
	Gross	Tax	Net	Gross	Tax	Net
Net gain/ (loss) on						
Certificates of deposit	–	–	–	–	–	–
Non convertible debentures	1	–	1	(2)	–	(2)

Method of fair valuation

(In ₹ crore)

Class of investment	Method	Fair value as at	
		March 31, 2019	March 31, 2018
Non-convertible debentures	Quoted price and market observable inputs	310	398
Fixed maturity plan securities	Market observable inputs	57	53
Liquid mutual fund units	Quoted price	70	38
Certificates of deposit	Market observable inputs	359	368

2.2.1 Details of investments in liquid mutual fund units

The balances held in liquid mutual fund units are as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31,2018	
	Units	Amount	Units	Amount
Aditya Birla Sun Life Cash Plus -Growth -Direct Plan	13,32,847	40	13,62,562	38
HDFC Liquid Fund-Direc Plan- Growth Option	40,821	15	–	–
IDFC Corporate Bond - Fund Direct Plan	1,19,02,495	15	–	–
	1,32,76,163	70	13,62,562	38

2.2.2 Details of investments in government bonds

The balances held in government bonds are as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
Philippine T Bill PHY6972HAZ92 Mat Date May 29, 2019	–	6	–	–
	–	6	–	–

2.2.3 Details of investments in non-convertible debentures

The balances held in non-convertible debentures are as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
	Units	Amount	Units	Amount
8.60% Life Insurance Corporation Housing Finance Limited Jul 22, 2020	1,000	106	1,000	107
8.60% Life Insurance Corporation Housing Finance Limited Jul 29, 2020	350	37	350	37
8.50% Housing Development Finance Corporation Limited Aug 31, 2020	–	–	50	54
8.49% Housing Development Finance Corporation Limited Apr 27, 2020	–	–	900	49
8.66% Infrastructure Development Finance Company Bank Limited Dec 27, 2018	–	–	400	52
8.80% Life Insurance Corporation Housing Finance Limited Dec 24, 2020	650	67	–	–
7.78% Housing Development Finance Corporation Ltd Mar 24, 2020	100	100	100	99
	2,100	310	2,800	398

2.2.4 Details of investments in fixed maturity plan securities

The balances held in fixed maturiy plan securities are as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
ICICI FMP Series 80-1194 D Plan F Div	1,50,00,000	17	1,50,00,000	16
Reliance Fixed Horizon Fund-XXXII Series 8-Dividend Plan	1,50,00,000	16	1,50,00,000	15
HDFC FMP 1155D Feb 2017-Direct Growth Series 37	1,00,00,000	12	1,00,00,000	11
Birla Sunlife Fixed Term Plan-Series OD (1145 days)	1,00,00,000	12	1,00,00,000	11
	5,00,00,000	57	5,00,00,000	53

2.2.5 Details of investments in certificate of deposits

The balances held in certificte of deposits are as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
Kotak Mahindra Bank Limited CD 27 Sep 19	27,000	261	–	–
Axis Bank Limited CD 9 Aug 19	10,000	98	–	–
Axis Bank Limited CD 24 Jan 19	–	–	23,000	217
ICICI Bank Limited CD 14 Feb 19	–	–	10,000	95
ICICI Bank Limited CD 21 Feb 19	–	–	6,000	56
	37,000	359	39,000	368

2.3 Loans

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non-current		
Unsecured, considered doubtful		
Loans to employees	5	4
Less: Allowance for doubtful loans to employees	5	4
Total non-current loans	–	–
Current		
Unsecured, considered good		
Loans to employees	19	18
Total current loans	19	18
Total loans	19	18

2.4 Other financial assets

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non- current		
Security deposits (1)	3	2
Rental deposits (1)	31	29
Total non-current other financial assets	34	31
Current		
Security deposits (1)	–	1
Rental deposits (1)	–	3
Restricted deposits(1)**	98	81
Unbilled revenues(1)(3)*	127	55
Interest accrued but not due (1)	37	19
Foreign currency forward contracts (2)	14	–
Others (1)(3)	1	5
Total current other financial assets	277	164
Total other financial assets	311	195
(1) Financial assets carried at amortized cost	297	195
(2) Financial assets carried at fair value through Profit or Loss	14	–
(3) Includes dues from holding company, subsidiaries & other group companies (Refer note 2.22)	7	11

* Classified as financial asset as right to consideration is conditional upon passage of time.

**Restricted deposits represent deposit with financial institutions to settle compensated absences obligations as and when they arise during the normal course of business.

2.5 Trade receivables

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Current		
Unsecured		
Considered good(1)(2)	715	569
Considered doubtful	15	8
	730	577
Less: Allowances for credit losses	15	8
Total trade receivables	715	569
(1) Includes dues from companies where directors are interested		
(2) Includes dues from holding company, subsidiaries, and other group companies (Refer to Note 2.22)	60	59

2.6 Cash and cash equivalents

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Balances with banks		
In current and deposit accounts	1,154	692
Cash on hand	–	–
Others		
Deposits with financial institution	683	611
	1,837	1,303
Deposit with more than 12 months maturity	400	–

Cash and cash equivalents as at March 31, 2019 and March 31, 2018 include restricted cash and bank balances of less than ₹ 1 crore each. This represents restricted bank balance, in trust account, in accordance with collection agency licensing requirements.

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

The details of balances as at Balance Sheet dates with banks are as follows:

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
In current accounts		
Bank of America, California, USA	11	24
Bank of America, California- Trust account, USA*	–	–
Bank of Philippine Islands, Philippines	–	1
Citibank, Philippines	–	–
Citi Bank, South Africa	1	1
Citi Bank, Costa Rica	1	1
Citi Bank, Singapore	2	1
Citi Bank, Australia	3	6
Citi Bank, India	–	–
Deutsche Bank, India	4	4
Deutsche Bank- EEFC (Euro account)	4	1
Deutsche Bank- EEFC (UK Pound Sterling account)	1	1
Deutsche Bank- EEFC (US Dollar account)	6	5
Deutsche Bank, Netherland	11	5
Deutsche Bank, London, UK	3	1
Deutsche Bank, Philippines (PHP account)	3	10
Deutsche Bank, Philippines - (USD account)	1	3
ICICI Bank, India	7	3
ICICI Bank- EEFC (Euro account)	7	1
ICICI Bank- EEFC (UK Pound Sterling account)	6	11
ICICI Bank- EEFC (US Dollar account)	13	29
Royal Bank of Canada	1	1
State Bank of India, India	–	1
	85	110
In deposit accounts		
Axis Bank	225	–
HDFC Bank limited	50	75
ICICI Bank	21	7
IDFC Bank	350	–
IDBI Bank	–	250
IndusInd Bank Limited	250	–
South Indian Bank	173	250
	1,069	582
In unclaimed dividend accounts		
ICICI Bank - Unpaid Dividend Account	–	–
	–	–

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Deposits with financial institution		
HDFC Limited	458	611
LIC Housing Finance Limited	225	–
	683	611
Total cash and cash equivalents	1,837	1,303

* This represents restricted bank balance, in trust account, in accordance with collection agency licensing requirements.

2.7 Other assets

(In ₹ crore)

Particulars	As at	
	March 31, 2019	March 31, 2018
Non-current		
Capital advances	1	1
Advances other than capital advance		
Prepaid gratuity	4	5
Others		
Prepaid expenses	1	–
Deferred contract cost**	51	–
Withholding taxes and others***	20	21
Total non-current other assets	77	27
Current		
Advances other than capital advance		
Payment to vendors for supply of goods	10	9
Others		
Prepaid expenses	17	6
Deferred contract cost**	7	–
Withholding taxes and others***	48	29
Unbilled revenues*	11	–
Others	–	–
Total current other assets	93	44
Total other assets	170	71

*Classified as non financials asset as contractual right to consideration is dependent on completion of contractual milestones.

**Deferred contract costs are upfront costs incurred for the contract and are amortized over the term of the contract. Cost which are expected to be amortized within twelve months from the Balance Sheet date have been presented as current.

***Withholding and the other taxes primarily consists of input tax credit.

2.8 Financial instruments

Accounting policy

2.8.1 Initial recognition

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

2.8.2 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 at fair value through other comprehensive income

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. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

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

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

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

b. Derivative financial instruments

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

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

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

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

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the net profit in 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 twelve months after the Balance Sheet date.

2.8.3 Derecognition of financial instruments

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

2.8.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, 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 financial instruments by category table below for the disclosure on carrying value and fair value on 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 short maturity of these instruments.

2.8.5 Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be reconized is recognized as an impairment gain or loss in Statement of Profit and Loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2019 are as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
ASSETS:							
Cash and cash equivalents (Refer to Note 2.6)	1,837	–	–	–	–	1,837	1,837
Investments (Refer to Note 2.2)							
Non-convertible debentures[(1)]	–	–	–	–	310	310	310
Government bonds	6	–	–	–	–	6	6
Liquid mutual fund units	–	–	70	–	–	70	70
Fixed maturity plan securities	–	–	57	–	–	57	57
Certificates of deposit	–	–	–	–	359	359	359
Trade receivables (Refer to Note 2.5)	715	–	–	–	–	715	715
Loans (Refer to Note 2.3)	19	–	–	–	–	19	19
Other financial assets (Refer to Note 2.4)[(2)]	297	–	14	–	–	311	311
Total	2,874	–	141	–	669	3,684	3,684
LIABILITIES:							
Trade payables (Refer to Note 2.11)	72	–	–	–	–	72	72
Other financial liabilities (Refer to Note 2.10)	345	–	1	–	–	346	346
Total	417	–	1	–	–	418	418

(1) The carrying value of debentured approximates fair value as the instruments are at prevailing market rates.

(2) Excludes unbilled revenue of fixed price development contract where contractual right to consideration is dependent on factors other than passage of time.

The carrying value and fair value of financial instruments by categories as at March 31, 2018 are as follows:

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
ASSETS:							
Cash and cash equivalents (Refer to Note 2.6)	1,303	–	–	–	–	1,303	1,303
Investments (Refer to Note 2.2)							

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		
Non-convertible debentures[1]	–	–	–	–	398	398	398
Liquid mutual fund units	–	–	38	–	–	38	38
Fixed maturity plan securities	–	–	53	–	–	53	53
Certificates of deposit	–	–	–	–	368	368	368
Trade receivables (Refer to Note 2.5)	569	–	–	–	–	569	569
Loans (Refer to Note 2.3)	18	–	–	–	–	18	18
Other financial assets (Refer to Note 2.4)	195	–	–	–	–	195	195
Total	2,085	–	91	–	766	2,942	2,942
LIABILITIES:							
Trade payables (Refer to Note 2.11)	29	–	–	–	–	29	29
Other financial liabilities (Refer to Note 2.10)	351	–	2	–	–	353	353
Total	380	–	2	–	–	382	382

[1] The carrying value of debentured approximates fair value as the instruments are at prevailing market rates.

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 presents fair value hierarchy of assets and liabilities measured at fair value are as follows:

(In ₹ crore)

Particulars	As at March 31, 2019	Fair value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Assets				
Investments in liquid mutual fund units (Refer to Note 2.2)	70	70	–	–
Investment in non-convertible debentures (Refer to Note 2.2)	310	167	143	–
Investment in fixed maturity plan securities (Refer to Note 2.2)	57	–	57	–
Investment in certificates of deposit (Refer to Note 2.2)	359	–	359	–
Derivative financial instruments - Gain on outstanding foreign currency forward contracts (Refer to Note 2.4)	14	–	14	–
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward contracts (Refer to Note 2.10)	1	–	1	–

The fair-value hierarchy of assets and liabilities measured at fair value as at March 31, 2018:

(In ₹ crore)

Particulars	As at March 31, 2018	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Assets				
Investment in non-convertible debentures (Refer to Note 2.2)*	398	202	196	–
Investment in fixed maturity plan securities (Refer to Note 2.2)	53	–	53	–
Investment in certificates of deposit (Refer to Note 2.2)	368	–	368	–
Investment in liquid mutual fund units (Refer to Note 2.2)	38	38	–	–
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward contracts (Refer to Note 2.10)	2	–	2	–

*During the year ended March 31, 2018, the non-convertible debentures of ₹ 196 crore were transferred from Level 1 to Level 2.

Financial risk management

Financial risk factors

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

Market risk

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

The foreign currency risk from monetary assets and liabilites as at March 31, 2019:

(In ₹ crore)

Particulars	US Dollar	Euro	United Kingdom Pound Sterling	Australian Dollar	Other currencies	Total
Cash and cash equivalents	30	22	10	3	7	72
Trade receivables	498	48	83	44	10	683
Other financial assets (including loans)	121	13	8	6	8	156
Trade payables	(31)	(1)	(7)	(2)	(3)	(44)
Other financial liabilities	(93)	(17)	(10)	(11)	(23)	(154)
Net assets / (liabilities)	525	65	84	40	(1)	713

The foreign currency risk from monetary assets and liabilities as at March 31, 2018:

(In ₹ crore)

Particulars	US Dollars	Euro	United Kingdom Pound Sterling	Australian Dollars	Other currencies	Total
Cash and cash equivalents	61	8	14	6	14	103
Trade receivables	360	55	71	45	5	536
Other financial assets (including loans)	34	6	6	11	8	65
Trade payables	(9)	–	(4)	–	(1)	(14)
Other financial liabilities	(57)	(14)	(3)	(11)	(16)	(101)
Net assets / (liabilities)	389	55	84	51	10	589

Sensitivity analysis between Indian Rupees and US Dollars

Particulars	Years ended March 31,	
	2019	2018
Impact on the Company's incremental operating margins	0.38%	0.44%

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

Derivative financial instruments

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

The details in respect of outstanding foreign exchange forward contracts are as follows:

Particulars	Years ended March 31,			
	2019		2018	
	In million	In ₹ crore	In million	In ₹ crore
Forward contracts				
In US Dollars	83	574	59	385
In Euro	5	39	–	–
In United Kingdom Pound Sterling	10	90	6	51
In Australian Dollars	8	37	5	25
Total forwards		740		461

The foreign exchange forward contracts mature within twelve months. The analysis of derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date:

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Not later than one month	351	134
Later than one month and not later than three months	389	203
Later than three months and not later than one year	–	124
	740	461

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

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

(In ₹ crore)

Particulars	As at March 31,			
	2019		2018	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognized financial asset/ liability	14	(1)	–	2

Particulars	As at March 31,			
	2019		2018	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Amount set off	–	–	–	–
Net amount presented in the Balance Sheet	14	(1)	–	2

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹715 crore and ₹569 crore as March 31, 2019 and March 31, 2018, respectively and unbilled revenue amounting to ₹138 crore and ₹55 crore as at March 31, 2019 and March 31, 2018, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in the United States.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as credit default swap quotes, credit ratings from international credit rating agencies and the Company's historical experience for customers.

The details in respect of percentage of revenues generated from top customer and top ten customers are as follows:

(In %)

Particulars	Years ended March 31,	
	2019	2018
Revenue from top customer	8%	6%
Revenue from top ten customers	40%	39%

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances is ₹6 crore and Nil for the year ended March 31, 2019 and March 31, 2018, respectively.

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Balance at the beginning	8	8
Provisions recognized / (reversed)	6	–
Write-offs	–	–
Translation differences	1	–
Balance at the end	15	8

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investment primarily include investment in liquid mutual fund units, fixed maturity plan securities, quoted bonds issued by the government and quasi government organizations, non convertible debentures issued by government aided institutions and certificates of deposit.

Liquidity risk

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

As at March 31, 2019 , the Company had a working capital of ₹2,673 crore including cash and cash equivalents of ₹1,837 crore and current investments of ₹535 crore. As at March 31, 2018, the Company had a working capital of ₹2,027 crore including cash and cash equivalents of ₹1,303 crore and current investments of ₹458 crore.

As at March 31, 2019 and March 31, 2018, the outstanding compensated absences were ₹81 crore and ₹72 crore, respectively, which have been substantially funded. Accordingly no liquidity risk perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2019:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	72	–	–	–	72
Other financial liabilities (Refer to Note 2.10)	346	–	–	–	346

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2018 are as follows:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	29	–	–	–	29
Client deposits	1	–	–	–	1
Other financial liabilities (Refer to Note 2.10)	280	–	–	–	280

2.9 Equity

Accounting policy

Ordinary shares

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

I) Equity share capital

(In ₹ crore, except as otherwise stated)

Particulars	As at March 31,	
	2019	2018
Authorized		
Equity shares, ₹ 10/- par value		
12,33,75,000 (12,33,75,000) equity shares	123	123
Issued, subscribed and paid-up		
Equity shares, ₹ 10/- par value		
3,38,27,751 (3,38,27,751) equity shares fully paid up		
(Of the above 3,38,22,319 equity shares are held by the holding company, Infosys Limited)	34	34
	34	34

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per 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.

II) Other equity

(In ₹ crore, except as otherwise stated)

Particulars	As at March 31,	
	2019	2018
i) Other reserves		
Others		
Securities premium[1]	25	25
Capital reserve	1	1
ii) Special economic zone re-investment reserve[2]	90	24
	116	50

[1] The amount received in excess of par value has been classified as securities premium

[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 Company for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 10AA(2) of the Income Tax Act, 1961.

Dividends

Accounting policy

Final dividends on shares are 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.

The Company declares and pays dividends in Indian rupees.

During the year ended March 31, 2018, the Company paid an interim dividend of ₹ 250/- per equity share, which resulted in cash outflow of ₹ 1,018 crore inclusive of corporate dividend tax of ₹ 172 crore.

The details of shareholder holding more than 5% shares are as follows :

Name of the shareholder	As at March 31,			
	2019		2018	
	Number of shares	% held	Number of shares	% held
Infosys Limited,the holding company	3,38,22,319	99.98	3,38,22,319	99.98

Share Capital and number of shares remain same for the periods reported.

2.10 Other financial liabilities

((In ₹ crore))

Particulars	As at March 31,	
	2019	2018
Non-current		
Others		
Compensated absences	1	1
Total non-current other financial liabilities	1	1
Current		
Unclaimed Dividend	–	–
Others		
Accrued compensation to employees	171	132
Accrued expenses [1]	141	132
Retention monies	–	–
Compensated absences	80	71
Client deposits	–	1
Capital creditors	10	2
Other payables [2]	23	12

Particulars	As at March 31,	
	2019	2018
Foreign currency forward contracts	1	2
Total current other financial liabilities	426	352
Total other financial liabilities	427	353
Financial liability carried at amortized cost	345	351
Financial liability carried at fair value through Profit or Loss	1	2
(1) Includes dues to holding company (Refer to Note 2.22)	2	–
(2) Includes dues to holding, subsidiaries and other group companies (Refer to Note 2.22)	6	8

2.11 Trade payables

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Current		
Trade payables(1)	72	29
	72	29
(1) Includes dues to holding, subsidiaries and other group companies (Refer to Note 2.22)	22	15

As at March 31, 2019 and March 31, 2018, there are no dues to micro, small and medium enterprises. There are no interest dues or outstanding on the same.

2.12 Other liabilities

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non-current		
Deferred rent	10	9
Total non-current other liabilities	10	9
Current		
Unearned revenue	184	71
Others		
Withholding taxes and others	70	39
Deferred rent	2	4
Client deposits	5	–
Total current other liabilities	261	114
Total other liabilities	271	123

2.13 Provisions

Accounting policy

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

a. Post sales client support

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

b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Company recognizes any impairment loss on the assets associated with that contract.

The provision for post sales client support and others as at March, 31 2019 and March, 31 2018 is as follows:

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Others		
Post-sales client support and others	28	22
	28	22

Provision for post-sales client support and others

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

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Balance at the beginning	22	28
Provision reconized/ (reversed)	14	6
Provision utilized	(8)	(11)
Exchange difference	–	(1)
Balance at the end	28	22

Provision for post-sales client support and others are expected to be utilized over a period of six months to one year

2.14 Income taxes

Accounting policy

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

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

Income tax expense in the statement of profit and loss comprises:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Current taxes	195	182
Deferred taxes	(8)	(9)
Income tax expense	187	173

Current tax expense for the year ended March 31, 2019 and March 31, 2018 includes reversal (net of additional provisions) of ₹6 crore and ₹2 crore respectively, pertaining to earlier periods.

Current tax expense for the year ended March 31, 2019 and March 31, 2018 includes MAT credit of ₹4 crore and Nil, respectively, pertaining to earlier periods.

Entire deferred income tax for the year ended March 31, 2019 and March 31, 2018 relates to origination and reversal of temporary differences.

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

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Profit before income taxes	783	642
Enacted tax rates in India	34.94%	34.61%
Computed expected tax expense	274	223
Tax effect due to non-taxable income for Indian tax purposes	(75)	(53)
Overseas taxes	11	5
Tax reversals, overseas and domestic	(10)	(2)
Effect of deferred tax assets reversal/ (origination)	–	–
Effect of exempt non-operating income	–	–
Effect of unreconized deferred tax asset	–	–
Effect of differential overseas tax rates	–	–
Effect of non-deductible expenses	(6)	(2)
Tax on dividend received from subsidiaries	–	–
Additional deduction on research and development expense	–	–
Others	(7)	2
Income tax expense	187	173

The applicable Indian statutory tax rates for fiscal 2019 and fiscal 2018 is 34.94% and 34.61% respectively. The increase in the corporate statutory tax rate to 34.94% is consequent to change made in Finance Act, 2018.

In India, the Group has benefited from certain tax incentives that the Government of India had provided for export of services from the units registered under the Special Economic Zones (SEZs) Act, 2005. SEZ units, which began the provision of services on or after April1, 2005, are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for further five years. Upto 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone re-Investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve by the Group for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961.

The details of income tax assets and income tax liabilities are as follows:

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Income tax assets	96	77
Current income tax liabilities	(16)	(12)
Net income tax assets/ (liability) at the end	80	65

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Net income tax asset/ (liability) at the beginning	65	51
Translation differences	–	1
Income tax paid	208	194
Income tax expense	(199)	(182)
MAT credit utilization	4	–
Income tax on other comprehensive income	2	1
Net income tax asset/ (liability) at the end	80	65

The movement in gross deferred income tax assets and labilities for the year ended March 31, 2019 is as follows:

(In ₹ crore)

Particulars	Carrying value as on March 31, 2018	Changes through profit and loss	Changes through OCI	Translation difference	Carrying value as on March 31, 2019
Deferred income tax assets					
Property, plant and equipment	22	7	–	–	29
Compensated absences	20	3	–	–	23
Trade receivables	3	2	–	–	5
Post sales client support	–	–	–	–	–
Derivative Financial Instruments	–	(5)	–	–	(5)
Others	5	1	–	–	6
Total deferred tax assets	50	8	–	–	58

The movement in gross deferred income tax assets and labilities is as follows:

(In ₹ crore)

Particulars	Carrying value as on March 31, 2017	Changes through profit and loss	Changes through OCI	Translation difference	Carrying value as on March 31, 2018
Deferred income tax assets					
Property, plant and equipment	16	6	–	–	22
Compensated absences	18	2	–	–	20
Trade receivables	6	(3)	–	–	3
Post sales client support	–	–	–	–	–
Derivative Financial Instruments	–	–	–	–	–
Others	1	4	–	–	5
Total deferred tax assets	41	9	–	–	50

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

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 Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The gross movement in the deferred income tax account for the year ended March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Net deferred income tax asset at the beginning	50	41
Credits / (charge) relating to temporary differences	8	9
Net deferred income tax asset at the end	58	50

The credits relating to temporary differences during the year ended March 31, 2019 are primarily on account of property, plant and equipment, compensated absences, and others partially offset by reversal of credits pertaining to derivative financial instruments.

2.15 Revenue from operations

Accounting policy

The Company derives revenues primarily from business process management services. Revenue is recognized upon transfer of services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

Effective April 1, 2018, the Company adopted Ind AS 115 - Revenue from Contracts with Customers using the cumulative catch-up transition method applied to contracts that were not completed as of April 1, 2018.

The summary of new and revised significant accounting policies related to revenue recognition are as follows. Refer to Note 1.5 - Significant Accounting Policies in the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

Arrangements with customers for business process management services are either on a fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenues in excess of invoicing are classified as unbilled revenue while invoicing in excess of revenues are classified as Unearned Revenues. Revenue from fixed-timeframe contract is recognized ratably over the term of the underlying arrangement as the Company transfers control evenly during the execution of its project.

Advances received for business process management services are reported as liabilities until all conditions for revenue recognition are met.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives amount to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs. Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, 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 not priced at the standalone selling price.

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

Revenue from operations for the and year ended March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Income from business process management services	3,932	3,061
	3,932	3,061

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by offerings and contract-type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(In ₹ crore)

Particulars	Years ended March 31, 2019
Revenue by offerings	
Core	3,548
Digital	384
Total	3,932
Revenues by contract type	
Fixed Price	1,022
Time & Materials	2,910
Total	3,932

Digital services

Digital Services comprise of service and solution offerings of Infosys BPM that enable our clients to digitally transform their business processes. These include offerings that enhance customer experience through innovative operating models (business platforms), provide business insights that drive improved business outcomes (effectiveness), automate and help accelerate efficiency and productivity and services that assure compliance (such as Sox, GDPR). These solutions leverage AI-based analytics, web-based automation, digital interactive solutions, robotic process automation and platform based technologies.

Core services

Infosys BPM is the business process management subsidiary of Infosys, providing end-to-end business processing services for its clients across the globe. Core service offerings are in the areas of Industry-specific services (Example: Mortgage, claim-processing, etc.) and Enterprise Services (Example: Finance and accounting, HR, Supply services, etc.)

Trade receivables and contract balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related service are performed. Revenue for fixed price maintenance contracts is recognized on a straight line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time .

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones. Invoicing in excess of earnings are classified as unearned revenue.

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

The movement in unbilled revenue on fixed price development contracts is as follows:

(In ₹ crore)

Particulars	Years ended March 31, 2019
Balance at the beginning	4
Add : Revenue recognized during the period	11
Less : Invoiced during the period	(4)
Less : Impairment / (reversal) during the period	–
Add : Translation gain/(Loss)	–
Balance at the end	11

The movement in unearned revenue balances is as follows:

(In ₹ crore)

Particulars	Years ended March 31, 2019
Balance at the beginning	71
Less: Revenue recognized during the period	(33)
Add: Invoiced during the period but not recognized as revenues	144
Add: Translation loss/ (gain)	3
Balance at the end	184

Performance obligations and remaining performance obligations

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

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019 other than those meeting the exclusion criteria mentioned above, is ₹2,439 crore. Out of this, the Company expects to recognize revenue of around 29.07% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

The impact on account of applying the erstwhile Ind AS 18 Revenue instead of Ind AS 115 - Revenue from contract with customers on the financial results of the Company for the year ended March 31, 2019 is insignificant. On account of adoption of Ind AS 115, unbilled revenues of ₹11 crore as at March 31, 2019 has been considered as a non financial asset.

2.16 Other income, net

Accounting policy

2.16.1 Other Income

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

2.16.2 Foreign currency

a. Functional currency

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

b. 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 included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

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.

During the three months ended June 30, 2018, the Company has adopted Appendix B to Ind AS 21 - Foreign Currency Transactions and Advance Consideration, which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Other income is as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Interest received on financial assets carried at amortized cost		
Government bonds	–	–
Deposit with banks and others	102	119
Interest Income on financial assets carried at fair value through other comprehensive income		
Non-convertible debentures	26	26
Certificates of deposit	38	14
Income on investments carried at fair value through profit or loss		
Dividend income on liquid mutual funds units	–	1
Gains/(losses) on sale of certificates of deposit	–	–
Gains/losses) on sale of non-convertible debentures	–	–
Gains/(losses) on liquid mutual funds units	17	20
Profit/(loss) on sale of property, plant and equipment	1	1
Rental income from holding company	3	3
Exchange gains/(losses) on foreign currency forward contracts	7	9
Exchange gains/(losses) on translation of other assets and liabilities	4	1
Miscellaneous income, net*	27	25
	225	219

*Includes sale of duty scrips of ₹25 crore for the year ended March 31, 2019 (₹23 crores for year ended March 31, 2018).

2.17 Expenses

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Employee benefit expenses		
Salaries including bonus	2,309	1,779
Contribution to provident and other funds	93	81
Staff welfare	32	28
	2,434	1,888
Cost of technical sub-contractors and Professional charges		
Cost of technical sub-contractors	246	165
Legal and professional	33	22
Recruitment and training	23	23
	302	210
Other expenses		
Consumables	7	4
Brand building and advertisement	6	3
Marketing expenses	4	3
Rates and taxes	6	8
Contribution towards Corporate Social Responsibility (Refer to Note 2.24)	16	13
Communication expenses	51	65
Power and fuel	29	25
Repairs and maintenance	94	79
Bank charges and commission	2	5
Postage and courier	–	–

Particulars	Years ended March 31,	
	2019	2018
Impairment loss reconized/ (reversed) under expected credit loss model	6	–
Professional membership and seminar participation fees	1	1
Provision for doubtful loans and advances	2	1
Provision for post sales client support and others	6	–
Cost of software for own use	40	30
Insurance	4	4
Auditor's remuneration		
Statutory audit fees	1	–
Reimbursement of expenses	–	–
Others	4	1
	279	242

2.18 Leases

Accounting policy

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.

Obligations on long-term, non-cancellable operating leases

The lease rentals charged during the period is as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Lease rentals recognized during the period	115	96

The obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

(In ₹ crore)

Lease obligations payable	As at March 31,	
	2019	2018
Not later than 1 year	86	64
Later than 1 year and not later than 5 years	235	154
Later than 5 years	25	21

The operating lease arrangements, are renewable on a periodic basis and for most of the leases extend upto a maximum of ten years from their respective dates of inception and relates to rented premises. Some of these lease agreements have price escalation clauses.

2.19 Employee benefits

Accounting policy

2.19.1 Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Infosys BPO Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Indian Law.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/asset are recognized in other comprehensive income. 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 are recognized in net profits in the Statement of Profit and Loss.

2.19.2 Superannuation

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the superannuation plan beyond the monthly contribution to the Infosys BPO Limited Employees' Superannuation Fund Trust, the corpus of which is invested with the Life Insurance Corporation of India.

2.19.3 Pension

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the pension plan beyond the monthly contributions.

2.19.4 Provident fund

Eligible employees of the Company are participants in defined contribution plan. The Company has no further obligations under the provident fund plan beyond its monthly contributions.

2.19.5 Compensated absences

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

(a) Gratuity

The funded status of the gratuity plan and the amounts recognized in the Company's financial statements is as follows:

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Change in benefit obligations		
Benefit obligations at the beginning	78	66
Service cost	11	10
Interest expense	6	4
Acquisitions (credit)/cost	(1)	–
Remeasurements - Actuarial (gains)/ losses	8	5
Benefits paid	(8)	(7)
Benefit obligations at the end	94	78
Change in plan assets		
Fair value of plan assets at the beginning	83	75
Interest income	7	5
Acquisitions adjustment	(1)	(1)
Actuarial gain/(loss)	–	–
Return on plan assets greater/ (lesser) than discount rate	1	1
Contributions	16	10
Benefits paid	(8)	(7)
Fair value of plan assets at the end	98	83
Funded status	4	5
Prepaid gratuity asset	4	5

The amount for the years ended March 31, 2019 and March 31, 2018 recognized in the Statement of Profit and Loss under employee benefit expenses are as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Service cost	11	10
Net interest on the net defined benefit liability/(asset)	(1)	(1)
Net gratuity cost	10	9

The amount for the year ended March 31, 2019 and March 31, 2018 recognized in the Statement of Other Comprehensive Income are as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial (gains) / losses	8	5
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(1)	(1)
	7	4

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
(Gain)/loss from change in demographic assumptions	–	–
(Gain)/loss from change in financial assumptions	1	(1)
(Gain)/loss from change in experience assumptions	7	6
	8	5

The weighted-average assumptions used to determine benefit obligations are as follows:

Particulars	As at March 31,	
	2019	2018
Discount rate	7.1%	6.9%
Weighted average rate of increase in compensation levels	7.5%	7.5%

The weighted-average assumptions used to determine net periodic benefit cost are as follows:

Particulars	Years ended March 31,	
	2019	2018
Discount rate	7.1%	6.9%
Weighted average rate of increase in compensation levels	7.5%	7.5%
Weighted average duration of defined benefit obligation	5.9 years	6.1 years

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

Sensitivity of significant assumptions used for valuation of defined benefit obligations

(In ₹ crore)

Impact of percentage point increase/decrease in	As at March 31, 2019
Discount rate	2
Weighted average rate of increase in compensation level	2

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

The Company contributes all ascertained liabilities towards gratuity to the Infosys BPM Limited Employees' Gratuity Fund Trust. Trustees administer contributions made to the trust. As of March 31, 2019 and March 31, 2018, the plan assets have been primarily invested in insurer managed funds.

Actual return on assets for the year ended March 31, 2019 and March 31, 2018 were ₹7 crore and ₹6 crore, respectively.

Maturity profile of defined benefit obligation:

(In ₹ crore)

Within 1 year	29
1-2 year	25
2-3 year	23
3-4 year	20
4-5 year	18
5-10 years	48

(b) Superannuation

The Company contributed ₹6 crore to the Superannuation Trust for the year ended March 31, 2019 (₹5 crore for the year ended March 31, 2018).

(c) Provident fund

The Company contributed ₹72 crore towards Provident Fund for the year ended March 31, 2019 (₹65 crore for the year ended March 31, 2018).

(d) Pension fund

The Company contributed ₹9 crore to pension funds for the year ended March 31, 2019 (₹5 crore for the year ended March 31, 2018).

2.20 Reconciliation of basic and diluted shares used in computing earnings per share

Accounting policy

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

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

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

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Basic earnings per equity share - weighted average number of equity shares outstanding	3,38,27,751	3,38,27,751
Effect of dilutive common equivalent shares	–	–
Diluted earnings per equity share - weighted average number of equity shares and common equivalent shares outstanding	3,38,27,751	3,38,27,751

2.21 Contingent liabilities and commitments (to the extent not provided for)

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Contingent liabilities		
Claims against the Company, not acknowledged as debts[1]	134	175
[Amount paid to statutory authorities ₹64 crore (₹65 crore)]		
Commitments		
Estimated amount of contacts remaining to be executed on capital contracts and not provided for (net of advances and deposits)	36	30

[1] Claims against the Company not acknowledged as debts includes demand from the Indian Income tax authorities for payment of tax including interest for fiscals 2007, 2008, 2009, 2011, 2012, 2013 and 2015. The above matters are pending before various Appellate Authorities.

The Company is contesting the demand and the Management including its tax advisors believes that its position will likely be upheld in the appellate process. The Management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.'

2.22 Related party transactions

List of related parties

Name of subsidiary companies	Country	As at March 31, 2019	As at March 31, 2018
Holding			
Infosys Limited	India	Holding Company	Holding Company
Subsidiaries			
Infosys (Czech Republic) Limited s.r.o.[1]	Czech Republic	100%	100%
Infosys Poland Sp z.o.o[1]	Poland	100%	100%
Infosys BPO Americas LLC.[1]	U.S.	100%	100%
Infosys McCamish Systems LLC [1]	U.S.	100%	100%
Portland Group Pty Ltd[1]	Australia	100%	100%
Fellow subsidiaries			
Infosys Technologies (China) Co. Limited (Infosys China)	China		
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)	Mexico		
Infosys Technologies (Sweden) AB. (Infosys Sweden)	Sweden		
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)	China		
Infosys Tecnologia DO Brasil LTDA. (Infosys Brasil)	Brazil		
Infosys Public Services, Inc. USA (Infosys Public Services)	U.S.		
Infosys Americas Inc., (Infosys Americas)	U.S.		
Infosys Technologies (Australia) Pty. Limited (Infosys Australia)[5]	Australia		
EdgeVerve Systems Limited (EdgeVerve)	India		
Infosys Consulting Holding AG (Infosys Lodestone)	Switzerland		
Lodestone Management Consultants Inc.[6][15]	U.S.		
Infosys Management Consulting Pty Limited[6]	Australia		
Infosys Consulting AG[6]	Switzerland		
Infosys CIS LLC[2][22]	Russia		
Infosys Luxembourg S.a.r.l[2][17]	Luxembourg		
Infosys Canada Public Services Inc[23]	Canada		
Infosys Consulting (Belgium) NV (formerly Lodestone Management Consultants Belgium) S.A[7]	Belgium		
Infosys Consulting GmbH[6]	Germany		
Infosys Consulting Pte Ltd.(Infosys Singapore)[2]	Singapore		
Infosys Consulting SAS[6]	France		
Infosys Consulting s.r.o.[7]	Czech Republic		
Infosys Austria GmbH (formerly Lodestone Management Consultants GmbH)[2]	Austria		
Infosys Consulting (Shanghai) Co., Ltd.(formerly Lodestone Management Consultants Co., Ltd)[6]	China		
Infy Consulting Company Ltd.[6]	U.K.		
Infosys Arabia Limited[4]	Saudi Arabia		
Infy Consulting B.V.[6]	The Netherlands		
Infosys Consulting Ltda.[4]	Brazil		
Infosys Consulting Sp. z.o.o.[6]	Poland		
Lodestone Management Consultants Portugal, Unipessoal, Lda.[6]	Portugal		
S.C. Infosys Consulting S.R.L.[2]	Romania		
Infosys Consulting S.R.L.[6]	Argentina		
Infosys Canada Public Services Ltd.[24]	Canada		
Infosys Nova Holdings LLC. (Infosys Nova)	U.S.		
Panaya Inc. (Panaya)	U.S.		
Panaya Ltd.[8]	Israel		
Panaya GmbH[8]	Germany		
Panaya Japan Co. Ltd.[8]	Japan		
Skava Systems Pvt. Ltd. (Skava Systems)	India		
Kallidus Inc. (Kallidus)	U.S.		
Noah Consulting LLC (Noah)[9]	U.S.		

Name of subsidiary companies	Country	As at March 31,	
		2019	2018
Noah Information Management Consulting Inc. (Noah Canada)[10]	Canada		
Brilliant Basics Holding Limited (Brilliant Basics)[11]	U.K.		
Brilliant Basics Limited[12]	U.K.		
Brilliant Basics MENA DMCC[12]	Dubai		
Infosys Chile SpA[3]	Chile		
Infosys Middle East FZ-LLC[13]	Dubai		
Fluido Oy[13][18]	Finland		
Fluido Sweden AB (Extero)[19]	Sweden		
Fluido Norway A/S[19]	Norway		
Fluido Denmark A/S[19]	Denmark		
Fluido Slovakia s.r.o[19]	Slovakia		
Fluido Newco AB[19]	Sweden		
Infosys Compaz PTE. Ltd (formerly Trusted Source Pte. Ltd) [13][20]	Singapore		
Infosys South Africa (Pty) Ltd[13][21]	South Africa		
WongDoody Holding Company Inc. (WongDoody) [14]	U.S.		
WDW Communications, Inc[16]	U.S.		
WongDoody, Inc[16]	U.S.		

(1) Wholly-owned subsidiary of Infosys BPM
(2) Wholly-owned subsidiary of Infosys Limited
(3) Incorporated effective November 20, 2017
(4) Majority-owned and controlled subsidiary of Infosys Limited
(5) Under liquidation
(6) Wholly-owned subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)
(7) Majority-owned and controlled subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)
(8) Wholly-owned subsidiary of Panaya Inc.
(9) Liquidated effective November 9, 2017
(10) Wholly-owned subsidiary of Noah. Liquidated effective December 20, 2017
(11) On September 8, 2017, Infosys acquired 100% of the voting interests in Brilliant Basics Holding Limited
(12) Wholly-owned subsidiary of Brilliant Basics Holding Limited.
(13) Wholly-owned subsidiary of Infosys Consulting Pte Ltd
(14On May 22, 2018, Infosys acquired 100% of the voting interest in WongDoody
(15) Liquidated effective May 17, 2018
(16) Wholly-owned subsidiary of WongDoody
(17) Incorporated effective August 6, 2018
(18) On October 11, 2018, Infosys Consulting Pte. Ltd, acquired 100% of the voting interests in Fluido Oy and its subsidiaries
(19) Wholly-owned subsidiary of Fluido Oy
(20) On November 16, 2018 , Infosys Consulting Pte. Ltd, acquired 60% of the voting interest in Infosys Compaz Pte. Ltd
(21) Incorporated effective December 19,2018
(22) Incorporated effective November 29, 2018
(23) Incorporated effective November 27, 2018, wholly-owned subsidiary Infosys Public Services Inc
(24) Liquidated effective May 9, 2017, wholly-owned subsidiary Infosys Public Services Inc

List of other related parties

Name of Trust	Country	Nature of relationship
Infosys BPO Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys BPM (Formerly known as Infosys BPO)
Infosys BPO Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys BPM (Formerly known as Infosys BPO)

The details of amounts due to or due from related parties are as follows:

(In ₹ crore)

Particulars	As at March 31, 2019	2018
Capital transactions		
Equity		
Infosys BPO Americas LLC	13	–
	13	–
Trade receivables		
Infosys Limited	54	54
Infosys Poland Sp z.o.o	–	–
EdgeVerve	1	–
Infosys McCamish Systems LLC	2	2
Portland Group Pty Ltd	–	–
Infosys Public Services	1	2
Infosys Mexico	1	–
Infosys China	1	1
Infy Consulting Company Limited	–	–
	60	59
Other financial assets		
Infosys Limited	6	11
Infosys (Czech Republic) Limited s.r.o.	–	–
Infosys Mexico	–	–
EdgeVerve	1	–
Infosys McCamish Systems LLC	–	–
	7	11
Trade payables		
Infosys Limited	12	8
Infosys (Czech Republic) Limited s.r.o.	1	1
Infosys Poland Sp z.o.o	–	1
Infy Consulting Company Limited	1	3
EdgeVerve	–	–
Infosys Consulting Pte. Ltd.	–	1
Infosys McCamish Systems LLC	7	–
Portland Group Pty Ltd	–	1
Infosys Management Consulting Pty Limited	1	–
	22	15
Other financial liabilities		
Infosys Limited	6	7
EdgeVerve	–	1
Infosys McCamish Systems LLC	–	–
Infosys (Czech Republic) Limited s.r.o.	–	–
Infosys Poland Sp.z.o.o	–	–
	6	8
Accrued expense		
Infosys Limited	2	–
	2	–

The details of the related parties transactions entered into by the Company for the and year ended March 31, 2019 and March 31, 2018 are as follows:

(In ₹ crore)

Particulars	Years ended March 31, 2019	2018
Capital transactions		
Equity		
Infosys BPO Americas LLC	13	–
	13	–
Revenue transactions		
Purchase of services		
Infosys Limited	101	70
Portland Group Pty Limited	6	11
Infosys McCamish Systems LLC	54	1
Infy Consulting Company Limited	9	18
Infosys Management Consulting Pty Limited	5	–
Infosys (Czech Republic) Limited s.r.o.	2	1
EdgeVerve	4	7
Infosys Poland Sp z.o.o	7	5
Infosys Consulting Pte. Ltd.	4	1
	192	114
Purchase of shared services including facilities and personnel		
Infosys Limited	27	67
	27	67
Sale of services		
Infosys Public Services	20	17
Infosys Poland Sp z.o.o	–	1
Infosys Limited	655	502
EdgeVerve	4	3
Infy Consulting Company Limited	–	1
Infosys Management Consulting Pty Limited	–	–
Infosys Mexico	1	–
Infosys China	–	–
Portland Group Pty Ltd	2	1
Infosys (Czech Republic) Limited s.r.o.	1	–
Infosys McCamish Systems LLC	30	29
	713	554
Sale of shared services includingfacilities and personnel		
Infosys Limited	3	21
	3	21
Dividend paid		
Infosys Limited	–	846
	–	846

Changes in key management personnel

The changes in key management personnel:

Name of the related party	Designation
Anantharaman Radhakrishnan	Managing Director and Chief Executive Officer
Prof. Jayanth R. Varma	Independent Director
Ravi Kumar Singisetti [5]	Chairman and Director
UB Pravin Rao [4]	Chairman and Director
Inderpreet Sawhney[8]	Director
Sangita Singh[7]	Director
D. N. Prahlad[1]	Director
Dr. Omkar Goswami[6]	Independent Director
Prem Pereira[10]	Chief Financial Officer
Nishit Ajitkumar Shah[9]	Chief Financial Officer
Bindu Raghavan [3]	Company Secretary
A. G. S. Manikantha [2]	Company Secretary

(1) Appointed as a Director effective January 6, 2017
(2) Resigned as a Company Secretary effective April 13, 2017
(3) Appointed as a Company Secretary effective April 14, 2017
(4) Resigned as Chairman effective July 17,2017
(5) Appointed as Chairman effective July 18, 2017
(6) Resigned as Director effective March 31, 2018
(7) Resigned as Director effective June 23, 2018
(8) Appointed as a director effective October 13, 2018
(9) Resigned as a Chief Financial Officer effective January 16, 2019
(10) Appointed as a Chief Financial Officer effective January 17, 2019

Transaction with key management personnel

The compensation to key managerial personnel which comprise directors and executive officers is as follows:

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Salaries and other employee benefits to whole-time directors and executive officers	5	4
Commission and other benefits to non-executive/ independent directors	–	–
Total	5	4

2.23 Segment-reporting

The Company presents its financial statements along with the Consolidated financial statements. In accordance with Ind AS 108 - Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

2.24 Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas for CSR activities are eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development projects. The funds will be allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(In ₹ crore)

Sl. No. Particulars	In cash	Yet to be paid in cash	Total
(A) Gross amount required to be spent by the Company during the year	16	–	16
	16	–	16
(B) Amount spent during the year			
(i) Construction/ acquisition of any asset	–	–	–
(ii) On purposes other than (iii) Above	16	–	16
	16	–	16

2.25 Function-wise classification of statement of profit and loss

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Revenue from operations	3,932	3,061
Cost of sales	2,856	2,192
Gross profit	1,076	869
Operating expenses		
Selling and marketing expenses	200	166
General and administration expenses	318	280
Total operating expenses	518	446
Operating profit	558	423
Other income	225	219
Profit before tax	783	642
Tax expense		
Current tax	195	182
Deferred tax	(8)	(9)
Profit for the period	596	469
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of the net defined benefit liability/asset, net	(4)	(3)
	(4)	(3)
Items that will be reclassified to profit or loss		
Fair value changes on investments, net	1	(2)
	1	(2)
Total other comprehensive income, net of tax	(3)	(5)
Total comprehensive income for the period	593	464

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

Ravi Kumar Singisetti
Chairman and Director

Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

Inderpreet Sawhney
Director

D. N. Prahlad
Director

Prof. Jayanth R. Varma
Director

Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Bengaluru
April 10, 2019

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Infosys BPM Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its director during the year is in accordance with the provision of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration number: 117366W/W-100018)

Anand Subramanian
(Membership number: 110815)

Bengaluru
April 10, 2019

Annexure "A" to the Independent Auditors Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infosys BPM Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of INFOSYS BPM LIMITED (hereinafter referred to as "Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company which is incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells Llp
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Anand Subramanian
Partner
(Membership No. 110815)

Bengaluru,
April 10, 2019

Consolidated Balance Sheet

(In ₹ crore)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	256	275
Capital work-in-progress		15	3
Goodwill	2.2	394	387
Other intangible assets	2.2	13	16
Financial assets			
Investments	2.3	300	491
Loans	2.4	–	–
Other financial assets	2.5	43	38
Deferred tax assets (net)	2.15	107	86
Income tax assets (net)	2.15	98	82
Other non-current assets	2.8	145	88
Total non-current assets		1,371	1,466
Current assets			
Financial assets			
Investments	2.3	535	458
Trade receivables	2.6	1,098	859
Cash and cash equivalents	2.7	2,609	1,928
Loans	2.4	97	57
Other financial assets	2.5	641	347
Other current assets	2.8	281	143
Total current assets		5,261	3,792
Total assets		6,632	5,258
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.10	34	34
Other equity		4,754	4,080
Total equity attributable to equity holders of the Company		4,788	4,114
Non-controlling interests		–	–
Total equity		4,788	4,114
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	2.11	3	4
Deferred tax liabilities (net)	2.15	26	1
Other non-current liabilities	2.13	28	30
Total non-current liabilities		57	35
Current liabilities			
Financial liabilities			
Loans from fellow subsidiary		4	40
Trade payables	2.12	225	110
Other financial liabilities	2.11	993	640
Other current liabilities	2.13	482	273
Provisions	2.14	46	33
Income tax liabilities (net)	2.15	37	13
Total current liabilities		1,787	1,109
Total equity and liabilities		6,632	5,258

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants

Firm's Registration Number:117366W/ W-100018

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

Ravikumar Singisetti
Chairman

Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

Anand Subramanian
Partner
Membership No. 110815

D.N. Prahlad
Director

Inderpreet Sawhney
Director

Prof. Jayanth R. Varma
Director

Bengaluru
April 10, 2019

Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Consolidated Statement of Profit and Loss

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

Particulars	Note No.	Year ended March 31,	
		2019	2018
Revenue from operations	2.16	5,900	4,518
Other income, net	2.17	211	210
Total income		6,111	4,728
Expenses			
Employee benefit expenses	2.18	3,181	2,537
Cost of technical sub-contractors and professional charges	2.18	537	357
Travel expenses		178	143
Lease rentals	2.19	167	138
Cost of software packages and others		643	376
Depreciation and amortisation expense	2.1& 2.2	109	105
Other expenses	2.18	338	291
Total expenses		5,153	3,947
Profit before tax		958	781
Tax expense:			
Current tax	2.15	245	199
Deferred tax	2.15	4	10
		249	209
Profit for the year		709	572
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit (liability)/asset, net		(5)	(3)
Equity instruments through other comprehensive income, net		(7)	(1)
		(12)	(4)
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations, net		(24)	95
Fair value changes on investments, net		1	–
		(23)	95
Total other comprehensive income, net of tax		(35)	91
Total comprehensive income for the year		674	663
Profit attributable to:			
Owners of the Company		709	572
Non-controlling interests		–	–
		709	572
Total comprehensive income attributable to:			
Owners of the Company		674	663
Non–controlling interests		–	–
		674	663
Earnings per equity share			
Equity shares of par value ₹10/- each			
Basic and diluted (₹)		209.53	169.14
Weighted average equity shares used in computing earnings per equity share			
Basic and diluted		3,38,27,751	3,38,27,751

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants

Firm's registration number:117366W/
W-100018

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

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Bengaluru
April 10, 2019

Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Consolidated Statement of Changes in Equity

(In ₹ crore)

Particulars	Equity share capital	Other equity							Total equity attributable to equity holders of the company
		Reserves & surplus					Other comprehensive income		
		Securities premium	Retained earnings	Capital reserve	General reserve	Special economic zone re-investment reserve [1]	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Balance as of April 1, 2017	34	25	3,387	1	1,000	–	–	22	4,469
Changes in equity for the year ended March 31, 2018									
Profit for the period	–	–	572	–	–	–	–	–	572
Dividends (including corporate dividend tax)	–	–	(1,018)	–	–	–	–	–	(1,018)
Exchange differences on translation foreign operations	–	–	–	–	–	–	–	95	95
Fair value changes on investments, net of tax	–	–	–	–	–	–	–	–	–
Remeasurement of the net defined benefit (liability)/asset, net of tax	–	–	–	–	–	–	(1)	(3)	(4)
Total Comprehensive income for the year	–	–	(446)	–	–	–	(1)	92	(355)
Transferred to Special Economic Zone Re-investment Reserve	–	–	(59)	–	–	59	–	–	–
Utilisation of Special Economic Zone Re-investment Reserve	–	–	35	–	–	(35)	–	–	–
Balance as of March 31, 2018	34	25	2,917	1	1,000	24	(1)	114	4,114
Balance as of April 1, 2018	34	25	2,917	1	1,000	24	(1)	114	4,114
Changes in equity for the year ended March 31, 2019									
Profit for the period	–	–	709	–	–	–	–	–	709
Exchange differences on translation foreign operations	–	–	–	–	–	–	–	(24)	(24)
Fair value changes on investments, net of tax (refer note 2.3)	–	–	–	–	–	–	–	1	1
Remeasurement of the net defined benefit (liability)/asset, net of tax	–	–	–	–	–	–	–	(5)	(5)

Particulars	Equity share capital	Other equity							Total equity attributable to equity holders of the company
		Reserves & surplus					Other comprehensive income		
		Securities premium	Retained earnings	Capital reserve	General reserve	Special economic zone re-investment reserve [1]	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Equity instruments through other comprehensive income, net of tax	–	–	–	–		–	(7)	–	(7)
Total Comprehensive income for the year	–	–	709	–	–	–	(7)	(28)	674
Transfer to Special Economic Zone Re-investment Reserve[1]	–	–	(110)	–	–	110	–	–	–
Transfer from Special Economic Zone Re-investment Reserve on utilization[1]	–	–	44	–	–	(44)	–	–	–
Balance as of March 31, 2019	34	25	3,560	1	1,000	90	(8)	86	4,788

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

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants

Firm's registration number:117366W/ W-100018

Anand Subramanian
Partner
Membership number: 110815

Bengaluru
April 10, 2019

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

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Chairman

Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

D. N. Prahlad
Director

Inderpreet Sawhney
Director

Prof. Jayanth R. Varma
Director

Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Consolidated Statement of Cash Flows

Accounting Policy

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

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Cash flow from operating activities:		
Profit for the period	709	572
Adjustments to reconcile net profit to net cash provided by operating activities:		
Income tax expense	249	209
Depreciation and amortization	109	105
Sale of duty scrips	(25)	–
Interest on bank deposits and others	(111)	(127)
Income on other financial assets	(81)	(61)
Impairment loss recognised/(reversed) under expected credit loss model	14	1
Other Adjustments	12	(4)
Loss on conversion of Convertible Promissory Notes	26	–
Profit on sale of fixed assets	(1)	(1)
Exchange difference on translation of assets and liabilities	(14)	18
Changes in assets and liabilities		
Trade receivables and unbilled revenue	(522)	(295)
Loans and other financial assets and other assets	(157)	(107)
Trade payables	115	100
Other financial liabilities, other liabilities and provisions	551	246
Cash generated from operations	874	656
Income taxes paid	(242)	(203)
Net cash generated by operating activities	632	453
Cash flow from investing activities:		
Expenditure on property, plant and equipment including intangible assets net of sale proceeds	(89)	(68)
Deposits placed with corporations	(16)	(6)
Loans to employees	(3)	–
Interest received on bank deposits and others	136	185
Loan given to fellow subsidiary	(36)	(33)
Proceeds from sale of duty scrips	25	–
Payments to acquire financial assets		
Preference securities	(23)	(33)
Liquid mutual fund units	(4,296)	(3,407)
Certificate of deposits	(342)	(363)
Non-convertible debentures	(66)	(104)
Government bonds	(6)	–
Proceeds on sale of financial assets		
Preference and other securities	10	26
Non-convertible debentures	136	–
Certificates of deposit	390	279
Liquid mutual fund units	4,277	3,388
Government bonds	–	10
Net cash generated (used in) from investing activities	97	(126)
Cash flow from financing activities:		
Payment of dividends (including corporate dividend tax)	–	(1,018)
Loan taken/(paid) from fellow subsidiary	(40)	40
Net cash used in from financing activities	(40)	(978)
Effect of exchange rate on translation of foreign currency cash and cash equivalents	(8)	45

Particulars	Year ended March 31,	
	2019	2018
Net increase/ (decrease) in cash and cash equivalents	689	(651)
Cash and cash equivalents at the beginning	1,928	2,534
Cash and cash equivalents at the end	2,609	1,928
Supplementary information:		
Restricted cash balance	–	–

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

As per our report of even date attached
for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's registration number:117366W/W-100018

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

Ravikumar Singisetti
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Managing Director and Chief Executive Officer

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Membership number: 110815

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Director

Prof. Jayanth R. Varma
Director

Bengaluru
April 10, 2019

Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

1. Company overview and significant accounting policies

1.1 Company overview

Infosys BPM Limited ("Infosys BPM" or "the Company") (formerly known as Infosys BPO Limited) along with its wholly owned subsidiaries, Infosys (Czech Republic) Limited s.r.o.(formerly known as Infosys BPO s.r.o.), Infosys Poland Sp.z.o.o (formerly known as Infosys BPO Poland Sp.z.o.o), Infosys McCamish Systems LLC, Portland Group Pty Ltd and Infosys BPO Americas LLC, collectively called as "The Group" is a leading provider of business process management services to organizations that outsource their business processes. The Group leverages the benefits of service delivery globalization, process redesign and technology and thus drives efficiency and cost effectiveness into client's business processes and thereby improve their competitive position by managing their business processes in addition to providing increased value.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India. The Company is a majority owned and controlled subsidiary of Infosys Limited.

With effect from December 18, 2017, the name of the Company was changed from Infosys BPO Limited to Infosys BPM Limited.

The Group's consolidated financial statements are approved by the Company's Board of Directors on April 10, 2019.

1.2 Basis of preparation of financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified). 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 there after.

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.

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

1.3 Basis of consolidation

Infosys BPM consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, as disclosed in Note no.1.1. 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 consolidated 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 judgements

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

1.5 Critical accounting estimates

a. Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Further, the Group uses significant judgements while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. Also refer to note no.2.16.

b. Income taxes

The Group's major tax jurisdiction is India, although the Group 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. Also refer to note no.2.15

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

c. 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 the Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology (Refer to note 2.1).

d. 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 is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purpose.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based it's determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

1.6 Recent accounting pronouncements

Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Group is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ending or ended March 31, 2019 and March 31, 2018 will not be retrospectively adjusted.

The effect of adoption as on transition date would be an increase in right of use asset in the range of ₹ 1000 crores to ₹1100 crores , an increase in lease liability by ₹1050 crores to ₹1100 crores. The Group has elected certain available practical expedients on transition.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the consolidated financial statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Group is evaluating the effect of this amendment on the consolidated financial statements and the impact is not expected to be material.

2.1 Property, plant and equipment

Accounting Policy

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building[1]	22-25 years
Plant and machinery[1]	5 years
Computer equipment[1]	3-5 years
Furniture and fixtures[1]	5 years
Office equipment[1]	5 years
Leasehold improvements	Over 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.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date are 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. Repairs and maintenance costs are recognised in the Consolidated Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the consolidated Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Impairment

Property, plant and equipment and Intangible assets

Property, plant and equipment and 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 or 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 generated unit ("CGU") to which the asset belongs.

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2019

(In ₹ crore)

Particulars	Land-leasehold[1]	Buildings	Leasehold improvement	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as of April 1, 2018	12	154	140	60	123	367	85	941
Additions/adjustments	–	1	7	2	3	60	5	78
Deletions/adjustments	–	–	(2)	–	(4)	(16)	(4)	(26)
Translation difference	–	–	(1)	–	–	1	–	–
Gross carrying value as of March 31, 2019	12	155	144	62	122	412	86	993
Accumulated depreciation as of April 1, 2018	1	62	100	38	111	280	74	666
Depreciation	–	6	20	8	5	52	7	98
Accumulated depreciation on deletions	–	–	(2)	–	(4)	(16)	(4)	(26)
Translation difference	–	–	(1)	–	–	(1)	1	(1)
Accumulated depreciation as of March 31, 2019	1	68	117	46	112	315	78	737
Carrying value as of March 31, 2019	11	87	27	16	10	97	8	256
Carrying value as of April 1, 2018	11	92	40	22	12	87	11	275

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018

(In ₹ crore)

Particulars	Land–leasehold[1]	Buildings	Leasehold improvement[2]	Plant and machinery[2]	Office equipment[2]	Computer equipment	Furniture and fixtures[2]	Total
Gross carrying value as of April 1, 2017	12	153	114	46	119	345	79	868
Additions	–	1	24	13	4	33	5	80
Deletions	–	–	(1)	–	(1)	(22)	(1)	(25)
Translation difference	–	–	3	1	1	11	2	18
Gross carrying value as of March 31, 2018	12	154	140	60	123	367	85	941
Accumulated depreciation as of April 1, 2017	1	56	78	30	104	246	66	581
Depreciation	–	6	20	8	5	49	7	95
Accumulated depreciation on deletions	–	–	(1)	–	(1)	(21)	(1)	(24)
Translation difference	–	–	3	–	3	6	2	14
Accumulated depreciation as of March 31, 2018	1	62	100	38	111	280	74	666
Carrying value as of March 31, 2018	11	92	40	22	12	87	11	275
Carrying value as of April 1, 2017	11	97	36	16	15	99	13	287

[1] Gross carrying value of leasehold land represents amounts paid under certain lease-cum-sale agreements to acquire land including agreements where the Company has an option to purchase or renew the properties on expiry of the lease period.

[2] Property, plant and equipment of ₹ 13 crore was transferred from Infosys Limited to Infosys BPM Limited.

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

The rental income from the leasing of certain assets to holding company for the

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Rental income	3	3
	3	3

2.2 Goodwill and other intangible assets

Accounting Policy

Goodwill represents the cost of business acquisition in excess of the groups interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the consolidated statement of Profit and Loss. 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 goodwill may be impaired, relying on number of factors including operation results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash flows that are largely independent of the cash flows from other assets or group of assets. Impairment occurs when the carrying amount of CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of the 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.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss in goodwill is recognised in the net profit the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

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

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Carrying value at the beginning	387	378
Translation differences	7	9
Carrying value at the end	394	387

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generate units (CGU) or groups of CGU's, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGU's.

Effective April 01, 2018 the Group internally reorganized its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequent to the internal reorganization, there were changes in the business segments based on "Management approach" as defined under Ind AS 108, Operating Segments. Accordingly, goodwill has been alloacted to the new operating segments as at March 31, 2019.

The allocation of goodwill to operating segments are as follows as at March 31, 2019 are as follows

(In ₹ crore)

Segment	As at March 31, 2019
FA	45
SP	137
MCM	212
Total	394

The allocation of goodwill to operating segments (prior to reorganization) are as follows as at March 31, 2018 are as follows

(In ₹ crore)

Segment	As at March 31, 2018
FSI	240
MFG	90
RCL	13
LSH	10
ECS	34
Total	387

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The value-in-use is determined based on specific calculations. These calculations use pre-tax cash flow projections for a CGU / groups of CGU's over a period of five years. An average of the range of each assumption used is mentioned below. As of March 31, 2019 the estimated recoverable amount of the CGU exceeded its carrying amount. The recoverable amount was computed based on the value-in-use. The carrying amount of the CGU was computed by allocating the net assets to operating segments for the purpose of impairment testing. The key assumptions used for the calculations are as follows:

(in %)

	As of March 31,	
	2019	2018
Long term growth rate	10	10
Operating margins	11-12	12-13
Discount rate	13	13

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. These estimates are likely to differ from future actual results of operations and cash flows.

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.

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

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2019:

(In ₹ crore)

Particulars	Software	Customer related	Total
Gross carrying value as of April 1, 2018	–	112	112
Additions during the year	9	–	9
Deletions during the year	–	–	–
Translation difference	–	(3)	(3)
Gross carrying value as of March 31, 2019	9	109	118
Accumulated amortization as of April 1, 2018	–	(96)	(96)
Amortization expense	(4)	(8)	(12)
Deletion during the year	–	–	–
Translation differences	–	3	3
Accumulated amortization as of March 31, 2019	(4)	(101)	(105)
Carrying value as of March 31, 2019	5	8	13
Carrying value as of April 1, 2018	–	16	16
Estimated Useful Life (in years)	2	10	
Estimated Remaining Useful Life (in years)	1	3	

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2018:

(In ₹ crore)

Particulars	Customer related	Total
Gross carrying value as of April 1, 2017	111	111
Additions during the year	–	–
Deletions during the year	–	–
Translation difference	1	1
Gross carrying value as of March 31, 2018	112	112
Accumulated amortization as of April 1, 2017	(84)	(84)
Amortization expense	(10)	(10)
Deletion during the year	–	–
Translation differences	(2)	(2)
Accumulated amortization as of March 31, 2018	(96)	(96)
Carrying value as of March 31, 2018	16	16
Carrying value as of April 1, 2017	27	27
Estimated Useful Life (in years)	10	
Estimated Remaining Useful Life (in years)	1–4	

The amortization expense has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

2.3 Investments

(In ₹ crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current investments		
Equity instruments	10	21
Preference securities	23	59
Non-convertible debentures	210	346
Fixed maturity plan securities	57	53
Convertible promissory note	–	12
Total non-current investments	300	491
Current investments		
Liquid mutual fund units	70	38
Non-convertible debentures	100	52
Government bonds	6	–
Certificates of deposit	359	368
Total current investments	535	458
Total carrying value	835	949

(In ₹ crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Quoted investments- carried at fair value through other comprehensive income		
Non-Convertible debentures	210	346
Quoted investments- carried at fair value through profit or loss		
Fixed maturity plan securities	57	53
Unquoted investments- carried at fair value through profit or loss		
Tidal Scale Inc. - Preference &other securities*	23	12
Vertex Ventures US Fund LLP - Preference & other securities**	–	59
Unquoted investments- carried at fair value through other comprehensive income		
UNSILO A/S	10	21
Total non-current investments	300	491
Current		
Quoted investments- carried at fair value through other comprehensive income		
Non-Convertible debentures	100	52
Quoted investments- carried at amortised cost		
Government bonds	6	–
Unquoted investments- carried at fair value through other comprehensive income		
Certificates of deposit	359	368
Unquoted investments- carried at fair value through profit or loss		
Liquid mutual fund units	70	38
Total current investments	535	458
Total investments	835	949
Aggregate amount of quoted investments	373	451
Market value of quoted investments (Including interest thereon)	371	451
Aggregate amount of unquoted investments	462	498
Investments carried at fair value through other comprehensive income	679	787
Investment carried at amortised cost	6	–
Investment carried at fair value through Profit or Loss	150	162

Refer to note no. 2.9 for accounting policies on financial instruments.

*Investment in Tidal scale converted to preference & other securities from promissory notes

**During the period investment in Vertex Ventures US Fund LLP has been sold for ₹ 41 crores. Group has received ₹ 10 crores and balance will be received in March 2020.

Details of amounts recorded in Other Comprehensive income:

(In ₹ crore)

	Year ended March 31,					
	2019			2018		
	Gross	Tax	Net	Gross	Tax	Net
Net Gain/(loss) on						
Non-convertible debentures	1	–	1	(2)	–	(2)
Certificates of deposit	–	–	–	1	–	1
Equity /Preference/others	(10)	2	(8)	2	(1)	1

Method of fair valuation:

(In ₹ crore)

Class of investment	Method	Fair Value as at March 31,	
		2019	2018
Non-convertible debentures	Quoted price and market observable inputs	310	398
Fixed maturity plan securities	Market observable inputs	57	53
Liquid mutual fund units	Quoted price	70	38
Certificates of deposit	Market observable inputs	359	368
Equity instruments	Discounted cash flows method, Market multiple method etc.	10	21
Preference securities	Discounted cash flows method, Market multiple method etc.	23	59
Convertible promissory note	Discounted cash flows method, Market multiple method etc.	–	12

2.3.1 Details of investments in Liquid mutual fund units

The balances held in liquid mutual fund units as at March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
Aditya Birla Sun Life Cash Plus -Growth -Direct Plan	13,32,847	40	13,62,562	38
HDFC Liquid Fund- Direct Plan- Growth Option	40,821	15	–	–
IDFC Corporate Bond - Fund Direct Plan	1,19,02,495	15	–	–
	1,32,76,163	70	13,62,562	38

2.3.2 Details of Investments in government bonds

The balances held in government bonds as at March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
PHILIPPINE T BILL PHY6972HAZ92 MAT DATE 29 MAY 2019	–	6	–	–
	–	6	–	–

2.3.3 Details of investments in non-convertible debentures

The balances held in non-convertible debentures as at March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
8.6% Life Insurance Corporation Housing Finance Limited 22 JUL 2020	1,000	106	1,000	107
8.6% Life Insurance Corporation Housing Finance Limited 29 JUL 2020	350	37	350	37
8.5% Housing Development Finance Corporation Limited 31 AUG 2020	–	–	50	54
8.49% Housing Development Finance Corporation Limited 27 APR 2020	–	–	900	49
8.66% IDFC Bank Limited 27 DEC 2018	–	–	400	52

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
7.78% Housing Development Finance Corporation Ltd 24 MAR 2020	100	100	100	99
8.80% Life Insurance Corporation Housing Finance Limited 24DEC2020	650	67	–	–
	2,100	310	2,800	398

2.3.4 Details of investments in Mutual Fund-Fixed maturity plan (FMPs)

The balances held in mutual fund FMPs as at March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	NAV	As at March 31, 2019		As at March 31, 2018	
	INR	Units	Amount	Units	Amount
ICICI FMP Series 80-1194 D Plan F Div	10	1,50,00,000	17	1,50,00,000	16
Reliance Fixed Horizon Fund-XXXII Series 8-Dividend Plan	10	1,50,00,000	16	1,50,00,000	15
HDFC FMP 1155D Feb 2017-Direct Growth Series 37	10	1,00,00,000	12	1,00,00,000	11
Birla Sunlife Fixed Term Plan- Series OD (1145 days)	10	1,00,00,000	12	1,00,00,000	11
		5,00,00,000	57	5,00,00,000	53

2.3.5 Details of investments in Certificate of Deposits

The balances held in certificate of deposit as at March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
Axis bank Limited CD 24 JAN 19	–	–	23,000	217
ICICI Bank Limited CD 14 FEB 19	–	–	10,000	95
ICICI Bank limited CD 21 FEB 19	–	–	6,000	56
Axis Bank Limited CD 09 AUG 19	10,000	98	–	–
Kotak Bank Limited CD 27 SEP 19	27,000	261	–	–
	37,000	359	39,000	368

2.4 Loans

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non-current		
Unsecured, considered doubtful		
Loans to employees	6	4
Less: Allowance for doubtful loans to employees	6	4
	–	–
Current		
Unsecured, considered good		
Loans to employees	19	18
Loans to fellow subsidiary(1)	78	39
	97	57
(1) Includes dues from other Group companies (refer to note 2.22)	78	39

2.5 Other financial assets

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non-current		
Security deposits(1)	4	3
Rental deposits (1)	39	35
Total non-current other financial assets	43	38
Current		
Security deposits (1)	–	1
Rental deposits (1)	–	3

Particulars	As at March 31,	
	2019	2018
Restricted deposits*(1)	98	81
Unbilled revenues (1)(3)#	458	230
Interest accrued but not due(1)	38	21
Foreign currency forward contracts(2)	14	–
Others(1)(3)	33	11
Total current other financial assets	641	347
Total financial assets	684	385
(1) Financial assets carried at amortised cost.	670	385
(2) Financial assets carried at fair value through Profit or Loss.	14	–
(3) Includes dues from holding company and other group companies (refer to note 2.22)	7	17

* Restricted deposits represent deposit with financial institutions to settle employee compensated absences related obligations as and when they arise during the normal course of business.

Classified as financial asset as right to consideration is unconditional upon passage of time

2.6 Trade Receivables

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Current(2)		
Unsecured		
Considered good(1)	1,098	859
Considered doubtful	20	11
	1,118	870
Less: Allowances on for credit losses	20	11
	1,098	859
Total trade receivables	1,098	859
(1) Includes dues from holding company and group companies (refer note 2.22)	66	62
(2) Includes dues from companies where directors are interested		

2.7 Cash and Cash Equivalents

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Balances with banks		
In current and deposit accounts	1,926	1,317
Cash on hand	–	–
Others		
Deposits with financial institution	683	611
	2,609	1,928
Deposit with more than 12 months maturity	150	–
Balances with banks held as margin money deposits against guarantees	–	2

Cash and cash equivalents as of March 31, 2019 and March 31, 2018 include restricted cash and bank balances of ₹ 1 less than crore and ₹ 2 crore, respectively. The restrictions are primarily on account of cash and bank balances held by irrevocable trusts controlled by the Group, bank balances held as margin money deposits against guarantees.

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.

The details of balances as at Balance Sheet dates with banks are as follows:

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
In current accounts		
Bank of America, Atlanta, USA	201	90
Bank of America, California, USA	27	27
Bank of America, California- Trust account, USA*	–	–
Bank of Philippine Islands	–	1

Particulars	As at March 31,	
	2019	2018
Citi Bank, Costa Rica	1	1
Citi Bank, Manila	–	–
Citi Bank, South Africa	–	–
Citibank -India	–	–
Citibank N.A., Czech Republic	–	–
Citibank, IBPM, Australia	3	6
Citibank, Portland, Australia	4	12
Citibank-EURO	1	1
Citibank, Singapore	2	1
Deutsche Bank- EEFC (Euro account)	4	1
Deutsche Bank- EEFC (U.S. Dollar account)	6	5
Deutsche Bank- EEFC (UK Pound Sterling account)	1	1
Deutsche Bank, India	4	4
Deutsche Bank, Czech Republic	18	15
Deutsche Bank, Czech Republic (Euro account)	6	3
Deutsche Bank, Czech Republic (U.S. dollar account)	24	2
Deutsche Bank, Netherland	11	5
Deutsche Bank, Philippines (PHP account)	3	10
Deutsche Bank, Philippines (USD account)	1	3
Deutsche Bank, Poland	11	17
Deutsche Bank, Poland (Euro account)	8	8
Deutsche Bank, Poland (ES Fund)	–	1
Deutsche Bank, London, UK	3	1
ICICI Bank- EEFC (Euro account)	7	1
ICICI Bank- EEFC (U.S. Dollar account)	13	29
ICICI Bank- EEFC (UK Pound Sterling account)	6	11
ICICI Bank, India	7	3
Royal Bank of Canada, Ontario, Canada	1	1
State Bank of India, India	–	1
	373	261
In deposit accounts		
Axis Bank	225	–
BNP, Poland	235	144
Citi Bank, Australia	123	93
Deutsche Bank, Poland	126	211
HDFC Bank Limited	50	75
ICICI Bank	21	7
IDFC Bank	350	–
South Indian Bank	173	250
Deutsche Bank, Czech Republic	–	24
Indusind Bank Limited	250	–
IDBI Bank	–	250
	1,553	1,054
In unclaimed dividend accounts		
ICICI Bank - Unpaid Dividend Account	–	–
	–	–
In margin money deposits against guarantees		
Citi bank, Australia	–	2
	–	2
Deposits with financial institution		
LIC Housing Finance Limited	225	–
HDFC Limited	458	611
	683	611
Total cash and cash equivalents as per Balance Sheet	2,609	1,928

[*] This represents restricted bank balance, in trust account, in accordance with collection agency licensing requirements.

2.8 Other assets

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non-current		
Capital advances	3	1
Prepaid expenses	66	61
Deferred contract cost***	51	–
Withholding taxes and others*	21	21
Advances other than capital advance		
Prepaid gratuity	4	5
Total Non-Current other assets	145	88
Current		
Unsecured, considered good		
Payment to vendors for supply of goods	11	10
Others		
Withholding taxes and others*	51	32
Prepaid expenses	169	101
Unbilled revenues**	43	–
Deferred contract cost***	7	–
Total Current other assets	281	143
Total other assets	426	231

* Withholding taxes and others primarily consist of input tax credits.

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

***Deferred contract costs are upfront costs incurred for the contract and are amortized over the term of the contract. Costs which are expected to amortised with in twelve months from the balance sheet date have been presented as current.

2.9 Financial Instruments

Accounting Policy

2.9.1 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 recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.9.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised 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 at fair value through other comprehensive income (FVOCI)

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

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

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

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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 these contracts is generally a bank.

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

This category has 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 a 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 recognised initially at fair value and attributable transaction costs are recognised in net profit in the consolidated Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

c. Share capital

Ordinary Shares

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

2.9.3 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 derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.9.4 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices 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 with in 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.

2.9.5 Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses or (reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in consolidated Statement of Profit and Loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2019 are as follows:

(In ₹ crore)

Particulars	Amortised 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 Note 2.7)	2,609	–	–	–	–	2,609	2,609
Investments (Refer Note 2.3)							
Equity, preference and other securities	–	–	23	10	–	33	33
Non-convertible debentures[1]	–	–	–	–	310	310	310
Certificates of deposit	–	–	–	–	359	359	359
Government bonds	6	–	–	–	–	6	6
Fixed maturity plan securities	–	–	57	–	–	57	57
Liquid mutual fund units	–	–	70	–	–	70	70
Trade receivables (Refer Note 2.6)	1,098	–	–	–	–	1,098	1,098
Loans (Refer Note 2.4)	97	–	–	–	–	97	97
Other financial assets (Refer Note 2.5)	670	–	14	–	–	684	684
Total	4,480	–	164	10	669	5,323	5,323
Liabilities:							
Trade payables (Refer Note 2.12)	225	–	–	–	–	225	225
Other financial liabilities (Refer Note 2.11)	889	–	2	–	–	891	891
Loans (Refer Note 2.22)	4	–	–	–	–	4	4
Total	1,118	–	2	–	–	1,120	1,120

[1]The carrying value of debentures approximates fair value as the instruments are at prevailing market rates

The carrying value and fair value of financial instruments by categories as at March 31, 2018 were as follows:

(In ₹ crore)

Particulars	Amortised 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 Note 2.7)	1,928	–	–	–	–	1,928	1,928
Investments (Refer Note 2.3)							
Equity, preference and other securities	–	–	59	21	–	80	80
Convertible Promissory notes	–	–	12	–	–	12	12
Non-convertible debentures[1]	–	–	–	–	398	398	398
Certificates of deposit	–	–	–	–	368	368	368
Fixed maturity plan securities	–	–	53	–	–	53	53
Liquid mutual fund units	–	–	38	–	–	38	38
Trade receivables (Refer Note 2.6)	859	–	–	–	–	859	859
Loans (Refer Note 2.4)	57	–	–	–	–	57	57
Other financial assets (Refer Note 2.5)	385	–	–	–	–	385	385

Particulars	Amortised 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		
Total	3,229	–	162	21	766	4,178	4,178
Liabilities:							
Trade payables (Refer Note 2.12)	110	–	–	–	–	110	110
Other financial liabilities (Refer Note 2.11)	549	–	2	–	–	551	551
Loans (Refer Note 2.22)	40	–	–	–	–	40	40
Total	699	–	2	–	–	701	701

(1)The carrying value of debentures approximates fair value as the instruments are at prevailing market rates

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 following table presents fair value hierarchy of assets and liabilities measured at fair value as at March 31, 2019

(In ₹ crore)

Particulars	As at March 31, 2019	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments in fixed maturity plan (Refer Note 2.3)	57	–	57	–
Investments in preference securities (Refer Note 2.3)	23	–	–	23
Investments in equity instruments (Refer Note 2.3)	10	–	–	10
Investments in other securities (Refer Note 2.3)	–	–	–	–
Investments in non-convertible debentures* (Refer Note 2.3)	310	167	143	–
Investments in liquid mutual fund units (Refer Note 2.3)	70	70	–	–
Investments in certificate of deposits (Refer Note 2.3)	359	–	359	–
Derivative financial instruments (Refer Note 2.5)	14	–	14	–

The following table presents fair value hierarchy of assets and liabilities measured at fair value as at March 31, 2018:

(In ₹ crore)

Particulars	As at March 31, 2018	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
		Level 1	Level 2	Level 3
Assets				
Investments in fixed maturity plan (Refer Note 2.3)	53	–	53	–
Investments in preference securities (Refer Note 2.3)	59	–	–	59
Investments in equity instruments (Refer Note 2.3)	21	–	–	21
Investments in non-convertible debentures*(Refer Note 2.3)	398	202	196	–
Investments in convertible promissory notes (Refer Note 2.3)	12	–	–	12
Investments in liquid mutual fund units (Refer Note 2.3)	38	38	–	–
Investments in certificate of deposits (Refer Note 2.3)	368	–	368	–
Derivative financial instruments - gain on foreign currency forward contract (Refer Note 2.5)	–	–	–	–
Liabilities				
Derivative financial instruments - loss on outstanding foreign exchange forward contracts (Refer Note 2.11)	2	–	2	–

* During the year ended March 31, 2018, the non-convertible debentures of ₹ 196 crore were transferred from Level 1 to Level 2.

One percentage point change in the unobservable inputs used in fair valuation at level 3 assets and liabilities does not have a significant impact in its value.

Financial risk management

Financial risk factors

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

Market risk

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

The following table analyzes foreign currency risk from financial instruments as of March 31, 2019:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Cash and cash equivalents	271	37	10	129	398	845
Trade receivables	806	107	85	55	21	1,074
Other financial assets (including loans)	511	15	8	54	17	605
Trade payables	(180)	(5)	(7)	(8)	(7)	(207)
Other financial liabilities	(511)	(18)	(10)	(71)	(108)	(718)
Net assets / (liabilities)	897	136	86	159	321	1,599

The following table analyzes foreign currency risk from financial instruments as of March 31, 2018:

(In ₹ crore)

Particulars	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Cash and cash equivalents	157	20	14	113	425	729
Trade receivables	545	127	77	56	25	830
Other financial assets (including loans)	248	7	7	14	19	295
Trade payables	(91)	(2)	(4)	–	(3)	(100)
Other financial liabilities	(289)	(15)	(3)	(21)	(99)	(427)
Net assets / (liabilities)	570	137	91	162	367	1,327

Particulars	Year ended March 31,	
	2019	2018
Impact on the Company's incremental Operating Margins	0.25%	0.34%

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

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 these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on inputs that are directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Particulars	As at			
	March 31, 2019		March 31, 2018	
	In million	In ₹ crore	In million	In ₹ crore
Forward contracts				
In U.S. dollars	101	699	67	437
In Euro	10	78	5	40
In United Kingdom Pound Sterling	10	90	6	51
In Australian dollars	8	37	5	25
Total forwards		904		553

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

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Not later than one month	351	134
Later than one month and not later than three months	553	295
Later than three months and not later than one year	–	124
	904	553

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

The following table provides quantitative information about offsetting of derivative financial assets and derivative financial liabilities:

(In ₹ crore)

Particulars	As of			
	March 31, 2019		March 31, 2018	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognized financial asset/liability	14	(2)	–	(2)
Amount set off	–	–	–	–
Net amount presented in balance sheet	14	(2)	–	(2)

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 1098 crore and ₹ 859 crore as of March 31, 2019 and March 31, 2018, respectively and unbilled revenue amounting to ₹ 458 crore and ₹ 230 crore as of March 31, 2019 and March 31, 2018, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in the United States. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. As per Ind AS 109, the group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors such as credit default swap quotes, credit ratings from international credit rating agencies and the group's historical experience for customers.

Write off policy

Receivables are written off when there is no realistic prospect of recovery. This is generally the case when the group determines through its continuous credit-monitoring that the amount is not recoverable due to the financial inability of or disputes with the customer. In some cases, such financial assets written off could still be subject to enforcement activities by the group in line with its policy of recovery of dues.

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

(In %)

Particulars	Year ended March 31,	
	2019	2018
Revenue from top customer	5%	7%
Revenue from top ten customers	34%	33%

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2019 was ₹ 1 crore. The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2018 was ₹ 1 crore.

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Balance at the beginning	11	10
Provisions recognized / (reversed)	13	1
Write-offs	–	–
Translation differences	(4)	–
Balance at the end	20	11

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Liquidity risk

The group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The group believes that the working capital is sufficient to meet its current requirements.

As of March 31, 2019, the group had a working capital of ₹ 3,473 crore including cash and cash equivalents of ₹ 2,609 crore and current investments of ₹ 534 crore. As of March 31, 2018, the group had a working capital of ₹ 2,683 crore including cash and cash equivalents of ₹ 1,928 crore and current investments of ₹ 458 crore

As of March 31, 2019 and March 31, 2018, the outstanding employee benefit obligations were ₹ 198 crore and ₹ 198 crore, respectively, which have been substantially funded. Further, as of March 31, 2019 and March 31, 2018, the group had no outstanding bank borrowings. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	225	–	–	–	225
Client deposits	–	–	–	–	–
Other liabilities (Refer Note 2.11)	888	–	–	–	888

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

(In ₹ crore)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	110	–	–	–	110
Client deposits	1	–	–	–	1
Other liabilities (Refer Note 2.11)	546	–	–	–	546

2.10 Equity

Equity share capital

(in ₹ crore, except as otherwise stated)

Particulars	As at	
	March 31, 2019	March 31, 2018
Authorized		
Equity shares, ₹10/-(₹10/-) par value		
12,33,75,000 (12,33,75,000) equity shares	123	123
Issued, subscribed and paid-up		
Equity shares, ₹10/- (₹10/-) par value	34	34
3,38,27,751 (3,38,27,751) equity shares fully paid up		
(of the above 3,38,22,319 equity shares are held by the holding company, Infosys Limited)		
	34	34

The Company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per 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.

The details of shareholder holding more than 5% shares as at:

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% held	Number of shares	% held
Infosys Limited, the holding company	3,38,22,319	99.98	3,38,22,319	99.98

The reconciliation of the number of shares outstanding and the amount of share capital as at :

(in ₹ crore, except as otherwise stated)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the period	3,38,27,751	34	3,38,27,751	34
Add: Shares issued during the period	–	–	–	–
At the end of the period	3,38,27,751	34	3,38,27,751	34

There has been no buy-back of shares, issuance of bonus shares or shares issued for consideration other than cash during the last 5 years.

The Board of Directors, in its meeting on October 17, 2017, declared an interim dividend of ₹ 250 per equity share, which resulted in cash outflow of ₹ 1,018 crore inclusive of corporate dividend tax of ₹ 172 crore.

Dividends

Final dividends on shares are 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.

Earnings per equity share

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

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

Securities premium

The amount received in excess of the par value has been classified as securities premium. Additionally, share-based compensation recognized in net profit in the consolidated statement of profit and loss is credited to securities premium.

2.11 Other financial liabilities

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non-current		
Others		
Compensated absences	3	4
Total non-current other financial liabilities	3	4
Current		
Others		
Accrued compensation to employees	240	198
Capital creditors	12	3
Provision for expenses(1)	607	329
Retention monies	1	–
Client deposits	–	1
Other payables (2)	26	14
Compensated absences	105	93
Foreign currency forward contracts	2	2
Total current other financial liabilities	993	640
Total other financial liabilities	996	644
Financial liability carried at amortized cost	889	549
Financial liability carried at fair value through Profit or loss	2	2
(1) Includes dues to holding Company (refer to note 2.22)	2	–
(2) Includes dues to holding company and other Group Companies (refer to note 2.22)	7	9

2.12 Trade payables

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Current		
Trade payables(1)	225	110
	225	110
(1) Includes dues to holding company and other Group Companies (refer to note 2.22)	103	84

2.13 Other liabilities

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Non-current		
Deferred rent	28	30
Total non-current other liabilities	28	30
Current		
Unearned revenue	384	210
Others		
Withholding taxes and other payables	87	55
Client deposits	4	–
Deferred rent	7	8
Total current other liabilities	482	273
Total other liabilities	510	303

2.14 Provisions

Accounting Policy

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

a. Post sales client support and others

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

b. Onerous contracts

Provisions for onerous contracts are recognised 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. 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 customer support and other provisions

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Current		
Others		
Post sales client support and Other provisions	46	33
Total provisions	46	33

Provision for Post sales client support and Other provisions

The movement in the provision for Post sales client support and Other provisions is as follows :

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Balance at the beginning	33	39
Provision recognised/(reversed)	21	8
Provision utilised	(9)	(13)
Exchange difference	1	(1)
Balance at the end	46	33

Provision for post-sales client support and other provisions are expected to be utilized over a period of 6 months to 1 year.

2.15 Income taxes

Accounting Policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the consolidated Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current income tax for current and prior periods is recognised 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 recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised 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, where it has a legally enforceable right to set off the recognised 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 securities premium.

Income tax expense in the consolidated statement of profit and loss comprises:

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Current taxes	245	199
Deferred taxes	4	10
Income tax expense	249	209

Current tax expense for the year ended March 31, 2019 and March 31, 2018 includes provisions (net of reversal) of ₹ 6 crore and less than ₹ 1 crore, respectively, pertaining to earlier periods.

Deferred tax expense for the year ended March 31, 2019 and March 31, 2018 includes provisions MAT credit of ₹ 4 crore and Nil, respectively, pertaining to earlier periods on completion of assessments.

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

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Profit before income taxes	958	781
Enacted tax rates in India	34.94%	34.61%
Computed expected tax expense	335	270
Tax effect due to non-taxable income for tax purposes	(75)	(58)
Overseas taxes	11	6
Base erosion and anti abuse (BEAT) tax liability	14	–
Tax reversals, overseas and domestic	(9)	(1)
Effect of exempt non-operating income	(4)	–
Effect of differential overseas tax rates	(20)	(16)
Effect of non-deductible expenses	6	(2)
Others	(9)	10
Income tax expense	249	209

The applicable Indian statutory tax rates for fiscal 2019 and fiscal 2018 is 34.94% and 34.61%,respectively, The increase in the corporate statutory tax rate to 34.94% is consequent to change made in Finance act 2018.

In India, the Group has benefited from certain tax incentives that the Government of India had provided for export of services from the units registered under the Special Economic Zones(SEZs)Act,2005. SEZ units which began the provision of services on or after April1,2005 are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for further five years. Upto 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone re-Investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve by the Group for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961.

The following table provides the details of income tax assets and income tax liabilities are as follows:

(In ₹ crore)

Particulars	As at March 31,	
	2019	2018
Income tax assets	98	82
Current Income tax liabilities	(37)	(13)
Net income tax assets/ (liability) at the end	61	69

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2019 and March 31, 2018 is as follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Net income tax asset/ (liability) at the beginning	69	66
Translation differences	(7)	(2)
Income tax paid	242	203
Income tax expense	(245)	(199)
MAT credit utilisation	–	–
Income tax on other comprehensive income	2	1
Net income tax asset/ (liability) at the end	61	69

The movement in gross deferred income tax assets and labilities (before set off) for the year ended March 31, 2019 is as follows:

(In ₹ crore)

Particulars	Carrying Value as at March 31,2018	Changes through Profit and Loss	Changes through OCI	Translation difference	Carrying Value as at March 31,2019
Deferred income tax assets					
Property, plant and equipment	24	6	–	–	30
Compensated absences	25	3	–	–	28
Accrued compensation to employees	5	5	–	–	10
Intangible Assets	9	–	–	1	10
Minimum alternative tax carry forwards	–	–	–	–	–
Trade receivables	6	1	–	–	7
Post sales client support	2	3	–	–	5
Derivative Financial Instruments	–	(5)	–	–	(5)
Others	53	(14)	2	3	44
Total deferred tax assets	124	(1)	2	4	129
Deferred income tax liabilities					
Property, plant and equipment-DL	(1)	(3)	–	–	(4)
Others-DL	(17)	(1)	–	(1)	(19)
DTL-Intangibles	(21)	1	(4)	(1)	(25)
Total deferred tax liabilities	(39)	(3)	(4)	(2)	(48)

The movement in gross deferred income tax assets and labilities (before set off) for the year ended March 31, 2018 is as follows:

(In ₹ crore)

Particulars	Carrying Value as at March 31,2017	Changes through Profit and Loss	Changes through OCI	Translation difference	Carrying Value as at March 31,2018
Deferred income tax assets					
Property, plant and equipment	17	7	–	–	24
Compensated absences	22	2	–	1	25
Accrued compensation to employees	5	(1)	–	1	5
Intangible Assets	12	(3)	–	–	9
Minimum alternative tax carry forwards	–	–	–	–	–
Trade receivables	8	(2)	–	–	6
Post sales client support	3	(1)	–	–	2
Derivative Financial Instruments	–	–	–	–	–
Others	94	(44)	–	3	53
Total deferred tax assets	161	(42)	–	5	124
Deferred income tax liabilities					
Property, plant and equipment-DL	(2)	1	–	–	(1)
Others-DL	(40)	26	(1)	(1)	(16)
DTL-Intangibles	(28)	–	6	–	(22)
Total deferred tax liabilities	(70)	27	5	(1)	(39)

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

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Deferred income tax assets after set off	107	86
Deferred income tax liabilities after set off	(26)	(1)

Deferred tax assets and deferred tax liabilities have been offset wherever the group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

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

The gross movement in the deferred income taxes for the year ended March 31, 2019 and March 31, 2018, is as follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Net deferred income tax asset at the beginning	85	91
Translation differences	–	4
Credits / (charge) relating to temporary differences	(4)	(10)
Net deferred income tax asset at the end	81	85

The charge relating to temporary differences during the year ended March 31, 2019 are primarily on account of compensated absences, carry forward of losses and tax subsidy partially offset by reversal of credits pertaining to property, plant and equipment, trade receivable and intangibles.

The charge relating to temporary differences during the year ended March 31, 2018 are primarily on account of compensated absences, carry forward of losses and tax subsidy partially offset by reversal of credits pertaining to property, plant and equipment, trade receivable and intangibles.

2.16 Revenue from Operations

Accounting Policy

The Group derives revenues primarily from business process management services. Revenue is recognized upon transfer of services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

Effective April 1, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method applied to contracts that were not completed as of April 1, 2018. The following is a summary of new and revised significant accounting policies related to revenue recognition. Refer Note 1.5 "Significant Accounting Policies," in the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

Arrangements with customers for business process management related services are either on a fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as Unbilled Revenue. Revenues in excess of invoicing are classified as unbilled revenue while invoicing in excess of revenues are classified as Unearned Revenues. Revenue from fixed-timeframe contract is recognized ratably over the term of the underlying arrangement as the company transfers control evenly during the execution of its project.

Advances received for business process management services are reported as liabilities until all conditions for revenue recognition are met.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives amount to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs. Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, 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 not priced at the standalone selling price.

Deferred contract costs are incremental costs of obtaining a contract which are recognised as assets and amortized over the term of the contract.

The Group presents revenues net of indirect taxes in its consolidated statement of profit and loss.

Revenues for the year ended March 31, 2019 and March 31, 2018 are follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Income from business process management services	5,900	4,518
	5,900	4,518

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by offerings and contract-type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(In ₹ crore)

Particulars	Year ended March 31,2019
Revenue by offerings	
Core	5,152
Digital	748
Total	5,900
Revenues by contract type	
Fixed Price	1,948
Time & Materials	3,952
Total	5,900
Revenues by Geography	
North America	3,714
Europe	1,323
India	226
Rest of the world	637
Total	5,900

Digital Services

Digital Services comprise of service and solution offerings of the group that enable our clients to transform their business processes. These include offerings that enhance customer experience, leverage AI-based analytics and big data, engineer digital products and IoT, modernize legacy technology systems, migrate to cloud applications and implement advanced cyber security systems.

Core Services

Core Services comprise traditional offerings of the group that have scaled and industrialized over a number of years. These primarily include application management services, proprietary application development services, independent validation solutions, product engineering and management, infrastructure management services, traditional enterprise application implementation, support and integration services.

Trade receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related service are performed. Revenue for fixed price maintenance contracts is recognized on a straight line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time .

Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Invoicing in excess of earnings are classified as unearned revenue.

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

The following table discloses the movement in unbilled revenue on fixed price development contracts during the year ended March 31, 2019:

(In ₹ crore)

Particulars	Year ended March 31,2019
Balance at the beginning	30
Add : Reclassified from assets held for sale	–
Add : Revenue recognized during the period	41
Less : Invoiced during the period	(30)
Less : Impairment / (reversal) during the period	–
Add : Translation gain/(Loss)	2
Balance at the end	43

The following table discloses the movement in unearned revenue balances during the year ended March 31, 2019:

(In ₹ crore)

Particulars	Year ended March 31,2019
Balance at the beginning	210
Add : Reclassified from assets held for sale	–
Less: Revenue recognized during the period	(146)
Add: Changes due to Business Combinations	–
Add: Invoiced during the period but not recognized as revenues	309
Add: Translation loss / (gain)	11
Balance at the end	384

Performance obligations and remaining performance obligations

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

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019 other than those meeting the exclusion criteria mentioned above, is ₹3,677 crore. Out of this, the Group expects to recognize revenue of around 31.97% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

2.17 Other income, net

Accounting policy

Other income is comprised primarily of interest income, dividend income and exchange gain/loss on forward and options contracts and on translation of other 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

Functional currency

The functional currency of the Company is the Indian rupee. The functional currencies for Infosys (Czech Republic) Limited s.r.o. Infosys Poland Sp.z.o.o,Infosys McCamish Systems LLC, Portland Group Pty Ltd and Infosys BPO Americas LLC are the respective local currencies. These consolidated 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 included in net profit in the consolidated Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

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 consolidated statement of Profit and Loss. However when a change in the parent's ownership does not result in laws of control of a subsidiary, such changes are recorded through equity.

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 with the Balance sheet date.

During the three months ended June 30, 2018, the Group has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Interest income on financial assets at carried at amortised cost:		
Deposit with banks and others	111	127
Interest income on financial assets at fair value through other comprehensive income:		
Non convertible debentures	26	26
Certificates of deposit	38	14
Income on investments carried at fair value through profit or loss:		
Gains/(losses) on liquid mutual funds units	17	20
Dividend income on liquid mutual funds units	–	–
Profit on sale of Property, plant and equipment	1	1
Rental income from holding company	3	3
Exchange gains/(losses) on foreign currency forward and options contracts	–	12
Exchange gains/(losses) on translation of other assets and liabilities	14	(18)
Profit/(loss) on conversion of Convertible Promissory Notes	(26)	–
Other Miscellaneous income,net*	27	25
	211	210

*Includes sale of duty scrips of ₹ 25 crore for the year ended March 31, 2019 (₹23 crores for year ended March 31, 2018).

2.18 Expenses

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Employee benefit expenses		
Salaries and bonus including overseas staff expenses	3,053	2,423
Staff welfare	41	37
Contribution to provident and other funds	87	77
	3,181	2,537
Cost of technical sub-contractors and professional charges		
Cost of technical sub-contractors	455	285
Cost of technical sub-contractors - others		
Legal and professional	51	42
Recruitment and training	31	30
	537	357
Other expenses		
Computer maintenance	13	12
Printing and stationery	5	5
Office maintenance	102	86
Consumables	8	4
Brand building and advertisement	7	4
Marketing expenses	4	3
Power and fuel	31	27

Particulars	Year ended March 31,	
	2019	2018
Insurance charges	6	6
Communication	67	82
Rates and taxes	18	15
Contribution to Corporate Social Responsibility	16	13
Bank charges and commission	3	6
Postage and courier	25	24
Allowances for credit losses on financial assets	12	–
Provision for doubtful loans and advances	2	1
Provision for post sale customer support and others	12	–
Other miscellaneous expenses	7	3
	338	291

2.19 Lease rentals

Accounting Policy

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in the consolidated Statement of Profit and Loss over the lease term.

Obligations on long-term, non-cancellable operating leases

The lease rentals charged during the period and the obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Lease rentals recognized during the year	167	138

(In ₹ crore)

Lease obligations payable	As at March 31,	
	2019	2018
Within one year of the Balance Sheet date	136	106
Due in a period between one year and five years	428	314
Due after five years	66	74

The operating lease arrangements, are renewable on a periodic basis and for most of the leases extend upto a maximum of ten years from their respective dates of inception and relates to rented premises. Some of these lease agreements have price escalation clauses.

2.20 Employee benefits

Accounting Policy

Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of Infosys BPM. 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.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Infosys BPO Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law of India.

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 recognised in other comprehensive income. 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 recognised in other comprehensive income. The effect of any plan amendments are recognised in the consolidated Statement of Profit and Loss.

Superannuation

Certain employees of the Group are participants in a defined contribution plan. The Group has no further obligations to the Plan beyond its monthly contributions.

Provident fund

Eligible employees of the Company are participants in defined contribution plan. The Company has no further obligations under the provident fund plan beyond its monthly contributions.

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 independent 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 recognised in the period in which the absences occur.

(a) Gratuity

The following tables set out the funded status of the gratuity plan and the amounts recognized in the group's financial statements as of March 31, 2019 and March 31, 2018:

(In ₹ crore)

Particulars	As of March 31,	
	2019	2018
Change in benefit obligations		
Benefit obligations at the beginning	78	66
Service cost	11	10
Interest expense	6	4
Acquisitions (credit)/cost	(1)	–
Remeasurements - Actuarial (gains)/ losses	8	5
Benefits paid	(8)	(7)
Benefit obligations at the end	94	78
Change in plan assets		
Fair value of plan assets at the beginning	83	75
Interest income	7	5
Acquisitions adjustment	(1)	(1)
Actuarial gain/(loss)	–	–
Return on plan assets excluding amounts included in interest income	1	1
Contributions	16	10
Benefits paid	(8)	(7)
Fair value of plan assets at the end	98	83
Funded status	4	5
Prepaid gratuity	4	5

Amounts for the year ended March 31, 2019 and March 31, 2018 recognized in the Statement of Profit and Loss under employee benefit expenses.

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Service cost	11	10
Net interest on the net defined benefit liability/asset	(1)	(1)
Net gratuity cost	10	9

Amounts for the year ended March 31, 2019 and March 31, 2018 recognized in the Statement of Other Comprehensive Income:

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial (gains) / losses	8	5
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(1)	(1)
	7	4

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
(Gain)/loss from change in demographic assumptions	–	–
(Gain)/loss from change in financial assumptions	1	(1)
(Gain)/loss from change in experience assumptions	7	6
	8	5

The weighted-average assumptions used to determine benefit obligations as of March 31, 2019 and March 31, 2018 are set out below:

Particulars	As of March 31,	
	2019	2018
Discount rate	7.1%	6.9%
Weighted average rate of increase in compensation levels	7.5%	7.5%

The weighted-average assumptions used to determine net periodic benefit cost for the year ended March 31, 2019 and March 31, 2018 are set out below:

Particulars	Year ended March 31,	
	2019	2018
Discount rate	7.5%	6.9%
Weighted average rate of increase in compensation levels	7.1%	7.5%
Weighted average duration of defined benefit obligation	5.9 years	6.1 years

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

(In ₹ crore)

Impact of percentage point increase/decrease in	As at March 31,2019
Discount rate	2
Weighted average rate of increase in compensation level	2

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

The group contributes all ascertained liabilities towards gratuity to the Infosys BPO Limited Employees' Gratuity Fund Trust. Trustees administer contributions made to the trust. As of March 31, 2019 and March 31, 2018, the plan assets have been primarily invested in insurer managed funds.

Actual return on assets for the year ended March 31, 2019 and March 31, 2018 were ₹ 7 crore and ₹ 6 crore respectively.

The Group expects to contribute ₹ 22 crore to gratuity trust during Fiscal 2020.

Maturity profile of defined benefit obligation:

(In ₹ crore)

Within 1 year	29
1-2 year	25
2-3 year	23
3-4 year	20
4-5 year	16
5-10 years	48

(b) Superannuation

The Company contributed ₹ 10 crore to the Superannuation Trust for the year ended March 31, 2019 (₹ 9 crore for year ended March 31, 2018).

(c) Provident fund

The Company contributed ₹ 72 crore towards Provident Fund for year ended March 31, 2019 (₹ 65 crore for the year ended March 31, 2018).

(d) Pension Fund

The Company contributed ₹ 9 crore to pension funds for year ended March 31, 2019 (₹ 6 crore for the year ended March 31, 2018).

2.21 Contingent liabilities and commitments (to the extent not provided for)

(In ₹ crore)

	As at March 31,	
	2019	2018
Contingent liabilities :		
Claims against the group, not acknowledged as debts[1]	134	175
[Amount paid to statutory authorities ₹ 64 crore (₹65 crore)]		
Commitments :		
Estimated amount of unexecuted capital contracts	65	34
(net of advances and deposits)		
Other commitments[2]	69	45

[1] Claims against the Company not acknowledged as debts includes demand from the Indian Income tax authorities for payment of tax including interest for fiscals 2007, 2008, 2009, 2011, 2012, 2013 and 2015. The above matters are pending before various Appellate Authorities.The Company is contesting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

[2] Other commitments relate to investment committed by Infosys Poland Sp.z.o.o in the House Fund II,L.P.. during the current year (investment committed by Infosys Poland Sp.z.o.o in Vertex Ventures US Fund in the previous year).

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

2.22 Related Party Transactions

List of related parties:

Name of subsidiaries	Country	Holding as at March 31, 2019	
Holding			
Infosys Limited	India	Holding Company	100%

Fellow subsidiaries	Country
Infosys Technologies (China) Co. Limited (Infosys China)	China
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)	Mexico
Infosys Technologies (Sweden) AB. (Infosys Sweden)	Sweden
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)	China
Infosys Tecnologia DO Brasil LTDA. (Infosys Brasil)	Brazil
Infosys Public Services, Inc. USA (Infosys Public Services)	U.S.
Infosys Americas Inc., (Infosys Americas)	U.S.
Infosys Technologies (Australia) Pty. Limited (Infosys Australia)[5]	Australia
EdgeVerve Systems Limited (EdgeVerve)	India
Infosys Consulting Holding AG (Infosys Lodestone)	Switzerland
Lodestone Management Consultants Inc.[6][15]	U.S.
Infosys Management Consulting Pty Limited[6]	Australia
Infosys Consulting AG[6]	Switzerland
Infosys CIS LLC[2][22]	Russia
Infosys Luxembourg S.a.r.l[2][17]	Luxembourg
Infosys Canada Public Services Inc[23]	Canada
Lodestone Augmentis AG	Switzerland
Lodestone GmbH	Switzerland
Infosys Consulting (Belgium) NV (formerly Lodestone Management Consultants Belgium) S.A[7]	Belgium
Infosys Consulting GmbH[6]	Germany
Infosys Consulting Pte Ltd.(Infosys Singapore)[2]	Singapore
Infosys Consulting SAS[6]	France
Infosys Consulting s.r.o.[7]	Czech Republic
Infosys Austria GmbH (formerly Lodestone Management Consultants GmbH)[2]	Austria
Infosys Consulting (Shanghai) Co., Ltd.(formerly Lodestone Management Consultants Co., Ltd)[6]	China
Infy Consulting Company Ltd.[6]	U.K.

Fellow subsidiaries	Country
Infosys Arabia Limited[4]	Saudi Arabia
Infy Consulting B.V.[6]	The Netherlands
Infosys Consulting Ltda.[4]	Brazil
Infosys Consulting Sp. z.o.o.[6]	Poland
Lodestone Management Consultants Portugal, Unipessoal, Lda.[6]	Portugal
S.C. Infosys Consulting S.R.L.[2]	Romania
Infosys Consulting S.R.L.[6]	Argentina
Infosys Canada Public Services Ltd.[24]	Canada
Infosys Nova Holdings LLC. (Infosys Nova)	U.S.
Panaya Inc. (Panaya)	U.S.
Panaya Ltd.[8]	Israel
Panaya GmbH[8]	Germany
Panaya Japan Co. Ltd.[8]	Japan
Skava Systems Pvt. Ltd. (Skava Systems)	India
Kallidus Inc. (Kallidus)	U.S.
Noah Consulting LLC (Noah)[9]	U.S.
Noah Information Management Consulting Inc. (Noah Canada)[10]	Canada
Brilliant Basics Holding Limited (Brilliant Basics)[11]	U.K.
Brilliant Basics Limited[12]	U.K.
Brilliant Basics MENA DMCC[12]	Dubai
Infosys Chile SpA[3]	Chile
Infosys Middle East FZ-LLC[13]	Dubai
Fluido Oy[13][18]	Finland
Fluido Sweden AB (Extero)[19]	Sweden
Fluido Norway A/S[19]	Norway
Fluido Denmark A/S[19]	Denmark
Fluido Slovakia s.r.o[19]	Slovakia
Fluido Newco AB[19]	Sweden
Infosys Compaz PTE. Ltd (formerly Trusted Source Pte. Ltd) [13][20]	Singapore
Infosys South Africa (Pty) Ltd[13][21]	South Africa
WongDoody Holding Company Inc. (WongDoody) [14]	U.S.
WDW Communications, Inc[16]	U.S.
WongDoody, Inc[16]	U.S.

[1] Wholly owned subsidiary of Infosys BPM

[2] Wholly-owned subsidiary of Infosys Limited

[3] Incorporated effective November 20, 2017

[4] Majority owned and controlled subsidiary of Infosys Limited

[5] Under liquidation

[6] Wholly owned subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)

[7] Majority owned and controlled subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)

[8] Wholly owned subsidiary of Panaya Inc.

[9] Liquidated effective November 9, 2017

[10] Wholly owned subsidiary of Noah. Liquidated effective December 20, 2017

[11] On September 8, 2017, Infosys acquired 100% of the voting interests in Brilliant Basics Holding Limited

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

[13] Wholly-owned subsidiary of Infosys Consulting Pte Ltd

[14] On May 22, 2018, Infosys acquired 100% of the voting interest in WongDoody

[15] Liquidated effective May 17, 2018

[16] Wholly-owned subsidiary of WongDoody

[17] Incorporated effective August 6, 2018

[18]On October 11, 2018, Infosys Consulting Pte. Ltd, acquired 100% of the voting interests in Fluido Oy and its subsidiaries

[19]Wholly-owned subsidiary of Fluido Oy

[20]On November 16, 2018 , Infosys Consulting Pte. Ltd, acquired 60% of the voting interest in Infosys Compaz Pte. Ltd

[21] Incorporated effective December 19,2018

[22]Incorporated effective November 29, 2018

[23]Incorporated effective November 27, 2018, wholly owned subsidiary Infosys Public Services Inc

[24]Liquidated effective May 9, 2017, wholly owned subsidiary Infosys Public Services Inc

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

List of other related parties

Particulars	Country	Nature of relationship
Infosys BPO Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys BPM
Infosys BPO Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys BPM

The details of amounts due to or due from related parties as at March 31, 2019, March 31, 2018 are as follows:

(In ₹ crore)

Particulars	As at arch 31,	
	M 2019	2018
Trade receivables		
Infosys Limited	63	60
Lodestone Switzerland	–	–
Infosys Technologies S. de R. L. de C. V.	1	–
Infosys Public Services, Inc. USA	1	2
Infosys Technologies (China) Co. Limited	1	–
Infy Consulting Company Limited(UK)	–	–
EdgeVerve Systems Limited	–	–
	66	62
Other financial assets		
Infosys Limited	7	11
EdgeVerve Systems Limited	–	–
Infosys Public Services	–	6
	7	17
Loans given		
Infosys Technologies (China) Co. Limited	5	5
Infosys Consulting Ltda. (Brazil)	35	–
Infosys Technologies (Shanghai) Company Limited	38	34
	78	39
Trade payables		
Infosys Limited	101	79
EdgeVerve Systems Limited	–	1
Infosys Management Consulting Pty Limited(Australia)	1	–
Infy Consulting Company Limited (UK)	1	3
Infosys Consulting Pte Limited(Singapore)	–	1
	103	84
Other financial liabilities		
Infosys Limited	7	7
EdgeVerve Systems Limited	–	2
Infosys Consulting Pte Limited(Singapore)	–	–
	7	9
Loans taken		
Infosys Public Services, Inc. USA	4	40
	4	40
Provision for expenses		
Infosys Limited	2	–
	2	–

Details of related party transactions entered into by the group:

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Capital transactions:		
Loan disbursed		
Infosys Technologies (China) Co. Limited	–	–
Infosys Consulting Ltda. (Brazil)	35	–
Infosys Technologies (Shanghai) Company Limited	–	34
	35	34
Loan taken		
Infosys Public Services, Inc. USA	–	40
	–	40
Purchase of Intangible Assets		
Kallidus Inc, dba Skava	9	–
	9	–
Loan repaid		
Infosys Public Services, Inc. USA	40	–
	40	–
Revenue transactions:		
Purchase of services		
Infosys Limited	340	182
EdgeVerve Systems Limited	4	9
Infosys Consulting Pte Ltd(Singapore)	4	1
Infy Consulting Company Limited(UK)	9	18
Infosys Management Consulting Pty Limited(Australia)	6	–
Brilliant Basics	1	–
	364	210
Purchase of shared services including facilities and personnel		
Infosys Limited	27	68
EdgeVerve Systems Limited	–	–
	27	68
Sale of services		
Infosys Limited	763	568
Infosys Consulting AG	–	–
EdgeVerve Systems Limited	4	3
Infosys Technologies (China) Co. Limited	–	–
Infosys Public Services, Inc. USA	20	17
Infosys Technologies S.de R.L.de C.V. (Infosys Mexico)	1	–
Infy Consulting Company Limited(UK)	–	1
	788	589
Sale of shared services including facilities and personnel		
Infosys Limited	3	22
	3	22
Interest income		
Infosys Technologies (Shanghai) Company Limited	1	1
Infosys Technologies (China) Co. Limited	–	–
Infosys Consulting Ltda. (Brazil)	1	–
	2	1
Interest Expense		
Infosys Public Services, Inc. USA	1	1
	1	1
Dividend Paid		
Infosys Limited	–	846
	–	846

Changes in key management personnel

The following were the changes in key management personnel:

Name of the related party	Designation
Prof. Jayanth R.Varma	Independent Director
Inderpreet Sawhney(7)	Director
Dr. Omkar Goswami(6)	Independent Director
Bindu Raghavan (3)	Company Secretary
Prem Pereira(9)	Chief Financial Officer
A.G.S. Manikantha (2)	Company Secretary
UB Pravin Rao (4)	Chairman and Director
Nishit Ajitkumar Shah(8)	Chief Financial Officer
D.N. Prahlad(1)	Director
Sangita Singh(1)	Director
Ravikumar Singisetti (5)	Chairman and Director

(1) Appointed as a Director effective January 6, 2017

(2) Resigned as a Company Secretary effective April 13, 2017

(3) Appointed as a Company Secretary effective April 14, 2017

(4) Resigned as Chairman effective July 17,2017

(5) Appointed as Chairman effective July 18, 2017

(6) Resigned as Director effective March 31, 2018

(7) Appointed as a director effective October 13, 2018

(8) Resigned as a Chief Financial Officer effective January 16, 2019

(9) Appointed as a Chief Financial Officer effective January 17, 2019

Transaction with key management personnel

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

(In ₹ crore)

Particulars	Year ended March 31,	
	2019	2018
Salaries and other employee benefits to whole-time directors and executive officers	5	4
Commission and other benefits to non-executive/independent directors	–	–
Total	5	4

Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

In ₹ crore, except as otherwise stated

Name of Entity	Net Assets		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated net assets	Amount	as % of consolidated net assets	Amount	as % of consolidated net assets	Amount
Infosys BPM	83.35	3,991	84.06	596	11.43	(4)	87.83	592
Infosys(Czech Republic) Limited s.r.o	1.42	68	0.56	4	20.00	(7)	(0.45)	(3)
Infosys Poland Sp.z.o.o.	12.01	575	3.95	28	–	–	4.15	28
Infosys McCamish systems LLC	2.99	143	10.86	77	–	–	11.42	77
Portland group Pty Limited	1.96	94	0.85	6	–	–	0.89	6
Infosys BPO Americas LLC	0.21	10	(0.28)	(2)	–	–	(0.30)	(2)
Adjustment arising out of consolidation	(1.94)	(93)	–	–	68.57	(24)	(3.56)	(24)
Total	100	4,788	100	709	100	(35)	100	674

2.23 Segment-reporting

Ind AS 108 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.

From April 01, 2018 the Group internally reorganized its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequent to the internal reorganization, there were changes in the reportable business segments based on "the management approach" as defined under Ind AS 108, Operating Segments. The 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 for the Group are primarily Finance & Accounts(FA), Industry Solutions(IS), Customer Service(CS), Sales & Fulfilment(S&F), Sourcing & Procurement(S&P), Digital business(DB), McCamish(MCM) and Others.McCamish segment includes revenue from platform and other services. Consequent to the above change in the composition of reportable business segments.The prior period comparatives for the year ended March 31,2018 have been restated.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include on-site expenses, which are categorized in relation to the associated efforts of the segment. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. 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.

Business segments

Years ended March 31, 2019 and *March 31, 2018:*

(In ₹ crore)

Particulars	FA	IS	CS	S&F	S&P	DB	MCM	Others	Total
Revenue from operation	973	921	476	764	288	343	1287	848	5,900
	884	*809*	*454*	*486*	*283*	*232*	*819*	*551*	*4,518*
Identifiable operating expenses	433	359	227	390	140	168	914	458	3,089
	405	*303*	*195*	*211*	*136*	*112*	*555*	*279*	*2,196*
Allocated expenses	418	315	198	186	93	130	265	350	1,955
	369	*304*	*176*	*123*	*96*	*83*	*201*	*294*	*1,646*
Operating income	122	247	51	188	55	45	108	40	856
	110	*202*	*83*	*152*	*51*	*37*	*63*	*(22)*	*676*
Unallocable expenses									109
									105
Operating profit									747
									571
Other income, net									211
									210
Profit before tax									958
									781
Tax expense									249
									209
Net profit									709
									572
Depreciation and amortization									109
									105
Non-cash expenses other than depreciation and amortization									–
									–

Significant customers

No customer individually accounted for more than 10% of the revenues in the year ended March 31, 2019 and March 31, 2018

2.24 Function-wise classification of Condensed Consolidated Statement of Profit and Loss

(In ₹ crore)

Particulars	Years ended March 31,	
	2019	2018
Revenue from operations	5,900	4,518
Cost of sales	4,464	3,369
Gross profit	1,436	1,149
Operating expenses:		
Selling and marketing expenses	212	169
Administrative expenses	477	409
Total operating expenses	689	578
Operating profit	747	571
Other income, net	211	210
Profit before tax	958	781
Tax expense:		
Current tax	245	199
Deferred tax	4	10
Profit for the year	709	572
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of the net defined benefit (liability)/asset	(5)	(3)
Equity instruments through other comprehensive income,net	(7)	(1)
	(12)	(4)
Items that will be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations, net	(24)	95
Fair value changes on investments, net	1	–
	(23)	95
Total other comprehensive income, net of tax	(35)	91
Total comprehensive income for the year	674	663
Profit attributable to:		
Owners of the Company	709	572
Non-controlling interests	–	–
	709	572
Total comprehensive income attributable to:		
Owners of the Company	674	663
Non-controlling interests	–	–
	674	663

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

As per our report of even date attached

for Shenoy & Kamath
Chartered Accountants
Firm's registration number:006673S

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

M. Rathnakar Kamath
Partner
Membership number: 202841

Ravikumar Singisetti
Director

Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

Bengaluru
April 10,2019

D. N. Prahlad
Director

Inderpreet Sawhney
Director

Prof. Jayanth R. Varma
Director

Prem Pereira
Chief Financial Officer

Bindu Raghavan
Company Secretary

Ratio Analysis

Ratios- Financial Performance	18-19	17-18	16-17
Gross profit / total revenue (%)	26.2	27.8	32.4
COR / total revenue (%)	73.8	72.2	67.6
Software packages & others/ total revenue(%)	10.9	8.3	4.2
Cost of technical subcontractors &Professional Charges / total revenue(%)	9.1	7.9	4.9
Selling & Marketing Expenses / total revenue (%)	3.6	3.7	4.1
General & administrative expenses / total revenue (%)	8.1	9.1	9.7
SG&A expenses / total revenue (%)	11.7	12.8	13.8
Aggregate employee costs / total revenue (%)	53.9	56.2	58.2
Operating profit (PBIDAT) / total revenue (%)	14.5	15.0	18.7
Depreciation & Amortisation / total revenue (%)	1.8	2.3	2.6
Operating profit after depreciation and interest / total revenue (%)	12.7	12.6	16.1
Other Income / total revenue (%)	3.6	4.6	6.0
Profit before tax / total revenue (%)	16.2	17.3	22.1
Tax / total revenue (%)	4.2	4.6	4.0
Effective tax rate - Tax / PBT (%)	25.1	27.2	26.3
Net Profit after Tax/ total revenue (%)	12.0	12.7	18.1
Ratios - Balance Sheet			
Debt-equity ratio	-	-	-
Current Ratio	2.9	3.4	5.1
Days Sales Outstanding (DSO)	68	69	62
Cash and equivalents / total assets (%)	39.3	36.7	48.5
Cash and equivalents / total revenue (%)	44.2	42.7	63.1
Depreciation / average gross block (%)*	10.1	10.5	10.7
Capital Expenditure / total revenue (%)	1.5	1.5	2.6
Operating Cash Flows / total revenue (%)	10.7	10.0	13.4
Ratios- Return			
ROCE (PBIT / average capital employed) (%)*	20.5	18.3	21.0
Ratios- Growth			
Total revenue (%)	30.6	12.4	6.0
Operating Profit after Depreciation and Interest (%)	30.8	(11.7)	(8.7)
Net Profit (%)	24.0	(21.5)	3.7
Earning Per Share- Basic**(%)	23.9	(21.5)	3.7
Earning Per Share- Diluted (%)	23.9	(21.5)	3.7

Note:The ratio calculations are based on consolidated IND AS financial statements

* Capital employed and Gross block considered based on average of Opening and Closing balance of the financial year

** Weighted average number of shares are used in computing earning per share

Global Presence

Registered Office

Plot No. 26 / 3, 26 / 4 and 26 / 6 Electronics City, Hosur Road, Bengaluru 560100
Tel. : 91 80 -28522405
Fax : 91 80 -28522411
Web Site : www.infosysbpm.com

Asia Pacific

Australia

Sydney

Level 6, 56 Station Street,
Parramatta NSW 2150
Tel : 61 2 8913 5900

India

Bengaluru

Electronics City,
Hosur Road, Bengaluru 560 100
Tel. : 91 80 2852 2411
Fax : 91 80 2852 2411

Salarpuria Infozone Wing A & B,
4th Floor,No. 39 (P) 41
(P) and 42 (P)
Electronic City Phase II,
Hosur Road,
Bengaluru 560 100
Tel. : 91 80 4067 0035
Fax : 91 80 4067 0034

Bharatiya Center of Information Technology,
Block 1, 3rd floor and
portion of 4th floor,
Thanisandra, Main Road,
Chokkanahalli Bengaluru 560 064
Tel : 080 46154600

Axis Sai Jyoti,
No.785, Ground Floor,
15th Cross, 100 Feet road,
Sarakki,1st Phase,
JP Nagar, Bengaluru 560 078

Chennai

4th & 12th Floor, A Block, South Wing, Tidel Park Ltd, No 4, Rajiv Gandhi Salai (OMR), Taramani,
Chennai 600113.
Tel. : 91 44 3090 7001
Fax : 91 44 3090 7005

Unit of Ramanujan IT city
SEZ Hardy towers,
3rd & 4th Floor, TRIL infopark ltd, Taramani, Rajiv Gandhi Salai
(OMR) Chennai 600113
Tel. : 044-66855111
Fax : 044-66855107

Gurugram

7th Floor, Tower A, B and C
Building No. 6
DLF Cyber City Developer Limited,
Special Economic Zone Sector
24 and 25 DLF PH-3, Gurugram
Haryana Tel. : 91 124 458 3700
Fax : 91 124 458 3701

Jaipur

IT-A-001 Mahindra World City
Special Economic Zone
Village Kalwara Tahsil Sanganer
Jaipur 302037
Tel. : 91 141 3956 000
Fax : 91 141 3956 100

Hyderabad

Hyderabad STPI
B-10, (II Floor), Survey No 210,
Manikonda Village, Rajendranagar
Mandal, Lingampally, Rangareddy
District Hyderabad – 500032
Tel : 91 40 2300 5223

Hyderabad SEZ

Mantri Cosmos,
11th Floor, ISB Road, Financial District, Nanakram Guda,
Hyderabad 500032

Mysuru

Plot No. 347 / A,
347 / C, 348,349,
373 to 375, Hebbal
Electronics City,
Hootagalli, Mysuru 570 027
Tel : 91 821 240 4101
Fax : 91 821 240 4200

Pune

Plot No. 24 / 3,
Rajiv Gandhi Infotech Park, Phase II, Village Maan, Taluka Mulshi,
Pune 411 057
Tel : 91 20 4023 2001
Fax : 91 20 3981 5352

Plot No. 24 / 2,
Rajiv Gandhi Infotech Park, Phase II, Village Maan, Taluka Mulshi,
Pune 411 057
Tel : 91 20 2293 2800
Fax : 91 20 2293 4540

Plot No. 1, Building
No. 4 Pune Infotech Park,
Hinjawadi, Taluka Mulshi,
Pune 411 057
Tel : 91 20 2293 2900
Fax : 91 20 2293 4540

Ascendas Services India Pvt Ltd
Ground floor, Juniper International Tech Park
Plot No. 18, MIDC Phase III Rajiv Gandhi Infotech Park, Hinjewadi
(one line)
Pune 411 057
Tel : 912042917000

Philippines

Metro Manila

23rd Floor, BGC Corporate Center, 11th Ave,Cor 30th St,
Fort Bonifacio Taguig City Metro Manila Philippines 1634
Tel. : 6329449999
Fax : 632944-9980

Muntinlupa City

5th, 6th, 7th and 12th Floor, Site 3, Vector 2 Building, Northgate Cyberzone, Filinvest Corporate City, Alabang, Muntinlupa City
Philippines 1781
Tel. : 632 823 0000

5th and 6th Floor,
Plaza @ E building,
Northgate Cyberzone,
Filinvest City,
Alabang, Muntinlupa City

Quezon City

5th Floor,
E Commerce Plaza Building,1
Garden Road, East wood City,
Libis, Quezon City

Europe

United Kingdom

London

14th Floor, 10 Upper Bank Street
Canary Wharf, E14 5NP
Tel.: 44 20 7715 3388
Fax: 44 20 7715 3301

Birmingham

Parklands court, 24 Parklands
Birmingham, Greak park
Rubery, Birmingham
B45 9PZ

The Netherlands

Eindhoven

Flight Forum 40,
Floor 0,5657,
DB Eindhoven,
Tel : 31402321100

Utrecht

2nd and 3rd floor
Pythagoraslaan
2-1B, Utrecht 3584 BB
Netherlands
Tel 310302155030

Ireland

Dublin

3046-3050 Lakedrive,
Citywest,
Dublin 24.
Tel: 00353 1 467 7200

North America

United States

Atlanta

3200 Windy Hill Road,
Suite 100-W, Atlanta,
GA 30339 Tel : 1 770 799
1958
Fax : 1 770 799 1861

Milwaukee

1515 N River Center Drive,
Suite 250, Milwaukee, WI
53212
Tel : 414 914 9400
Fax : 414 914 9401

Puerto Rico

Aguadilla

Road No. 2, West of KM 126, BO
Camital Bajo, Aguadilla, 00603 Tel :
1 787 658 3400

Costa Rica

San Jose

Piso 3 Edificio N & M2,
Forum 2, Lindora, Santa,
Ana San Jose 10901,
Costa rica.
Tel. : 506 2205 1201
Fax : 506 2205 1299

Subsidiaries of Infosys BPM Limited

Infosys BPO Americas LLC

United States

Atlanta

3200 Windy Hill Road
Suite 100-W, Atlanta, GA
30339 Tel : 1 770 799 1958
Fax : 1 770 799 1861

Portland Group Pty ltd

Australia

Brisbane

L18, Brisbane Club Tower,
241 Adelaide Street
Brisbane, QLD 4000
Tel : 61 7 3009 8100
Fax : 61 7 3009 8123

Perth

Level 9, 37 St Georges
Terrace Perth WA 6000
Australia
Tel : 61 8 9254 9313
Fax : 61 8 9254 9388

Sydney

Level 8, 68 Pitt Street
Sydney NSW 2000
Tel : 61 2 9210 4399
Fax : 61 2 9210 4398

Infosys Poland Sp. z o. o.

Poland

Łódz

Pomorska 106A, 91 402 Łódz
Tel : 48 42 278 15 00
Fax : 48 42 278 15 01

Infosys McCamish Systems LLC

United States

Atlanta

6425 Powers Ferry Road
3rd Floor, Atlanta, GA 30339 Tel : 1
770 690 1500
Fax : 1 770 690 1800

Des Moines

500 SW 7th St. Suite 200 / 201 Des
Moines, IA 50309
Tel : 1 515 365 1236
Fax : 1 515 365 0236

Infosys (Czech Republic) Limited s.r.o

Czech Republic

Brno

Holandska 9, 63900, Brno
Tel : 420 515 914600
Fax : 420 543 236349

Date: May 29, 2019

Dear member,

You are cordially invited to attend the 17th Annual General Meeting ('AGM') of the members of Infosys BPM Limited ('the Company') to be held on Saturday, June 22, 2019 at 11.30 A.M IST at the Registered Office of the Company at Plot No 26/3, 26/4 and 26/6, Electronics City, Hosur Road, Bengaluru - 560100.

The notice for the meeting containing the proposed resolutions is enclosed herewith.

Very truly,

Sd / -

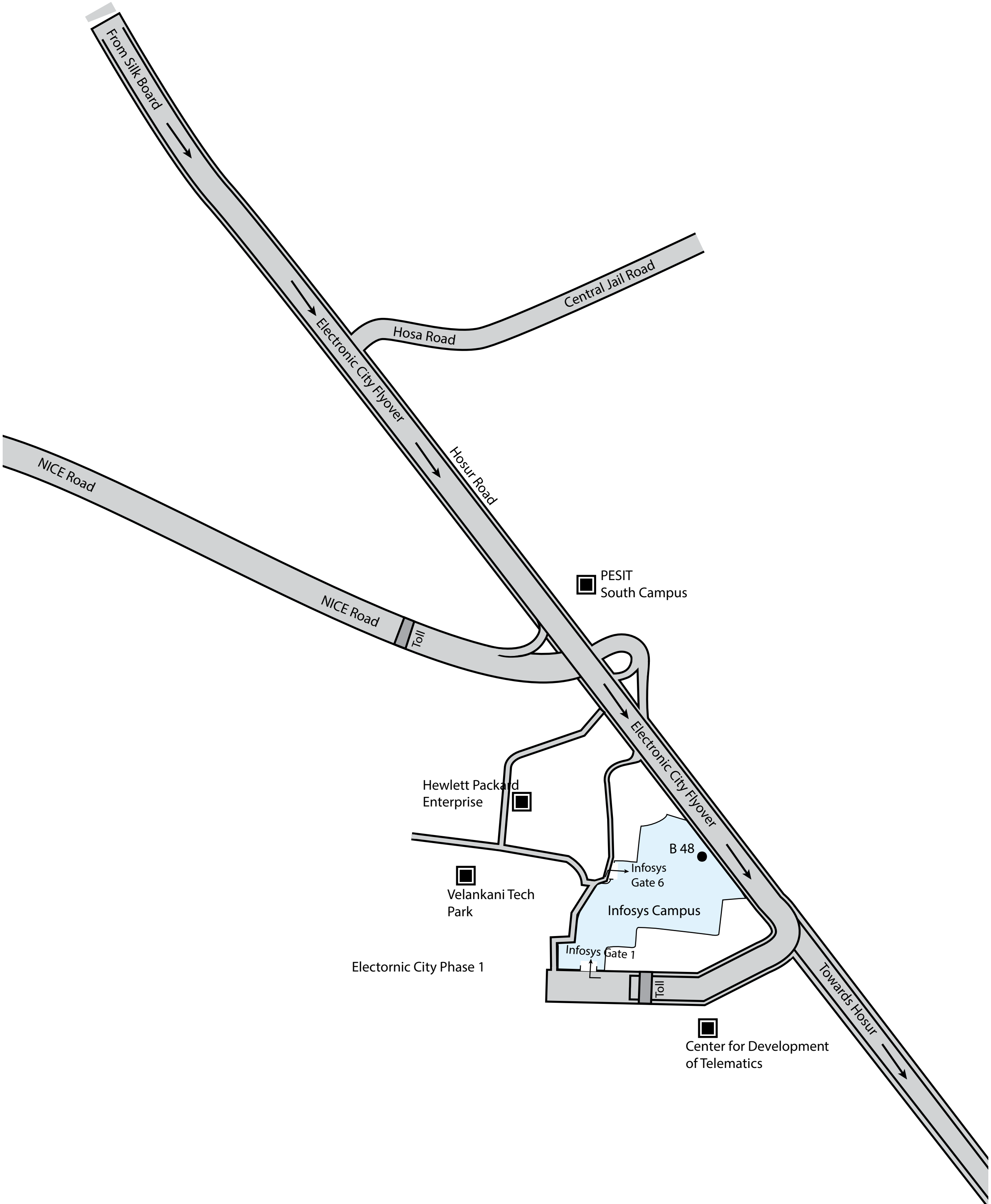
Ravikumar Singisetti
Chairman of the Board

Enclosures:

1. Notice of the 17th AGM
2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013
3. Proxy form
4. Attendance slip

INFOSYS BPM LIMITED
CIN : U72200KA2002PLC030310
Electronics City, Hosur Road
Bengaluru 560100, India
T : 91 80 2858 2405
F : 91 80 2852 2411
cosecretarybpm@infosys.com
www.infosysbpm.com

Road map to the venue of the AGM



Notice of the 17th Annual General Meeting

Notice is hereby given that the Seventeenth Annual General Meeting (AGM) of the Members of Infosys BPM Limited (the "Company") will be held on Saturday, June 22, 2019 at 11.30 A.M IST at the Plot no's 26/3.26/4, and 26/6, Electronics City, Hosur Road, Bengaluru - 560 100 to transact the following business:

Ordinary business

Item no. 1 - Adoption of Financial Statements

To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2019 together with the reports of the Board of Directors ("the Board") and auditors thereon.

Item no. 2 – Appointment of Anantharaman Radhakrishnan (DIN – 07516278), as director liable to retire by rotation

To appoint a Director in place of Anantharaman Radhakrishnan (DIN – 07516278), who retires by rotation and, being eligible, seeks re-appointment. The Board of Directors recommend his reappointment.

Special Business

Item no. 3 - Revision in Remuneration of Anantharaman Radhakrishnan, Chief Executive Officer and Managing Director

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution

RESOLVED THAT, pursuant to the provisions of Section 196, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder {including any statutory modification(s)} or re-enactment(s) thereof, read with Schedule V to the Act {including any statutory modification(s)} or re-enactment(s) thereof, consent of the members be and is hereby accorded to pay the following revised remuneration to Anantharaman Radhakrishnan, Chief Executive Officer and Managing Director of the Company, with effect from October 1, 2018 as follows:

1. Fixed Salary: Annual fixed salary of INR. 17,053,870 less applicable tax withholdings to be paid periodically in accordance with the Company's rules and policy as applicable.
2. Variable pay: Variable compensation of INR. 10,754,703 less applicable tax withholdings to be paid on achievement of targets set by the Board, and payable at such intervals as may be decided by the Board of Directors from time to time and in accordance with the Company's rules and policy; The variable pay shall not exceed 150% (maximum variable pay) of the target variable pay.
3. Stock compensation: 15,050 restricted stock units (RSU) under 2015 Stock Incentive Compensation Plan ("2015 plan") of Infosys Limited, the holding Company as per the terms and conditions of RSU Plans approved by the holding Company. The RSU's would vest over a period of 4 years and shall be exercisable within the period as approved by the Nomination and Remuneration Committee of the Infosys Limited. The exercise price of the RSUs will be equal to the par value of the shares. RSUs in future periods, will be granted on achievement of performance conditions, as may be decided by the Nomination and Remuneration Committee;
4. Employee benefits: During the term of his employment, Anantharaman Radhakrishnan will be entitled to all the employee benefit plans as may be applicable to other Senior Executives of the Company and as per the rules of the Company.
5. Minimum remuneration: Notwithstanding anything herein above contained, should the Company incur a loss or its profits are inadequate in any financial year closing on and after March 31, 2019, during the tenure of Anantharaman Radhakrishnan as a CEO & MD, the Company shall pay him the above remuneration by way of fixed pay, variable pay, bonus and other allowances as a minimum remuneration subject to the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration;
6. Annual increases to components of Anantharaman Radhakrishnan's compensation will be determined on an annual basis by the Board or its committees at its sole discretion, taking into account the Company's prior years' audited financial performance, market conditions and independent compensation benchmarks.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to decide annual increase and alter and vary the terms and conditions of appointment and / or components of remuneration payable to Anantharaman Radhakrishnan subject to the same not exceeding the limits specified above and as specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force).

Item no. 4 – Appointment of Inderpreet Sawhney (DIN – 07925783), as a Director of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution

RESOLVED THAT pursuant to Section 161(1) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), Inderpreet Sawhney (DIN: 07925783) who was appointed as an additional director of the Company by the Board of Directors with effect from October 13, 2018 and who holds office until the date of the ensuing AGM in terms of Section 161 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things and also to execute such documents, writings, etc., as may be necessary in this regard.

by order of the Board of Directors
for Infosys BPM Limited
Sd/-
Bindu Raghavan
Company Secretary

Bengaluru
April 10, 2019

Notes

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other shareholder.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form for AGM is enclosed herewith. Proxies submitted on behalf of the companies, societies etc., must be accompanied by resolution of the Board / Power of Attorney / Attested specimen signature, as may be applicable.
4. Members / proxies should bring duly-filled attendance slips sent herewith to attend the meeting.
5. The Register of Director's and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be made available for inspection by the members at the AGM.
6. The agreements related to the terms of appointment Anantharaman Radhakrishnan and Inderpreet Sawhney referred herein this notice are available for inspection without any fee by the members at the Company's registered office during normal business hours on any working day till the date of AGM and the same will also be made available for inspection at the venue of AGM
7. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from June 20, 2019 to June 21, 2019 (both the days inclusive).

Explanatory statement pursuant to Section 102 of the companies act, 2013

Item No. 3

The Nomination and Remuneration Committee ('the Committee') which, based on performance in fiscal 2018, market conditions and from a corporate parity standpoint had reviewed and recommended the revised remuneration to Anantharaman Radhakrishnan, Managing Director and Chief Executive Officer of the Company. The Board, vide resolution dated January 9, 2019, and subject to the approval of the members in the general meeting, have approved the revised remuneration as stated in the Notice with effect from October 1, 2018.

The resolution seeks approval of the shareholders pursuant to Section 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 for payment of increased remuneration.

This may also be treated as an abstract of the terms and conditions governing the variation in the payment of remuneration to Anantharaman Radhakrishnan pursuant to Section 190 of the Companies Act, 2013 and other applicable provisions of the Act, if any.

The remuneration proposed to be paid to Anantharaman Radhakrishnan is well within the ceilings prescribed under section 197 of the Companies Act, 2013.

The Agreement entered into between the Company and Anantharaman Radhakrishnan is available for inspection without any fee by the members at the Company's registered office during normal business hours on any working day till the date of AGM and the same will also be made available for inspection at the venue of AGM.

None of the directors and key managerial personnel or their relatives, except Anantharaman Radhakrishnan to whom the resolution relates, is in any way interested or concerned in the resolution.

The Board recommends the resolution as set out in Item no. 3 of the notice for the approval of the shareholders.

Item No. 4

The Board vide its resolutions passed on October 13, 2018 had appointed Inderpreet Sawhney as an additional director of the Company with effect from October 13, 2018 pursuant to Section 161 of the Companies Act, 2013 read with Article 114 of the Articles of Association of the Company. Inderpreet Sawhney holds office of the additional director up to the date of the ensuing annual general meeting and is eligible for appointment as a Director liable to retire by rotation.

The Company has received from (i) consent in writing to act as director from Inderpreet Sawhney to act as Director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014, ("Appointment Rules"), (ii) intimation in Form DIR-8 in terms of Appointment Rules to the effect that she is not disqualified under sub- section (2) of Section 164 of the Companies Act, 2013,. and (iii) Notice of Interest in Companies in Form MBP – 1 pursuant to Section 184 (1) read with Rule 9 (1) of the Companies (Meetings of Board and its Powers) Rules, 2014 confirming her eligibility for such reappointment

Further, brief profile of Inderpreet Sawhney, her expertise in specific functional areas, is furnished in the 'Additional Information on Director seeking election at the Annual General Meeting' forming part of this Notice.

None of the directors and Key Managerial Personnel or their relatives other than Inderpreet Sawhney to whom the resolution relates, are in any way interested or concerned in the proposed resolution as set out in Item No. 4 above.

The Board recommends the resolution set forth in Item no. 4 for approval of the members.

by order of the Board of Directors
for Infosys BPM Limited
Sd/-

Bengaluru
April 10, 2019

Bindu Raghavan
Company Secretary

Additional information on director seeking revision of remuneration/election at the ensuing Annual General Meeting

Anantharaman Radhakrishnan
Managing Director and Chief Executive Officer

Anantha Radhakrishnan (Radha) (DIN – 07516278), aged 51 years, is the Chief Executive Officer and Managing Director of Infosys BPM.

Prior to this role, Radha was the Chief Operating Officer (COO) managing the global operations for the organization. He has played multiple roles at Infosys BPM, spanning technology, transformation, enterprise capability and global centers management, working with clients in their transformation journey, enhancing business value delivered. Further, Radha has spent many years with the Infosys group, working across consulting and IT services, before his stint in business process management. Before Infosys, he has worked with a transnational corporation and brings with him rich leadership experience and intensive domain capability across multiple industries.

Radha is a postgraduate from Indian Institute of Management, Lucknow (IIM-L), and an Honors graduate in mechanical engineering from the National Institute of Technology, Tiruchirappalli (NIT, Trichy).

Nature of expertise in specific functional areas

Information Technology Services and Business Management

Disclosure of inter-se relationships between directors and key managerial personnel

None

Companies (other than Infosys Group) in which Anantharaman Radhakrishnan hold directorship and committee membership

Directorship

None

Chairperson/ Membership on Board committees

None

Shareholding in the Company

Nil

Last Drawn Remuneration:

Refer Corporate Governance report

Date of first appointment to the Board:

May 17, 2016

Number of Board meetings attended during the FY 2018-19:

Refer Corporate Governance report

Inderpreet Sawhney
Director

Inderpreet Sawhney (DIN – 07925783), aged 54 years is an Executive Vice President, the Group General Counsel and the Chief Compliance Officer of Infosys Limited. In this role she is responsible for overseeing the legal matters of the organization globally and execution of various compliance and ethics programs in the Company. She leads a team of more than 100 professionals in the legal and compliance function of the Company. She is a strategic business partner supporting the business with respect to the overall legal and regulatory regime.

In addition to being a member of the Board of Directors of Infosys BPM Limited, she is also a member on the Board of various subsidiaries of Infosys, such as Infosys Americas Inc and Edgeverve Systems Limited.

Inderpreet is a seasoned international professional with over 25 years of experience, including as a General Counsel of a large IT Service company, and as Managing Partner of a mid-sized law firm in Silicon Valley where her mandate included counsel on complex international transactions. She also serves on the National Advisory Council of SABANA (South Asian Bar Association of North America). Her past leadership positions include President SABANA, Board Member of Pratham Bay Area, Foundation for Excellence and Indus Women Leaders.

In recognition for her work, Inderpreet has been awarded the 2018 Transformative Leaders Award from the GLL, 2010 Outstanding Mentorship Award – SABA Northern California, 2010 NASABA (North American South Asian Bar Association) Cornerstone Award, and the 2013 NASABA Corporate Counsel Achievement Award and the 2006 Minority Bar Coalition Award. She is a frequent speaker at conferences globally.

Inderpreet has a BA (Hons.) and LL.B degree from Delhi University and an LL.M from Queen's University, Kingston, Canada.

Nature of expertise in specific functional areas

Legal Compliance and ethics

Disclosure of inter-se relationships between directors and key managerial personnel

None

Companies (other than Infosys Group) in which Inderpreet Sawhney holds directorship and committee membership

Directorship

None

Chairperson/ Membership on Board committees

None

Shareholding in the Company

Nil

Last Drawn Remuneration:

Not applicable

Date of first appointment to the Board:

October 13, 2018

Number of Board meetings attended during the FY 2018-19:

Refer Corporate Governance report

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form No. MGT-11]

INFOSYS BPM LIMITED
CIN : U72200KA2002PLC030310
Electronics City, Hosur Road, Bengaluru 560 100, India
cosecretarybpm@infosys.com | www.infosysbpm.com

I / We, being the member(s) of ………………………………………………………… shares of the above named company, hereby appoint

Name : ……………………………………………………………………………Email: ……………………………………………………………………

Address : ……

……………………………………………………………………………………………………Signature :

or failing him / her

Name : ……………………………………………………………………………Email: ……………………………………………………………………

Address : ……

……………………………………………………………………………………………………Signature :

As my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Infosys BPM Limited Annual General Meeting of the Company, to be held on Saturday, June 22, 2019 At 11.30 A.M IST at the registered office of the company at Plot No 26/3, 26/4 and 26/6, Electronics City, Hosur Road, Bangalore – 560100 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution number	Resolution	Vote (*Optional see Note 2*) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary business				
1	Adoption of financial statements (including the consolidated financial statements)			
2	Appointment of Anantharaman Radhakrishnan as a director liable to retire by rotation			
Special business				
3	Revision in the remuneration of Anantharaman Radhakrishnan, Chief Executive Officer and Managing Director			
4	Appointment of Inderpreet Sawhney, as a Director of the Company			

Signed this ………………………………… day of ………………………… 2019.

Affix revenue stamp of not less than ₹ 1

…………………………………
Signature of the member

…………………………………
Signature of the proxy holder(s)

Notes :

1. This form of proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference, if you leave the 'for' or 'against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he /she may deem appropriate.

……………………………………………………………………Please tear here……………………………………………………………………

Attendance Slip

INFOSYS BPM LIMITED
CIN : U72200KA2002PLC030310
Electronics City, Hosur Road, Bengaluru 560 100, India
cosecretarybpm@infosys.com | www.infosysbpm.com

Registered folio number :

Number of shares held :

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 17th Annual General Meeting of the Company held at Saturday, June 22, 2019 at 11.30 A.M IST at the registered office of the company at Plot No 26/3, 26/4 and 26/6, Electronics City, Hosur Road, Bangalore – 560100.

....
Name of the member / proxy
(in BLOCK letters)

....
Signature of the member / proxy

Notes : Please fill up this attendance slip and hand it over at the entrance of the meeting hall.

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Safe Harbor

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Infosys BPM Annual Report 2018-19