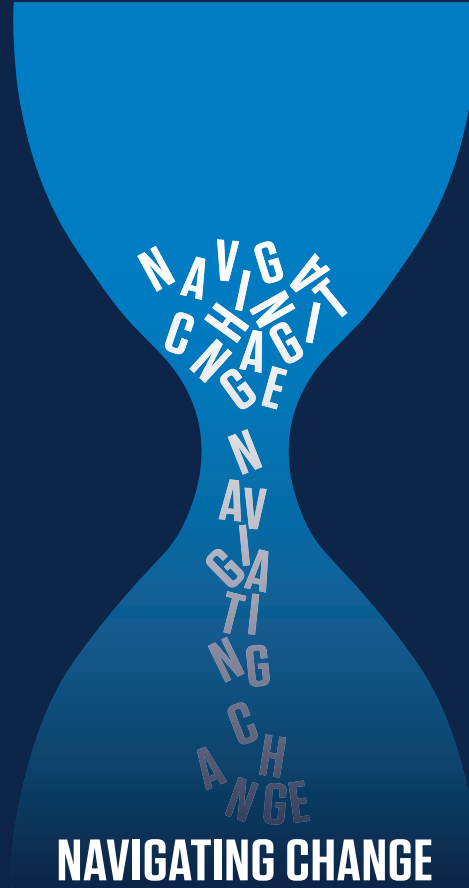


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Infosys BPM Limited

Annual Report 2022-23



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# Board and Committee – Infosys BPM Limited

## The Board of Directors



**Anantharaman Radhakrishnan**  
*Chief Executive Officer and Managing Director*



**Inderpreet Sawhney**  
*Non-Executive Director*



**Martha King**  
*Non-Executive Director*

## Corporate Social Responsibility Committee



**Inderpreet Sawhney**  
*Chairperson*



**Anantharaman Radhakrishnan**  
*Member*

As on March 31, 2023

# Board's report

Dear members,

The Board of Directors ("the Board") 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, 2023. The consolidated performance of the Company and its subsidiaries ("the 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		YoY growth (%)	YoY growth (%)
	For the year ended March 31, 2023	2022	For the year ended March 31, 2023	2022		
Revenue from operations	7,529	6,684	12.6	12,997	11,004	18.1
Other income, net	189	292	(35.3)	223	238	(6.3)
Total income	7,718	6,976	10.6	13,220	11,242	17.6
Expenses						
Cost of sales	5,800	5,137	12.9	10,535	8,798	19.7
Selling and marketing expenses	266	204	30.4	286	235	21.7
General and administration expenses	497	371	34.0	739	592	5.0
Total expenses	6,563	5,712	14.9	11,560	9,625	24.8
Profit / loss before finance cost and tax expenses	1,155	1,264	(8.6)	1,660	1,617	2.6
Finance cost	32	29	10.3	65	45	44.4
Profit before tax	1,123	1,235	(9.1)	1,595	1,572	1.5
Profit before tax (% of revenue)	14.9	18.5		12.3	14.3	
Tax expense	277	275	0.7	369	397	7.0
Profit after tax	846	960	(11.8)	1,226	1,175	4.3
Profit after tax (% of revenue)	11.2	14.4		9.4	10.7	
Total other comprehensive income / (loss), net of tax	(20)	(22)		115	11	
Total comprehensive income for the year	826	938		1,341	1,186	
Profit attributable to owners of the Company	846	960		1,226	1,175	
Earnings per share (EPS) <sup>(1)</sup>						
Basic	2,50,170.00	2,83,726.18	(11.8)	3,62,339.46	3,47,316.97	4.3
Diluted	2,50,170.00	2,83,726.18	(11.8)	3,62,339.46	3,47,316.97	4.3

1 crore = 10 million

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

<sup>(1)</sup> Equity shares are at par value of ₹10,000 per share.

# Financial position

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

Particulars	Standalone		Consolidated	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Net current assets	2,362	2,440	3,792	3,324
Property, plant and equipment (including capital work-in-progress)	319	279	377	352
Right-of-use assets	540	433	1,336	853
Goodwill and other intangible asses	19	19	453	436
Other non-current assets	1,737	2,066	2,179	2,648
Total assets	6,631	6,629	13,355	11,535
Non-current lease liabilities	536	417	1,293	828
Other non-current liabilities	3	2	546	623
Retained earnings – Opening balance	3,395	3,758	4,639	4,787
<i>Add:</i>				
Profit for the year	846	960	1,226	1,175
Transfer from Special Economic Zone Re-investment Reserve on utilization <sup>(1)</sup>	67	88	67	88
<i>Less:</i>				
Dividends (including dividend distribution tax if any)	(1,187)	(1,150)	(1,187)	(1,150)
Transfer to Special Economic Zone Re-investment Reserve <sup>(1)</sup>	(13)	(261)	(13)	(261)
Impact on account of adoption of Ind AS 37	(1)	-		
Retained earnings – Closing balance	3,107	3,395	4,732	4,639
Equity share capital	34	34	34	34
Other reserves and surplus <sup>(2)</sup>	1,368	1,440	1,261	1,333
Other comprehensive income	(71)	(51)	271	156
Total equity	4,438	4,818	6,298	6,162
Total equity and liabilities	6,631	6,629	13,355	11,535
Number of equity shares	33,828	33,828	33,828	33,828

<sup>(1)</sup> 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.

<sup>(2)</sup> Excluding retained earnings

## Overview

Infosys BPM Limited, a wholly-owned subsidiary of Infosys Limited (NYSE: INFY), was established in April 2002. We offer integrated end-to-end transformative Business Process Management (BPM) services and have journeyed through the table stakes of effectiveness and efficiency with an ever-increasing focus on enhancing stakeholder experience and empathy. We enable clients to navigate their digital journey, operating from 41 delivery centers across 14 countries as of March 31, 2023.

We enable our clients to navigate their next and chart their digital transformation journey by leveraging digital technology, cutting-edge platforms, cloud, business domain expertise, design thinking, data contextualization and more, making them even more innovative, intuitive, proactive and agile. As a global leader in next-generation business process management services, we also add further value to our clients through our industry-leading vertical utility platforms in Policy Administration and Insurance (McCamish NGIN), and Mortgage (our strategic partnership with ABN AMRO's Stater). Our enterprise capabilities with proprietary platforms like APOC (Account Payables on Cloud) and our joint venture with Hitachi, Panasonic and Pasona (HIPUS) in Japan continues to give further fillip to our traditional enterprise services in Sourcing and Procurement. We leverage the global delivery model to offer onshore, offshore and near-shore services to clients.

Infosys BPM Limited continues to be ranked a leader across industry utilities such as Insurance and Insurance Platform, Public Sector, Mortgage, Banking, Healthcare, Wealth and Asset Management, Financial Services, Utilities and Retail; and across enterprise offerings such as Finance and Accounting, Sourcing and Procurement, Sales and Fulfilment, Customer Service and Human Resources Outsourcing as well as digital offerings such as Digital Interactive Services, Digital Transformation Services and Intelligent Automation by leading analysts including NelsonHall, Gartner, Everest, HfS, Avasant, and ISG.

Infosys BPM has been consistently ranked top amongst the leading BPM companies globally and has received over 30 external awards and recognitions in fiscal 2023, spanning several areas of domain and functional expertise: six joint client awards across global forums such as SSON, GSA, NASSCOM, among others; seven Quality awards in both India and the Philippines across CII, NIIQR, PSQ, among others, and 19 HR awards in India across Chief Learning Officers Summit India, Brandon Hall, PeopleFirst, L&D Summit and Awards, Human Capital and CSR Summit, among others. We consistently strive to deliver innovative services to clients and deliver shareholder value to all stakeholders. This continuous pursuit of excellence is reflected in the awards we win. We do this 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. In addition to these, Infosys BPM has also bagged prestigious recognitions in the areas of Diversity, Equity & Inclusion (DEI): Anantharaman Radhakrishnan, CEO & MD – Infosys BPM, received the Male Ally Legacy Award at the Best of the Best Conference 2022. The company was also recognized as the Highest Women Employer- ITES from Software Technology Parks of India (STPI) at the Bangalore Tech Summit 2022.

## Performance overview (standalone)

Our revenues from operations aggregated to ₹7,529 crore, up by 12.6% from ₹6,684 crore in the previous year. Our gross profits amounted to ₹1,729 crore as against ₹1,547 crore in the previous year. The operating profits amounted to ₹966 crore as against ₹972 crore in the previous year. Sales and marketing costs were ₹266 crore and ₹204 crore for the years ended March 31, 2023 and March 31, 2022, respectively. General and administration expenses were ₹497 crore and ₹371 crore during the current year and previous year, respectively. Net profits after tax stood at ₹846 crore as against ₹960 crore in the previous year. The profit after tax for the year was 11.2% of revenue.

## Performance overview (consolidated)

Our revenues from operations aggregated to ₹12,997 crore, up by 18.1% from ₹11,004 crore in the previous year. Our gross profits amounted to ₹2,462 crore as against ₹2,206 crore in the previous year. The operating profits amounted to ₹1,437 crore as against ₹1,379 crore in the previous year. Sales and marketing costs were ₹286 crore and ₹235 crore for the years ended March 31, 2023 and March 31, 2022, respectively. General and administration expenses were ₹739 crore and ₹592 crore during the current and previous year, respectively. Net profits after tax were ₹1,226 crore as against ₹1,175 crore in the previous year. The Group's profit after tax for the year is 9.4% of revenue.

The Company continues to be amongst the most profitable BPM companies in India.

Fiscal 2023 witnessed macroeconomic trends that resulted in geo and sector specific nuances. Clients were keen on digital transformation in the initial part of the financial year along with a focus on cost optimization. As the financial year progressed, clients experienced cuts in discretionary spends, with decision-making cycles getting longer, and more focus on cost takeouts.

Clients in segments such as Healthcare, Telecom, and Services saw strong demand, while sectors such as Financial Services, Insurance, Manufacturing, Retail, Energy & Utilities, and Hitech experienced some setbacks due to economic uncertainty.

We won multiple new logos and renewals including leading UK-based omnichannel retailer of technology products and services, an American multinational telecommunications company, a Japanese multinational conglomerate, a leading American financial services company and a Dutch healthcare technology provider, among others.

We continue to focus on moving our pricing models to outcome-based and subscription-based pricing and we are continuing to see this trend of deals signed on fixed and outcome-based pricing models in fiscal 2023.

We truly have a global delivery model, with 41 delivery centers across 14 countries spread across five continents (13 in India; 7 in rest of APAC and Australia, 14 in Europe, 4 in the US and 3 in Latin America).

Infosys BPM offers business process management services in horizontals such as Finance & Accounting (F&A), Sourcing & Procurement (S&P), Sales & Fulfilment (S&F), Customer Service (CS), Human Resource Outsourcing (HRO), Legal Process Management (LPM), Digital Interactive Services (DIS), Digital Transformation Services (DTS), BPM Analytics (AT), Robotic Process Automation (RPA), Business Transformation

Services, Annotation Services, Learning Services, Master Data Management, Geospatial Data Services, and Business Process as a Service (BPaaS). Our verticals include Manufacturing, Retail, CPG & Logistics, Financial Services, Healthcare, Insurance, Life Sciences Services, Edutech Services, OEMs, Energy & Utilities, Resources, Communication Services, and Media & Entertainment.

Disruptive trends like automation, adoption of artificial intelligence, use of machine learning and technologies, Internet of Things and blockchain, generative AI call for us to relook at the way we do things. By equipping organizations with actionable insights, anytime / anywhere experience, hyper-productivity, agility and connectedness, we enable them to imbibe sentient responsiveness of a living organism and thus enable them to become a 'Live Enterprise'. We continue to deliver efficiency and productivity with unprecedented agility, evolving with our clients on their digital maturity journey enabled by digital transformation and supplemented by our specific vertical utility platforms that help transform the way they operate.

Our "humanware" (people + software) approach continues to be instrumental in enhancing experience and helping clients innovate their business models across their industry and enterprise process landscape, technology, people, and partner ecosystems.

### 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.

### 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 ₹3,38,280,000 as on March 31, 2023.

### Dividend

The Company recommended / declared dividend as under :

	Fiscal 2023		Fiscal 2022	
	Dividend per share (in ₹)	Dividend payout (in ₹ crore)	Dividend per share (in ₹)	Dividend payout (in ₹ crore)
Interim dividend	146,000 <sup>(2)</sup>	494	165	558
Final dividend	234,000 <sup>(2)</sup>	792 <sup>(1)</sup>	205,000 <sup>(2)</sup>	693
Total dividend		1286		1251

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

<sup>(1)</sup> The Board of Directors, at its meeting held on April 11, 2023, recommended a final dividend of ₹ 234,000/- per equity share for the financial year ended March 31, 2023. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting (AGM) of the Company and if approved, would result in a cash outflow of approximately ₹ 792/- crores.

<sup>(2)</sup> The Company had approved the scheme of consolidation of authorized, issued, subscribed and paid-up equity shares by increasing the par value of the equity shares from ₹ 10/- each to ₹10,000/- effective January 3, 2022. On consolidation, the issued, subscribed and paid-up equity shares are 33,828 shares with par value of ₹ 10,000/- each.

### 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.

## 2. Human Resource Management

While fiscal 2021 was all about managing employee safety and well-being and fiscal 2022 about adapting to the various challenges of "Work From Home" scenarios while continuing to deliver to client expectations, fiscal 2023 has seen us work out creative solutions to both client and employee needs and shift gradually towards a hybrid working arrangement. Amid a complex business climates, volatile market situations and a highly competitive talent market, we have delivered excellence to our clients by capitalizing on our robust domain knowledge. Despite the various challenges of working in a hybrid work environment, our well-knit teams have consistently exceeded business expectations. We have focused on preparing our employees for future-ready skills and newer capabilities, investing in digitization and automation.

In this financial year, we hired a total of 27,617 employees globally, of which 16,893 employees were hired in India. Focusing on increasing the scale and breadth of internal mobility offerings, we continue to hold the talent growth banner high, with the majority of our position fulfillment done through internal talent movement.



During the year, we had many employees rebadged and transferred to Infosys BPM Limited as a part of multiple large deal programs. The human resources team focused on attracting, integrating, and retaining these rebadged employees while being compliant to the applicable laws. All employees have been rewarded through different programs, which has helped keep our workforce motivated and engaged. Special incentives were also rolled out to employees to reward them for their contribution during the pandemic.

The Learning and Development team at Infosys BPM has been a champion of innovation, creating the best-in-class training solutions to solve the business problems of the organization. The strong culture of constant innovation and continuous learning helped us come up with multiple new initiatives over the past year.

The learning journey for talents begin with Talent Pathway, a unique opportunity for non-employees to go through a six month training on corporate-readiness skills, that helps them build competencies required to find employment with the organization.

On joining the organization, new hires go through the Reimagined Foundation Training, a mandatory training program that focusses on sharpening their communication, behavior, and functional capabilities. The uniqueness of this new program helps learners enhance their learning through multiple approaches: learner-trainer, learner-learner and learner-content interactions. Additionally, Finishing School, a new layer of training, was created early in the year to help build domain foundation and techno-readiness skills among new hires and make them operations-ready. In fiscal 2023 we trained 7,000+ new hires in Foundation Training and the Finishing School.

iLeapNEXT a three year learning journey for our junior employees, helps build competencies across various facets like communication, behavior, domain, functional and various niche skills required to make them future-ready. This program has been made available anywhere, anytime and on any device. Over 25,000+ employees have been certified in this program from across the globe. Competency Based Training programs are available for employees throughout the year, both as calendar programs and as Customized Learning Solutions that are created to address specific business challenges. 32,710 employees underwent such training programs. The Career Accelerator courses like Junior Management Leadership Program (JMLP), and Accelerated Management Program for emerging Leaders (AMPeL), further help build capabilities of resources aspiring for vertical growth in the organization.

Humanware Enablement focuses on bringing the best of human skills with the latest in technology, to build a talent force for the future. With a focused approach towards new BPM skills like automation, analytics and digital service, we have trained over 10,000 resources on these skills and made them future-ready. Democratization of automation skills was achieved by launching the Citizens Developer Program on Robotics Process Automation (RPA) through platforms such as Automation Anywhere, and UiPath, which enabled employees in operations to create simple to medium complexity bots. We also launched a series of learning programs on business intelligence and reporting tools with Microsoft's suite of Power Programs, such as Power Platform, Power Apps, and Power Automate.

In our endeavor to partner with academia and build a talent pool for the BPM industry, we rolled out multiple new projects and

initiatives. Our partnership with Delhi Skills & Entrepreneurship University has resulted in the creation of the first-ever three-year undergraduate program in BPM. We are now replicating this in multiple universities across the country. Partnering with NASSCOM, Infosys BPM has adopted four colleges in Mangaluru and Bhopal to build domain capabilities in students through the NASSCOM Future Skills platform. Infosys BPM leaders delivered multiple industry expert sessions, covering over 800+ students from across these colleges.

Our leadership development programs were delivered for managers and leaders across India and geos. Specific leadership development programs included Business Storytelling, Consulting Skills, Executive Presence, Digital Transformation, Sales Proposal Writing & Negotiation, Authentic Leadership and many more. Managers and leaders also participated in Future Emerging Leaders Program that focuses on capability building to manage High Performing Teams, Business Acumen and Personal Excellence.

For mid-senior leaders Global Operations Leadership Development Program (GOLD) was organized.

Leaders and DEI champions attended sessions to drive diversity, equity and build allyship for inclusion.

Digital and transformation e-Learning module, which helps to build a shared mindset on leveraging digital transformation in the context of BPM as we navigate our client's digital journeys, was created. Participants attended masterclasses on various technologies like - artificial intelligence, machine learning, metaverse and big data session. Leaders are undergoing Infosys Great Manager Program (IGMP), that was created in association with eCornell.

This year also saw the launch of Excelerator Wave V, a strategic leadership program that had leaders across six geographies attend a 4-day residential Excelerator program, including sessions on growth, innovation & creativity and customer centricity at Indian School of Business, Hyderabad, India. The leaders will undergo a six month development journey scheduled to complete in July 2023.

In Q3 of fiscal 2023, OD introduced the Culture Integration initiative with a focus on achieving enhanced employee experience, employee engagement, and strong business outcomes by identifying working culture differences & synergies, by charting out common ways of working together for various teams. An initiative launched with Currys-Infosys rebadge saw a culture survey, focused group discussions, discovery meetings, culture and change workshops to co-create renewed ways of operating culture. The team, along with the leadership group, narrowed down on the focus areas to be actionized and governance to bring about culture change for the future in Infosys Czech Republic.

Talent Review 2022 saw Senior Management title holder being part of the exercise and receiving personalized Talent Development Dossiers (TDD) to plan their development journeys for the year. Ascent, the leadership succession planning program at IBPM, had 20 title holders engaging with EC mentors to have careers conversations and progress with their development journey through personalized development interventions like Executive Coaching. IBPM-OD also bagged Gold for Best Succession Planning Strategy for its Ascent program at Employee Experience Awards 2022, Singapore.

To manage low performance in the organization, real-time opportunities to course correct and improve performance are now available. Beyond bi-annual appraisal cycles, our low performance management application now allows Performance Improvement Plans to be initiated anytime based on business needs.

Our focus on skills has sharpened this year. We have expanded the reach of our Skill Tags program. Skill Tags have three levels of proficiency – Beginner, Competent and Proficient, which are also role-specific to bring in variety of skills and differentiate contribution across roles.

To harness homegrown talent and people aspirations, four Digital Bridge Programs were created and piloted this year. This was enabled through (a) necessary learning certifications (virtual and instructor-led) (b) on-the-job training with hiring units (c) strong projects certification. The program continues to mature with the leadership and user feedback and will present an ambitious approach for talent and organization in fiscal 2024.

Infosys Citizenship Quotient (iCQ), our organization citizenship rewards initiative, continues to see most of our senior management globally rewarded for engaging in a host of activities beyond their usual job responsibilities. Our efforts at institutionalizing authentic leadership behaviors through workshops is also an ongoing endeavor.

### Particulars of employees

The Company had 55,339 number of employees as on March 31, 2023. 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.

### Internal Committee (formerly Internal Complaints Committee)

Infosys' goal has always been to create an open and safe workplace for every employee to feel empowered, irrespective of gender, sexual preferences, and other factors, and contribute to the best of their abilities. Towards this, Infosys has set up the Anti-Sexual Harassment Initiative (ASHI), which proudly completes 21 years of enabling a positive and safe work environment for our employees.

Our ASHI practices have set an industry benchmark as it ranked first among 350+ companies that participated in an external survey on the best anti-sexual harassment initiatives in 2017, 2019, 2020, 2021 and 2022. Infosys has constituted an Internal Committee (IC) in all the development centers of the Company across India to consider and resolve all sexual harassment complaints reported by women. The IC has been constituted as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Committee includes external members from NGOs or with relevant experience. Investigations are conducted and decisions made by the IC at

the respective locations, and a senior woman employee is the presiding officer over every case. Half of the total members of the IC are women. The role of the IC is not restricted to mere redressal of complaints but also encompasses prevention and prohibition of sexual harassment. In the last one year, the IC has worked extensively on creating awareness in relevance of sexual harassment issues in the new normal by using brand new and innovative measures to help employees understand the forms of sexual harassment while working remotely.

The details of ASHI cases for fiscal 2023:

- Number of cases filed: 43
- Disposal by conciliation: 2
- Disposal by disciplinary action(s): 27 (includes 2 conciliation cases)
- Open cases: 16

### Corporate Social Responsibility (CSR)

The Company has constituted the CSR Committee as per the requirements of the Companies Act, 2013. The CSR amount is allocated for projects undertaken at the Group level through Infosys Foundation.

The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The policy is available on our website, at: <https://www.infosysbpm.com/about/corporate-governance.html>

The annual report on CSR activities is appended as *Annexure 5* to the *Board's report*. The details about the CSR Committee form part of the *Corporate governance report*.

We organized Faculty Development Programs at various centers of Infosys and University Campuses for 588 academicians from 265 colleges under our Flagship Program – Project Genesis. The workshops were conducted on Global Business Foundation Skills and domain-specific skills, namely digital marketing skills and sourcing and procurement skills. This was the highest number of faculty members trained in any year. We saw participation from universities from states like Telangana, Tamil Nadu, Uttarakhand, Maharashtra, Delhi and Madhya Pradesh.

In the financial year, 68,835 students were further trained on these skills by the trained academicians who were part of FDPs in the last three years and 1,035 students have received offer letters from various organizations.

50 participants including Principals, HODs and Placement officers attended the Principal/HOD conclaves in Uttarakhand and Tamil Nadu. The objective was to create awareness around Project Genesis.

Under our Rural Student Development Program, which focuses on upskilling differently-abled and unemployed youth on employability skills in tier-2 and 3 cities, we have trained 2,095 students from various states, including 40 students with disabilities.

In the financial year, 4,564 students and 156 faculty members from Uttarakhand, Madhya Pradesh, Karnataka, Maharashtra, Rajasthan, Tamil Nadu and Delhi were covered as a part of Student Connect Programs. Also, this year, we opened our Bengaluru, Pune and Jaipur campuses for some of our partnering universities for the first time after the COVID-19 lockdown. As

part of the program, the students attended a session on the BPM Industry and the opportunities it offers.

We continue to support 13 digital classrooms set up in government schools in Karnataka, Maharashtra, Tamil Nadu, Telangana and Andhra Pradesh through an NGO called eVidyaloka. The objective is to create a knowledgeable and empowered rural India through quality education. Through these digital classrooms, 182 volunteer teachers have completed 1,235 sessions benefitting 2,371 students in fiscal 2023.

Infosys BPM supported Sparsha Trust to set up a digital lab, classrooms and studio at Bengaluru to support education for underprivileged children in Karnataka in fiscal 2021. This year, 2,200 students have benefited through this initiative.

In the financial year, 540+ underprivileged tribal children benefited from digital classrooms, which were set up in Chuliaposi, Sunapal and Atanati villages in Odisha in association with MaunaDhwani Foundation in fiscal 2022.

More than 1,800 beneficiaries were supported through various CSR initiatives by Infosys from Bhubaneswar, Bengaluru, Hyderabad, Pune and Jaipur. The volunteers donated stationery items, blankets, bedspreads, toys, clothes, and sports equipment to underprivileged people and children.

Grow-Trees is an initiative where employees can plant trees and contribute to a greener planet. More than 1,250 saplings have been planted in fiscal 2023 in association with the NGO – Grow-Trees.com

Infosys BPM CSR team was recognized for its contributions to society during the 7<sup>th</sup> Edition Corporate Social Responsibility Summit under the Best CSR Impact category.

### **Diversity and Inclusivity**

Our vision is to create an inclusive workplace and leverage the power of diversity for sustainable competitive advantage. We have around 113 nationalities working at Infosys BPM across the globe. Our initiatives are categorized under three areas IWIN (Infosys Women's Inclusivity Network) for gender diversity, InfyAbility for employees with special ability and multicultural that helps create a common ground.

### **Gender diversity**

Fiscal 23 saw the closure of two batches of SOAR: Seize Opportunities and Achieve Resilience program for women managers in Bengaluru and Pune DCs.

EDVantage – The Diversity in Equity Vantage Program, exclusively for executive level women employees, aims at upskilling and equipping the participants with the knowledge required to climb the leadership ranks.

Propel - The program was launched for women employees at managerial level, to equip them and develop their careers and key competencies required to perform their role and move up the career ladder. Many women leaders benefited from the six month mentoring journey as part of the program.

eMerge 2.0- The program was launched for women employees at executive level and above who have rejoined Infosys BPM or have restarted their career after a sabbatical or career break in fiscal 2022 and fiscal 2023. The program is designed to help the participants to address their limiting beliefs, re-enter

the workforce with greater self-assurance and enhance their contribution to the business.

In our continuous endeavor to inspire, motivate and empower women employees, we organized various internal and external women leader connect programs.

iPride - Pride month was celebrated in June 2022 and we invited Nishitha Nishanta, successful transwoman working professional, who shared her life experiences, challenges and importance of allyship. There were various contests, puzzles and awareness mailers sent out to the employees at Infosys BPM and we received overwhelming response during the Pride month.

As part of InfyAbility, retention / career / support conversations were held with some of the Employees with Disabilities (EWDs) on need basis. Rigorous efforts were made to source candidates with disabilities for open positions in Infosys BPM. 250+ profiles were sourced by participating in various recruitment drives across India and through different sourcing partners. In fiscal 2023, 31 candidates were onboarded.

80+ Infosys employees attended the sign language workshop where they were taught alphabets, numbers, some common words and phrases in Indian Sign Language.

International Day of Persons with Disabilities was celebrated on 17 December, 2022. Tiffany Brar - an artist, teacher and the founder of Jyothirgamaya NGO was the guest speaker. Best PWD Employee, Best Managers and Best Engagements were recognized for their performance and support to enable an inclusive environment.

As part of IWD 2023 celebrations, on March 15, 2023, we had invited Vandana Suri, an investment-banker-turned social entrepreneur, and founder of Taxshe, who took us through her life experiences. Various contests and #EmbraceEquity campaign were run as part of the celebrations. Workshops on conscious parenting, art therapy, financial awareness, know your fertility, self defense, PCOS awareness etc.

Celebrations across geo centers: Multicultural diversity in our organization ensures geographic penetration, multi-lingual talent, cultural fit, and specific client requirements. At Infosys BPM, we have over 113 nationalities working together. We celebrate the inclusion of culture, gender, ethnicity and much more. IWD celebrations were held at various centers like Singapore, Philippines, Brno, Australia, Birmingham and China.

Awards: Infosys BPM won TISS CLO LeapVault award in the category of Best Diversity and Inclusion Program for SOAR and EDVantage in FY23.

## **3. Subsidiaries**

As on March 31, 2023, we have six wholly-owned subsidiaries, namely – Infosys (Czech Republic) Limited s.r.o (formerly Infosys BPO s.r.o), Infosys Poland Sp. z o.o. , Infosys McCamish Systems LLC, Portland Group Pty. Limited, Infosys BPO Americas LLC and Infosys BPM UK Limited. 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 the 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 and 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, at [www.infosysbpm.com](http://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**

Fiscal 2023 was a year of growth for Infosys (Czech Republic) Limited s.r.o. The delivery center has grown by 31.3 % year on year in revenues and doubled the number of its employees. The growth was driven by the expansion of existing clients in the area of technical support and digital services and a successful takeover of a Czech IT and business services center of a major UK electronic retailer. As part of the takeover, 700+ employees of the Brno-based center transferred to Infosys (Czech Republic) Limited s.r.o. The transfer also significantly expanded Infosys Brno center's scope of services in finance and accounting, retail operations, and IT services. Over the year, the center has successfully delivered several transformation projects to Infosys clients and due to its right combination of technical and language competencies, it remains a primary EU delivery center for high-end technical and customer service work. During the fiscal, Infosys (Czech Republic) Limited s.r.o retained its place in the board of directors of ABSL (Business Services Association) Czech Republic.

During the year under review, the Company generated revenue of ₹412 crore as against a revenue of ₹231 crore for the year ended on March 31, 2022 with a loss of ₹7 crore against the profit of ₹19 crore for the year ended on March 31, 2022.

#### **B. Infosys Poland Sp. z o. o.**

Infosys Poland had a positive year with comparable revenue growth by ₹186 crores YoY. Lodz DC is focusing on F&A, sourcing & procurement, master data management, business analytics, digital services and high-end services (tax, SOX compliance, FP&A, consolidation of tax statements) as well as European language-based services as a part of Infosys' global delivery model. The center notified digital growth within digital transformations services, point solutions and automation. The center had opened a Business Experience Lounge. The center has been recognized with the following awards in fiscal 2023:

- ABSL Membership Certificate 2023
- Top Employer 2023 Certification in three categories: Poland, Europe, Global
- Award for help with the support of Ukraine from the Economic Development Office in Lodz
- Special distinction "For Merits for the City of Lodz" for Agnieszka Jackowska, Senior Regional Center Head

Infosys Poland - Wroclaw delivery center currently has a HC of 370+ employees, focusing on Consulting and IT transformation capabilities for clients globally.

With a specific focus on Digital skills and Full stack Application development, the team works on new transformation programs across Business Processes agnostic of technology and ERP, for clients in Europe and outside the continent.

To focus and ramp-up on Engineering services capability and specific to turbo machinery, a new branch has been setup in Poland at Elblag and this was as a part of the rebranding of 70+ Polish National employees.

During the year under review, the revenue was ₹1,048 crore as against revenue of ₹862 crore for the period ended March 31, 2022 with a profit of ₹84 crore as against a profit of ₹108 crore for the period ended March 31, 2022.

#### **C. Infosys McCamish Systems LLC**

During the year under review, the financial performance improved over the prior fiscal, continuing the positive trend. We continue to see market traction in new key geographical markets including India, Asia-Pacific (APAC) and Europe. In the US, large life insurance and annuity companies continue to invest in modernizing legacy policy administration systems, new business underwriting systems and producer management systems, while focusing on improved digital capabilities. In fiscal 2023, we saw more clients in life and annuity, worksite and producer services businesses expanding their relationship with us. During the reported period, multiple strategic contracts were renewed. We saw multiple wins in the US in the annuity space driven by elevated interest rates. The Retirement Services business unit continues its market leadership position with significant increase in overall pipeline during the year. This includes full TPA services in the NQDC area as well as new product launches in the special markets area. The analyst community, including Gartner, Celent, ISG, Everest, HfS and Novarica, continues to rank us highly. Everest Group has rated Infosys McCamish as a leader under Group Life Policy Administration Systems (PAS) Products Peak Matrix<sup>®</sup> Assessment 2023 – North America.

During the year under review, the revenues were ₹3,787 crore as against revenue of ₹3,046 crore for the period ended March 31, 2022, with a net profit of ₹250 crore as against a profit of ₹248 crore for the period ended March 31, 2022.

#### **D. Portland Group Pty . Limited**

Infosys Portland had a positive year with increasing revenues from procurement and supply chain consulting and managed services and software on-sell agreements, reflecting our objective to expand our delivery footprint in key target markets of Australia, India, USA and UK / Europe. Margins increased in line with revenue growth but were impacted by increasing salary costs, marketing and recruitment expenses.

During the year under review, the Company generated a revenue of ₹312 crore as against a revenue of ₹202 crore for the previous year ended on March 31, 2022, and with a profit of ₹29 crore against the profit of ₹14 crore for the year ended on March 31, 2022.

#### **E. Infosys BPO Americas LLC**

Infosys BPO Americas LLC, a mortgage-focused entity of Infosys BPM Limited, was incorporated in 2016. The entity holds licenses to service mortgage operations across 48 states in the US and has the approval to set up the India branch. In the past 12 months, this entity helped some of the largest US banks / lenders process



their end-to-end mortgage applications. The aim is to strengthen the value proposition of customer delight through tech-driven transformation and a blended operating model.

During the year, the revenue was ₹119 crores as against revenue of ₹165 crores for the period ended March 31, 2022, and with a profit of ₹24 crores against the loss of ₹69 crores for the year ended on March 31, 2022.

#### F. Infosys BPM UK Limited

Infosys BPM UK Limited is an entity that was incorporated under the laws of England and Wales in December 2020, in order for us to provide services that would involve us carrying on UK-regulated activities, and hence would require us to be authorized by the Financial Conduct Authority (FCA). As on March 31, 2023, the entity is yet to receive the necessary FCA authorizations.

## 4. Awards and recognition

### Awards

- Positioned as a Leader by ISG Provider Lens™ for:
  - Procurement BPO & Digital Transformation Services, Global & Australia
  - Digital Finance & Accounting Global Outsourcing Services
  - Digital Banking Services for IT & BPM
  - Future of Work – Workplace Strategy Transformation Services
- Five case studies of Infosys BPM were recognized as “Standouts” in the 2022 ISG Digital Case Study Awards
- Hackett Group’s 2022 Digital Award under the ‘Market-to-Opportunity’ category, with Allied World Insurance Company
- Finalist in the Native Automation category of HFS One Office Awards 2022 with Philips

### External HR recognition

- ATD BEST Awards 2023
- Brandon Hall HR Awards 2022 for Best Unique & Innovative HR Program
- NCPEDP-Mindtree Helen Keller Awards 2022
- TISS CLO LeapVault award in the category of Best Diversity and Inclusion Program for SOAR and EDVantage in FY23
- CLO Awards 2022 – Best Virtual Learning Program, Best DEI Program, Best Digital Learning Transformation Program
- People First Excellence Awards 2022 for POSH Strategy (Safe Place To Work)
- Human Capital Awards 2022 for
  - Excellence in Health & Wellness
  - Most Valuable Employee during COVID-19

### Recognition

- Ranked #1 employer for loyalty in IT / Business Services by HFS Research
- Exclusive survey-based research study published by HFS Research and Infosys titled ‘Automation is Back with a Bang!’
- Exclusive thought leadership research published by HFS Research and Infosys BPM titled ‘Procurement Uniquely Positioned as the Enterprise Ecosystem Builder’
- Two exclusive thought leadership papers published in collaboration with leading analyst firm NelsonHall

– Reinventing Master Data Management in Consumer Electricals & Electronics, and Reinventing Master Data Management in High-Tech Manufacturing

### Finance and Accounting

- A Leader in the 2022 Gartner® Magic Quadrant™ for Finance and Accounting Business Process Outsourcing
- Ranked highest in the 2022 Gartner Critical Capabilities for Finance and Accounting Business Process Outsourcing across each Use Case: Source-to-Pay Processes, Order-to-Cash Processes, Record-To-Report Processes, Complex Business Environment

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- Leader in ISG Provider Lens™ Study Finance & Accounting Outsourcing Services 2022 – Global
- Recognized as a Leader and a Star Performer in Everest Group’s Finance and Accounting Outsourcing (FAO) PEAK Matrix® Assessment 2022
- Leader in Avasant’s Finance and Accounting (F&A) Business Process Transformation Radarview™ 2022-23
- Ranked 5 in HFS Top 10: CFO F&A Service Providers, 2022
- Placed in Horizon 2 of HFS Horizons: FP&A Service Providers 2022

### Procurement Outsourcing

- Recognized a Leader in Everest Group Procurement Outsourcing (PO) Services PEAK Matrix® Assessment 2022
- Leader in Avasant’s Procurement Business Process Transformation Radarview™ 2022
- Placed in Horizon 3 of HFS Horizons: Sourcing and Procurement Service Providers 2022

### Customer Services

- Leader in the ISG Provider Lens™ Study Contact Center - Customer Experience Services – Archetype Study 2022 in Automation Embracers
- Product Challenger in the ISG Provider Lens™ Contact Center – Customer Experience Services 2022-Global, UK & Europe, US and Australia
- Rising Star in the ISG Provider Lens™ Contact Center – Customer Experience Services 2022-Singapore & Malaysia
- Recognized as a Major Contender in Everest Group Customer Experience Management (CXM) in the Americas – PEAK Matrix® Assessment
- Challenger in Avasant’s Contact Center Business Process Transformation Radarview™ 2022

## Human Resources Outsourcing

- Leader in the NelsonHall NEAT: Learning Services 2022
- Leader in the NelsonHall NEAT: Payroll Transformation Services 2022
- Innovator in Avasant's Global Hire-to-Retire Business Process Transformation Radarview™ 2022-23
- Recognized as Major Contender in Everest Group MPHRO Services PEAK Matrix® Assessment 2022

## Supply Chain Management

- Leader in NelsonHall NEAT: Supply Chain Transformation 2022
- Leader in IDC MarketScape: Worldwide Manufacturing Service Life-Cycle Management Systems Integrators/Business Process Outsourcing 2022–2023 Vendor Assessment (doc #US48840322, December 2022)

## Banking, Financial Services

- Infosys BPM recognized as a Leader and a Star Performer in Everest Group Capital Markets Operations PEAK Matrix® Assessment 2023
- Leader in the NelsonHall NEAT: Financial Services Cloud, SaaS & BPaaS 2023
- Leader in Avasant's Banking Process Transformation Radarview™ 2022
- Recognized as Leader in Everest Group Financial Crime & Compliance Operations – Services PEAK Matrix® Assessment 2022

## Insurance

- Recognized as Major Contender in Everest Property and Casualty (P&C) Insurance BPS PEAK Matrix® Assessment 2022
- Leader in ISG Provider Lens™ Insurance Services and Insurance Quadrant Study – US and Europe 2022

## Telecom, Media and Communications

- Leader in Communications Next-Gen IT Services and Product Challenger in Media Business Services, Media Next-Gen IT Services, Communications Business Services quadrants for ISG Provider Lens™ Media and Communication Services Study 2022

## Manufacturing

- Leader in IDC MarketScape: Worldwide Manufacturing Service Life-Cycle Management Systems Integrators/Business Process Outsourcing 2022–2023 Vendor Assessment (doc #US48840322, December 2022)

## Healthcare

- Placed in Horizon 2 of HFS Horizons: Healthcare Payer Service Providers 2022

## Retail

- Leader in the ISG Provider Lens™ Retail Services 2022 - the US and Europe

## Utility

- Leader in the ISG Provider Lens™ Study Power & Utilities Industry - Services and Solutions 2022 - North America & the UK

## Digital Business Transformation

- Leader in IDC MarketScape: Worldwide Intelligent Automation Services 2022 Vendor Assessment (doc #US48061422, May 2022)
- Infosys BPM recognized as a Leader in the Avasant's Intelligent Automation Services Radarview™ 2022-2023
- Placed in Horizon 2 of HFS Top 10 - Process Automation Services 2022
- Recognized a Leader in Everest Group Marketing Services PEAK Matrix® Assessment 2023
- Leader in NelsonHall NEAT: Mortgage & Loan Services 2022

## Digital Workplace

- Leader in the ISG Provider Lens™ Study Future of Work - Services and Solutions 2022 - Australia, Germany, Singapore & Malaysia, Nordics, Switzerland, UK, US, US Public Sector regions
- Leader in Avasant's Digital Workplace Services Radarview™ 2022
- Recognized a Leader in Everest Group Digital Workplace PEAK Matrix® Assessment 2022 (North America)
- Leader in IDC MarketScape: Asia Pacific Intelligent Digital Workplace Services 2023 Vendor Assessment (doc #AP49091222, March 2023)

## Quality

With 'PIVOT to DIGITAL NEXT' being largely endorsed to catalyze and co-create business value and enhance stakeholder experience, the Quality team has made remarkable progress with initiatives focusing on reskilling and value delivery in fiscal 2023. The Be the Navigator (BTN) program using key levers Lean, Six Sigma, data analytics and visualization, design thinking and knowledge management has facilitated accelerating value to clients. Further, the team received several stakeholder commendations, external validations through audits and assessments and awards for outstanding initiatives and ideas implemented during the year.

### The key highlights are: (Figures as on March 31, 2023)

BTN (Be The Navigator) savings of close to US\$ 400 million and savings worth 2,055 FTEs have been delivered through continuous improvement ( through 800 improvement projects ) lever with our renewed rigor on initiatives like lean deployment, capacity modelling, data analytics, data visualization and workforce optimization tools run across a large number of projects.

- Won seven prestigious awards for high-impact projects delivered and best practices shared at industry forums like CII & NIQR
- Streamlining for Knowledge Management (KM) practices has been strengthened over the years with levers like KM Maturity assessment, Tool Replication and KM certification program. The year saw an addition of 70+ new KM-certified practitioners
- The Quality team has trained about 12,000+ employees across the organization in various programs to reinforce the Quality culture (few of the areas that have been covered are Information Technology Services Management (ITSM), machine learning, business storytelling, theory of constraints and design thinking)

- Introduced the Design Thinking Accelerator & Practitioner Program and more than 380 team members performing key roles are now Design Thinking Practitioners
- Lighthouse, a unique leadership learning program, hosted Anand Kumar, mathematician and educator and Dr. Devi Shetty, the country's leading cardiac surgeon and philanthropist, for sessions on driving a mindset for excellence
- 13 Global centers have been GCM (Global Center Maturity Model) certified and progressed to the next level.

## 5. Corporate governance

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. The Board exercises its fiduciary responsibilities in the widest sense of the term. Our *Corporate governance report* for fiscal 2023 forms part of this Annual Report. We wish to state that the 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 five 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 and non-executive directors to separate its functions of governance and management. The Board consists of three members, two non-executive directors and one executive director. 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 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](http://www.infosysbpm.com). We affirm that the remuneration paid to the directors is within the limits provided in the Section 197 of the Companies Act, 2013.

### Declaration by independent directors

In the beginning of the financial year, the Company had two independent directors and 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. Pursuant to the completion of the tenure, independent directors retired from their office effective August 16, 2022.

### 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 individual directors. During fiscal 2023, the Board evaluated the performance of all directors as per the requirements of the Companies Act, 2013. The outcome of the Board evaluation

for fiscal 2023 was discussed by the Board at its meeting held on April 11, 2023.

## Directors and Key Managerial Personnel (KMP)

### Induction

The Board appointed Vasudeva Maipady as Chief Financial Officer (CFO) effective April 15, 2022.

The Board inducted Sudhir Shridhar Gaonkar as Company Secretary effective October 1, 2022.

In the opinion of the Board, the KMPs appointed during the year possess requisite integrity, expertise, experience and proficiency.

### Retirement and Resignation

Prem Pereira resigned as Chief Financial Officer (CFO) effective April 14, 2022. The Board placed on record its sincere appreciation for his contributions to the Company.

Pursuant to the completion of tenure, Michael Gibbs, independent director, retired as a member of the Board effective August 16, 2022. The Board of Directors placed on record its appreciation for the services rendered by him.

Gopal Devanahalli retired as an independent director on completion of his tenure effective August 16, 2022. The Board placed on record its sincere appreciation for his contributions to the Company.

Bindu Raghavan resigned as Company Secretary effective September 30, 2022. The Board of Directors placed on record its appreciation for the services rendered by her.

Ravi Kumar S. resigned as non-executive director effective October 11, 2022. The Board of Directors placed on record its appreciation for the services rendered by him.

### Reappointment of director liable to retire by rotation

As per the provisions of the Companies Act, 2013, Martha King, non-executive director, whose office is liable to retire at the ensuing AGM and being eligible, seeks reappointment. Based on performance evaluation, the Board recommends her reappointment. The notice convening the 21<sup>st</sup> AGM, to be held on July 17, 2023, sets out the details.

### Committees of the Board

Upon retirement of independent directors, the Board, on September 20, 2022, dissolved the Audit Committee and the Nomination and Remuneration Committee. The Board also changed the composition of the Corporate Social Responsibility Committee. All the powers and responsibilities of the Audit Committee and the Nomination and Remuneration Committee vests with the Board of Directors.

The details of the constitution of the committees, number of meetings held etc. are given 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, 2023, the applicable accounting standards have been followed and 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 devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## 6. Audit reports and auditors

The Auditors’ Report for fiscal 2023 does not contain any qualification, reservation or adverse remark. The Auditors’ Report is enclosed with the financial statements in this Annual Report.

Parameshwar G. Hegde of Hegde & Hegde, Practicing Company Secretaries (FCS: 1325, CP No. 640), was appointed to conduct the secretarial audit of the Company for fiscal 2023, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for fiscal 2023 forms part of the Annual Report as *Annexure-4* to the *Board’s report*. The report does not contain any qualification, reservation or adverse remark.

### Auditors

#### Statutory auditors

Under Section 139(2) of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years and each such term would require approval of the shareholders. In line with the requirements of the Companies Act, 2013, Statutory Auditor, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration Number 117366W/ W-100018) (“the Auditors”) were appointed as Statutory Auditors of the Company.

Term	Start Date	AGM
First Term	June 24, 2017	15 <sup>th</sup> AGM to 20 <sup>th</sup> AGM
Second Term*	August 16, 2022	20 <sup>th</sup> AGM to 25 <sup>th</sup> AGM

\*The second term of the auditors ends in 2027.

During the year, the statutory auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013, the Code of Ethics issued by the Institute of Chartered Accountants of India and the US. Securities and Exchange Commission and the Public Company Accounting Oversight Board.

### 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 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, the annual return in the prescribed format is available at <https://www.infosysbpm.com/about/corporate-governance.html>

### Secretarial standards

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

## 7. Risk Management Framework

The 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.

## 8. Conservation of energy, research and development, 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-6*.



## 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 Labor 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, Hyderabad, Mysuru 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/-

**Martha King**  
Chairperson

Sd/-

**Anantharaman Radhakrishnan**  
Chief Executive Officer and Managing Director

Place: Bengaluru  
Date: April 11, 2023

## Annexures to the Board's report

### 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 Subsidiaries

Sl No	Name of the subsidiary	Financial period ended	Exchange rate	Share capital	Reserves and surplus	Total assets	Total liabilities (excluding share capital and reserves and surplus)	Investments	<sup>(1)</sup> Turnover	<sup>(1)</sup> Profit / (Loss) before taxation	<sup>(1)</sup> Provision for taxation	<sup>(1)</sup> Profit / (Loss) after taxation	% of shareholding	in ₹ crore except % of shareholding and exchange rate	
1	Infosys (Czech Republic) Limited s.r.o <sup>(2)(3)</sup> (formerly Infosys BPO s.r.o)	March 31, 2023	1 CZK = ₹ 3.81	3	107	352	242	-	412	(9)	(2)	(7)	100.00%		
2	Infosys Poland Sp. z o.o. <sup>(2)(4)</sup> (formerly Infosys BPO Poland, Sp. z.o.o)	March 31, 2023	1 PLN = ₹ 19.17	4	802	1,258	452	87	1,048	107	23	84	100.00%		
3	Infosys McCamish Systems LLC <sup>(2)(5)</sup>	December 31, 2022	1 USD = ₹ 82.73	175	925	4,710	3,610	-	3,691	339	65	274	100.00%		
4	Portland Group Pty. Limited <sup>(2)(6)</sup>	March 31, 2023	1 AUD = ₹ 55.03	18	74	244	152	-	312	41	12	29	100.00%		
5	Infosys BPO Americas LLC <sup>(2)(7)</sup>	March 31, 2023	1 USD = ₹ 82.17	130	(93)	57	20	-	119	27	3	24	100.00%		
6	Infosys BPM UK Limited <sup>(2)(8)</sup>	March 31, 2023	1 GBP = ₹ 101.65	1	-	1	-	-	-	-	-	-	100.00%		

<sup>(1)</sup> Converted at monthly average exchange rates

<sup>(2)</sup> Wholly-owned subsidiary of Infosys BPM Limited

<sup>(3)</sup> Incorporated effective February 04, 2004

<sup>(4)</sup> Infosys Poland, Sp. z.o.o, acquired on October 01, 2007

<sup>(5)</sup> Infosys McCamish Systems LLC, acquired on December 04, 2009

<sup>(6)</sup> Portland Group Pty. Limited acquired on January 04, 2012

<sup>(7)</sup> Incorporated effective November 20, 2015

<sup>(8)</sup> Incorporated effective December 9, 2020

Notes:

1. Investments exclude investments in subsidiaries.

2. Proposed dividend from any of the subsidiaries is nil except for PortlandGroup Pty. Limited which proposed a final dividend of AUD 0.56 per equity share (AUD 1 par value)

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

**Martha King**  
Chairperson and Director

**Anantharaman Radhakrishnan**  
Chief Executive Officer and Managing Director

Bengaluru  
April 11, 2023

**Vasudeva Maipady**  
Chief Financial Officer

**Sudhir Gaonkar**  
Company Secretary

# Annexures to the Board's Report

## 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.

### 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, 2023 that 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 meeting the threshold criteria of 10% or more of the turnover for the year ended March 31, 2023 are as follows:

				In ₹ crore
Name of related party	Nature of relationship	Duration of contract	Nature of Transaction <sup>(1)/(2)</sup>	Amount
Infosys Limited	Holding company	Apr 1, 2012 – ongoing	Revenue transactions - Purchase of services	113
Infosys Limited	Holding company	Apr 1, 2012 – ongoing	Revenue transactions - Purchase of shared services including facilities and personnel	86
Infosys Limited	Holding company	Apr 1, 2012 – ongoing	Revenue transactions - Sale of services	2,101
Infosys Limited	Holding company	Apr 1, 2012 – ongoing	Revenue transactions - Sale of shared services including facilities and personnel	36

<sup>(1)</sup> Appropriate approvals have been taken for related party transactions.

<sup>(2)</sup> Terms are based on transfer pricing guidelines.

For and on behalf of the Board of Directors

Bengaluru  
April 11, 2023

Sd / -  
**Martha King**  
Chairperson

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

Sl No.	Name	Designation	Date of commencement of employment	Education qualification	Age	Experience (in years)	Gross Remuneration in fiscal 2023 (in ₹)	Previous employment and designation
1	Rosemary Digiandomenico	Principal, Institutional Trust Services & Operations	19-Oct-20	MBA	62	41	7,10,39,050	Vanguard
2	Neil Simon Lawson	Client Partner	02-Apr-13	Diploma	58	24	6,56,06,345	Accenture, Global BPO Sales Director
3	Kapil Jain	Global Head of Sales and Capability	13-Feb-06	BE, MS, MBA	56	33	56,710,244	Infosys Limited, Senior Engagement Manager
4	Manish Sharma	Group Manager - Client Services	05-Nov-13	MBA	46	22	5,39,47,192	Citibank, SVP & Head, Corporate Relations
5	George E Heming	Principal, IIG Recordkeeping & Plan Administration	12-Oct-20	B.Sc., MBA	59	41	5,36,88,407	Vanguard
6	Anantharaman Radhakrishnan	Chief Executive Officer & Managing Director - BPM	02-May-07	BE, PGD	55	32	5,16,31,856	Infosys Limited, AVP & GEM
7	Thomas J Cresswell	Senior Manager, Conversions Client Case Representatives	12-Oct-20	MBA	49	25	4,94,60,547	Vanguard
8	Sanjay Arora	Business Head	02-Nov-18	B.Com., CA	54	32	4,79,11,821	Arvato Bertelsmann, COO & EVP, Arvato Global BPS & North America Lead
9	Binod Choudhary	Business Head	21-Feb-06	BE, MA, PGD	62	34	4,60,16,140	Equinox - I Flex, Vice President
10	Mehul Sanghavi	Group Manager – Client Services	27-Nov-13	BE, PGDOM	53	32	4,16,56,556	Infosys Limited, Senior Client 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 perquisite

1. The employees mentioned in the aforesaid exhibit have / had permanent employment contracts with the Company.

2. None of the above mentioned employee hold shares of Infosys BPM Limited.

3. None of the above mentioned employee is relative of any director or manager of Infosys BPM Limited.

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

Sl No.	Name	Designation	Date of commencement of employment	Educational qualification	Age	Experience (in years)	Gross Remuneration in fiscal 2023 (in ₹)	Previous employment and designation
1	Anup Kapoor	Global Head Operations - IBPM	02-May-08	CA	57	24	2,30,45,139	ANASAL PROPERTIES & INFRA LTD, Chief Financial Officer
2	Sheshadri B C	Business Head - Delivery Excellence	23-Jun-04	B.Sc., LLB, MBA	59	37	2,01,44,014	Infosys Limited, Delivery Manager

Sl No.	Name	Designation	Date of commencement of employment	Educational qualification	Age	Experience (in years)	Gross Remuneration in fiscal 2023 (in ₹)	Previous employment and designation
3	Dependra Mathur	Head Human Resource Development - BPM	19-May-06	BE, PGD	58	34	1,94,89,770	WEP PERIPHERALS, General Manager
4	Vinay Gopala Rao	Strategic Business Practice Head - Finance & Accounting	04-Jun-07	B.Com., CA	55	31	1,61,42,259	K P RAO AND COMPANY, Partner
5	Satish Nair	Sales Head	15-Jun-04	BE, MBA	51	25	1,43,04,623	FABMALL (INDIA) PVT LTD, Head - Technology & Service
6	Srikant Balan	Head – Corporate Strategy & Risk - IBPM	21-Mar-05	BE, MBA	48	23	1,39,29,399	Siemens Info Systems Limited, Consultant
7	Binny Mathews	Business Head	14-Aug-08	B.Sc., PGD	54	29	1,37,15,940	MJUNCTION SERVICES LTD, Senior General Manager
8	Srimathi Kanakapura Swamy	Head - Technology Services - IBPM	04-Jan-06	BE	53	32	1,29,64,530	Infosys Limited, Group Project Manager
9	Clifford M Pai	HR Business Leader and Head - Employee Relations	07-May-07	BA, MLS	56	29	1,27,76,065	Glenmark Pharmaceuticals, General Manager
10	V Raja	Head - Global Transition and Solutions - BPM	01-Dec-04	BE, PGD	55	34	1,26,99,267	MAVEN BPO SERVICES, Chief Operating Officer
11	Vijay Narsapur	Strategic Business Practice Head - Customer Experience & Human Resource Management	16-Feb-09	B.Tech., PGD	51	27	1,25,68,919	ADITYA BIRLA MINACS, Senior Vice President - Operations
12	Manoj Nair	Business Head	01-Apr-14	BE, MBA	49	24	1,23,62,665	Cognizant Tech Solutions, Director
13	Santosh Kumar Premdas	Senior Solution Design Head	05-Jun-12	B.Sc., PGDBM	48	21	1,22,49,732	E&Y Private Limited, Senior Manager
14	Uma Sankar	Head - Organization Development	12-May-16	BE	56	32	1,18,30,446	Capgemini India Limited, Director
15	Binay Kumar Behera	Head – Quality – IBPM	20-Apr-05	BE, MBA	49	27	1,14,58,682	Hindalco, Manager
16	Sekar Ganesan	Portfolio Head	29-Apr-11	B.Sc., M.Sc., M.Tech	48	25	1,08,91,672	MindTree, Program Director
17	Neela Mohan Subudhi Konchada	Business Head - High Tech Manufacturing	10-Aug-05	CA	52	25	1,02,34,011	Oracle (GFC), Senior Manager

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

The aforementioned employees have / had permanent employment contracts with the Company

The above table is based on payouts made during the year.

The above table does not include the details of remuneration drawn by the top 10 employees as their details are provided in Annexure 3 to the Board's report.

## 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 2023 (in ₹)	Previous employment and designation
1	Binny Mathews	Business Head	B.Sc., PGD	54	28	1,37,15,940	Mjunction Services Limited, Sr. General Manager
2	Rajesh Mahabal Shetty	Business Head	B.Com	56	26	90,77,325	Trac Mail, VP Operations
3	Preetham Solomon	Regional Head - Infrastructure	BE, MBA	52	28	90,76,711	Bharati Mobile
4	Gopal D Kulkarni	Business Head - Technology Solutions and Automation	BE	48	26	72,32,401	Ispat Industries Limited, Manager
5	Ravishankar Panchanathan	Business Head	ACA, CWA	55	29	66,12,109	Infosys Limited, Practice Head

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

Sd / -	Sd / -
<b>Martha King</b> Chairman and Director	<b>Anantharaman Radhakrishnan</b> Chief Executive Officer and Managing Director
<b>Vasudeva Maipady</b> Chief Financial Officer	<b>Sudhir Gaonkar</b> Company Secretary

Bengaluru

April 11, 2023

## Annexure 4 – Secretarial audit report for the financial year ended March 31, 2023

(Pursuant to Section 204(1) of the Companies Act 2013 and Rule 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  
Bengaluru-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 (herein after 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, 2023 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, 2023 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;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (there was no event/action pursuant this Act during the audit period) and
- iv. 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;
  - 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 the 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 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 the statutory financial auditors, tax auditors 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 and except in case of meetings called with shorter notice to transact urgent business, 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 other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. having a major bearing on the Company's affairs.

P. G. Hegde

Hedge & Hegde

Company Secretaries

FCS: 1325 / C.P.No: 640

UDIN: F001325E000015341

Place: Bengaluru

Date: April 10, 2023

This report is to be read with Annexure A which forms an integral part of this report.

## Annexure A

To,

The Members

Infosys BPM Limited

Bengaluru

### My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

P. G. Hegde

Hedge & Hegde

Company Secretaries

FCS: 1325 / C.P.No: 640

UDIN: F001325E000015341

Place: Bengaluru

Date: April 10, 2023



## Annexure 5 – Annual report on CSR activities

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

### 1. Brief outline on CSR Policy of the Company:

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”) encompasses holistic community development and institution building, while shaping and sharing solutions that serve the development of businesses and communities. Our CSR Policy aims to provide a dedicated approach to community development in the areas of education, healthcare, women empowerment, sustainability, rehabilitating the destitute, preserving Indian art and culture, rural development and disaster relief. We contribute to serve the development of people by shaping their future with meaningful opportunities, thereby, accelerating the sustainable development of society while preserving the environment, and making our planet a better place today and for future generations.

### Objectives

Our broad objectives, as stated in our CSR Policy, include:

- Making a positive impact on society through economic development with minimal resource footprint;
- Taking responsibility for the actions of the Company while also encouraging a positive impact through supporting causes concerning the environment, communities and our stakeholders.

### Focus areas

- Promoting education, enhancing vocational skills
- Promoting healthcare including preventive healthcare
- Promoting gender equality by empowering women
- Environmental sustainability and ecological balance
- Destitute care and rehabilitation
- Protection of national heritage, restoration of historical sites, promotion of art and culture

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ravi Kumar S <sup>(1)</sup>	Non-Executive Director	3	3
2	Gopal Devanahalli <sup>(2)</sup>	Independent Director	2	2
3	Anantharaman Radhakrishnan	Chief Executive Officer & Managing Director	4	4
4	Inderpreet Sawhney <sup>(3)</sup>	Non-Executive Director	2	2

<sup>(1)</sup> Ceased to be Chairperson of the Committee due to resignation effective October 11, 2022.

<sup>(2)</sup> Ceased to be a member of the Committee due to retirement effective August 16, 2022.

<sup>(3)</sup> Appointed as member of the committee effective September 20, 2022 and Chairperson of the committee effective January 9, 2023.

### 3. Web link(s) for composition of CSR committee, CSR policy and CSR projects approved by the Board.

- The composition of the CSR committee is available on our website at <https://www.infosysbpm.com/about/documents/composition-of-committees.pdf>
- The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, at <https://www.infosysbpm.com/about/documents/csr-policy.pdf>
- The Board, based on the recommendation of the CSR committee, at its meeting held on April 11, 2023, has approved the annual action plan / projects for fiscal 2024, the details of which are available on our website, at <https://www.infosysbpm.com/about/documents/csr-annual-action-plan-2023-24.pdf>

#### 4. Executive summary and web link(s) of Impact Assessment reports in pursuance of sub-rule (3) of rule 8:

##### Overview

Infosys BPM actively works with Infosys Foundation for its CSR programs. Infosys foundation has been doing exemplary CSR work for over 20 years towards supporting various projects in the areas of:

- Promoting education, enhancing vocational skills and digital literacy
- Promoting gender equality by empowering women
- Healthcare including preventive healthcare
- Environmental sustainability and ecological balance.
- Destitute care and rehabilitation
- Protection of national heritage, art and culture

##### Objective of the Assessment

It is extremely important to assess the effectiveness of the projects undertaken with respect to the stated objectives. The key objectives of the assessment are:

- Get insights into the projects to establish the overall effectiveness and impact:
- Use measurable indicators to gauge the progress of the grantee organization towards meeting the intended milestones and long-term goals:
- Provide frameworks, metrics and tools for ongoing evaluations, monitoring, program and design:
- Give recommendations for grant decision-making and as a guidepost for future projects.

##### Methodology

Measurement of actual results on the ground is done through a process-outcome evaluation, in which the focus is on generating appropriate evidence through 4 key channels:

1. Key informant interviews: These are in-depth interviews with people who have first-hand knowledge about the project, the need, the community and the evolution of the grant. These interviews are usually done in two rounds - before the actual site visit and then as a summative exercise to triangulate the nature of the findings.
2. Site visits: These are in-person visits to the project or program sites and the communities nearby to elicit information on a checklist or program milestones. These visits and discussions with stakeholders on site facilitate the research team to come up with observations and/or conclusions.
3. Secondary data analysis: This is a desk-based analysis of data from grantee organizations on usage of services, timelines of program and monitoring data through management information systems (MIS), photographs, press releases, among others.
4. End user surveys: These are in-person, web-based or phone-based data collection from end users or beneficiaries of the projects and covers a variety of quantitative information including their type of usage, length of association, and satisfaction with services.

The data thus gathered from primary and secondary sources is analyzed and triangulated to present a comprehensive assessment of the project outcomes and execution processes.

##### Executive Summary of Assessed Grants

Project undertaken for impact assessment in the current year covers infrastructure project as described below, conducted by LEAD @ Krea University<sup>(1)</sup>. The project aligns with the ESG goals and support the commitment towards four of the SDG goals.



(Detailed project assessment report can be accessed at <https://www.infosysbpm.com/about/documents/csr-impact-assessment-report.pdf>)

## Infrastructure project:

Sl No	Beneficiary Name	Project Description
1.	National Cancer Institute, Haryana	Construction of a long-term ten storey stay facility for patients and their attendants for access to sustained medical care at Jhajjar, a campus of AIIMS, New Delhi. The building has a total area of 2,71,250 sq. ft, with the estimated capacity to accommodate 806 beds.

<sup>(1)</sup> LEAD at Krea University (Leveraging Evidence for Access and Development) is research centre that is a part of IFMR (The Institute for Financial Management & Research) Society

5. (a) Average net profit of the company as per sub-section (5) of Section 135: ₹ 907.00 crore
- (b) Two percent of average net profit of the company as per sub-section (5) of Section 135: ₹ 18.14 crore
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
- (d) Amount required to be set-off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 18.14 crore
  
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 18.18 crore
- (b) Amount spent in Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 18.18 crore
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹ crore)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135. Amount. (in ₹ Crores)	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
18.18	Nil	N.A.	N.A.	N.A.	N.A.

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ crore)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	18.14
(ii)	Total amount spent for the Financial Year	18.18
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.04
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.04

## 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹ crores)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹ crore)	Amount Spent in the Financial Year (in ₹ crore)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs crore)	Deficiency, if any
					Amount (in Rs crore)	Date of Transfer		
N.A								

8. Details of capital assets created or acquired during the financial year:

The number of capital assets created / acquired: 3

The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ crore)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	Computer lab, Kitchen & dining hall Address: Government High School, Angadi Mogaru Village, Manjeshwar Taluk, Kasaragod district, Kerala-671323	671323	Dec 13, 2022	0.85	N.A.	Govt High school- Kasaragod	Deputy Director of Education Civil Station, Kasargod, Kerala-671121
2	Stepwell Restoration Address: Lingampet, Telangana 503124	503124	Jun 28, 2022	0.90	CSR00005890	Mamata Trust	Mamata Trust Survey No.210 Manikonda Village, Lingampally, Ranga Reddy Dist.Hyderabad, Telangana - 500032
3	Training and livelihood center Address: Ashapur road, Raichur, Karnataka - 584101	584101	Mar 23, 2023	0.80	CSR00005619	Khushi Trust	Khushi Trust Ashapur road, Raichur, Karnataka - 584101

9. The reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not applicable

Place: Bengaluru  
Date: April 11, 2023

Sd/-

**Inderpreet Sawhney**  
Chairperson, CSR Committee

Sd/-

**Anantharaman Radhakrishnan**  
Chief Executive Officer & Managing Director

## Annexure 6 – Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo

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

### Conservation of energy

Conservation of resources has been our focus to be progressively self-sustainable, to reduce operational costs, and an important first step towards reducing our carbon footprint.

Smart automation has enabled remote monitoring, control and optimization of building operations across locations. Controllers and sensors ensure buildings / systems operate in an 'auto-pilot' mode with in-built scheduling and energy saving algorithms, providing real-time data, alerts and diagnostics at system and equipment-level.

In the current unprecedented situation caused by the COVID-19 pandemic, smart building automation has been a key factor to manage uninterrupted operations in buildings, including critical infrastructure like data centers. Smart algorithms, physical presence of operations staff has been minimized, while ensuring efficient operations through experts operating remotely.

Energy efficiency retrofits have helped us reduce connected load across campuses. We have also installed rooftop solar systems with an aim to increase in the renewable energy sources.

This section is covered in detail at the Group Level Annual Report.

### Technology absorption

**Live Enterprise@Infosys:** An enterprise that senses, feels and responds in real time – this was the theme of our transformation journey of the last two years. It had to be a mobile-first approach so that employees are connected to the organization wherever they are in the world and can access the organization assets to learn and contribute. The response has been phenomenal, with all our key processes becoming faster and more responsive, with more than 80% of our employees experiencing 250+ features on the InfyMe app, which is built on the latest open source stack.

**Cloud-native application platform:** As part of modernizing applications, some of the applications need to be exposed to different user bases with varied authentication mechanisms. The cloud-native application platform gives the capabilities in a ready-to-use architecture. This enables quick onboarding of applications with industry-standard security along with greater scalability and availability using the power of cloud.

**Modern, hybrid, and secure workplace:** Bringing together technologies like borderless ODCs, virtual collaboration tools, and self-serve applications, our hybrid workplace ecosystem empowers employees with much-needed flexibility to work from anywhere. A resilient IT management system minimizes threats and prevents attacks, through a continuous cycle of vulnerability assessment and remediation, to safeguard our data and brand reputation.

**OneStop platform:** We have introduced 'OneStop' unified provisioning platform for endpoint, cloud, software, and tools. The PolyCloud digital backplane provides an abstraction of managed private cloud and public cloud services, empowering full stack developers. The 'go any cloud' platform empowers digital natives to consume Kubernetes containers, WebDevStacks, database, and platforms, as services through self-service models; powering business-led innovations and Live Enterprise Platform Suites. The OneStop platform lets project managers request IT hardware and software in advance, enabling new hires to be productive on Day One. The 'IT Genie' intuitive app in the laptop helps users self-configure basic applications, reducing interactions with IT Support team.

### Energy-efficient IT infrastructure

We have adopted a multi-pronged strategy to make our IT infrastructure energy-efficient and green. Some of the measures implemented are:

**Public cloud adoption:** Currently, more than 60% of the internal computer workload has been migrated to public cloud.

**Datacenter modernization:** A strategic initiative launched by InfosysIT to modernize the datacenter IT landscape to make it future-ready, continues to yield high rewards. Density-optimized hyperscale platforms have been deployed to deliver high density server virtualization and consolidation across the enterprise. The hyperscale platforms are open-driven infrastructure innovations, which provide cloud-scale agility and enables efficient resource pooling and utilization. This initiative has delivered 75% power savings on green energy efficiency aspects and drastically reduced the total cost of ownership for the organization.

**Enterprise storage:** We continue to provide around 1.8PB storage capacity for employees, revenue projects and internal requirements on All Flash storage with Fabric Pool and Storage Grid technology. Data is marked hot and cold based on policy, cold data is automatically moved onto cheaper larger capacity storage, thereby achieving tiering of data and savings in terms of Data Center footprint, power consumption and cooling. This resulted in CO2 reduction per year and power saving of 14,32,811 kWh per year.

**Cloud-native development environment:** The open source-based cloud-native development platform is built on Hyper Converged Infrastructure (HCI) and compute which has helped in data center footprint reduction by 80% along with the reduction in power and cooling consumption by 30%.

## Foreign exchange earnings and outgo (Standalone)

Particulars	As at March 31,	
	2023	2022
Foreign exchange earnings	7,185	6,543
Foreign exchange outgo	3,964	3,539
Net foreign exchange earnings (NFE)	3,221	3,004
NFE / earnings (%)	44.83	45.91

Place: Bengaluru  
Date: April 11, 2023

Sd / -

**Anantharaman Radhakrishnan**  
Chief Executive Officer and Managing Director

Sd / -

**Martha King**  
Director

# Corporate governance report

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 Limited ("the Company"), the Board of Directors ("the Board") is at the core of our corporate governance practice. The Board thus oversees the Management's 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 and the letter of the law;
- Ensure transparency and maintain a high level of integrity;
- 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.

The corporate conduct is an 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 with 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 identify 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 complied with all norms applicable to an unlisted public company. 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

Infosys BPM Limited's Board is truly diverse in the range of knowledge, perspectives, experience and expertise that it brings to the organization. The Board members come from divergent backgrounds and hold diverse skills, thus creating the ground for open and free exchange of views and promoting independent decision-making.

The Company has an optimal combination of executive and non-executive directors. As on March 31, 2023, the Company has 3 (three) Directors and the composition of the Board is as follows:

Name of the director	Director Identification Number (DIN)	Age	Position	Relationship with other directors	Directorships held in other companies	
					Indian listed companies	All companies around world <sup>(1)</sup>
Anantharaman Radhakrishnan	07516278	55	CEO & MD*	None	–	2
Inderpreet Sawhney	07925783	58	NED**	None	–	5
Martha King	09166670	59	NED**	None	–	2

<sup>(1)</sup> Directorship in companies around the world including Infosys BPM Limited, its holding and subsidiaries.

\* CEO & MD-Chief Executive Officer and Managing Director

\*\* NED-Non-Executive Director



## Responsibilities of the Board leadership

The Chairman leads the Board and is 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. He 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, identifies guidelines for the conduct and performance of directors, oversees the management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation. The Chairman is also responsible for the overall strategy of the Company.

The CEO & MD is responsible for executing corporate strategy in consultation with the Board as well as brand equity, planning, external contacts and all management matters. He is also responsible for achieving the annual business targets and acquisitions. The CEO & MD acts as a link between the Board and the Management and is also responsible for leading and evaluating the work of other executive leaders.

## 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;
- It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations;
- It provides strategic guidance to the Company, ensures effective monitoring of the Management and is accountable to the Company and the shareholder;
- It assigns sufficient number of non-executive members of the Board of Directors capable of exercising independent judgment in tasks where there is a potential for conflict of interest.
- It reviews and guides corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.

## 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 states 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. Independent directors had declared that they meet the independence criteria.

In the beginning of the financial year, the Company had two independent directors. Due to completion of their tenure, the independent directors retired effective August 16, 2022.

## Meeting of independent directors

Schedule IV of the Companies Act, 2013 and the Rules hereunder mandate that the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. Even before the Companies Act, 2013 came into effect, our Board's policy mandated periodic meetings attended exclusively by the independent directors. 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, the independent directors met without the presence of the Management on April 11, 2022.

## Membership term

The Board constantly evaluates the contribution of the members and periodically shares updates with the shareholders about reappointments consistent with applicable statutes. The current law in India mandates the retirement of two-third of the board members (who are liable to retire by rotation) every year, and one-third of such directors shall retire at the annual general meeting. 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.

## Board member evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board lays down the evaluation criteria for the performance of executive / non-executive directors through peer evaluation excluding the director being evaluated through a Board effectiveness survey. 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 2023 has been completed.

## Succession planning

The Board works on the leadership succession plan to ensure orderly succession in appointments to the Board and in senior management.

## Board compensation review

The remuneration for executive director consists of a fixed component and a variable component, including stock incentives



under the Holding Company's stock plan. 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.

### 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 objective is the upliftment of society.

## B. Board meetings

### Scheduling and selection of agenda items for Board meetings

The meetings are held at the Company's registered office at Electronics City, Bengaluru, India. The Chairman and the Company Secretary draft the agenda for each meeting, along with explanatory notes in consultation with CEO & MD and distribute these in advance to the directors. Every Board member can suggest the inclusion of additional 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. This year, some meetings were held virtually in line with the relaxations provided by the Ministry of Corporate Affairs.

During the year, the Board met 5 (Five) times. The meetings were held on April 11, 2022, July 21, 2022, September 28, 2022, October 10, 2022 and January 9, 2023.

Number of board meetings & the attendance during fiscal 2023:

Name of the Director	Number of meetings held during the tenure	Number of meetings attended during the tenure
Anantharaman Radhakrishnan	5	5
Inderpreet Sawhney	5	5
Martha King	5	4
Gopal Devanahalli <sup>(1)</sup>	2	2
Michael Gibbs <sup>(2)</sup>	2	2
Ravikumar S. <sup>(3)</sup>	4	4

<sup>(1)</sup> Retired as an independent director effective August 16, 2022

<sup>(2)</sup> Retired as an independent director effective August 16, 2022

<sup>(3)</sup> Resigned as a director effective October 11, 2022

## Remuneration to directors in fiscal 2023

### Non-executive/ Independent directors

Name of the director	Position	Director Identification Number (DIN)	Relationship with other directors	Salary (in ₹)	Perquisites (in ₹)	Commission (in ₹)	Sitting fees (in ₹)	Total (in ₹)
Martha King	Non-Executive Director	09166670	None	-	-	-	-	-
Inderpreet Sawhney	Non-Executive Director	07925783	None	-	-	-	-	-
Gopal Devanahalli <sup>(1)</sup>	Independent Director	07105349	None	-	-	7,56,164	40,000	7,96,164
Michael Gibbs <sup>(2)</sup>	Independent Director	08177291	None	-	-	7,56,164	30,000	7,86,164
Ravikumar S. <sup>(3)</sup>	Non-Executive Director	07534544	None	-	-	-	-	-

<sup>(1)</sup> Retired as an independent director effective August 16, 2022

<sup>(2)</sup> Retired as an independent director effective August 16, 2022

<sup>(3)</sup> Resigned as a director effective October 11, 2022

### Executive director / MD & CEO

Name of the director	Director Identification Number (DIN)	Relationship with other directors	Salary* (in ₹)	Commission (in ₹)	Stock Option/ Sweat Equity (in ₹)	Others (in ₹)	Total (in ₹)
Anantharaman Radhakrishnan	07516278	None	2,54,48,044	-	2,61,03,004	80,808	5,16,31,856

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

## 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 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.

## Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transactions or relationships between our Company and its directors, the Management, subsidiaries or relatives, except for those disclosed in the *Board's report*. Detailed information on materially significant related party transactions are enclosed as *Annexure 2* to the *Board's report*.

## C. Board committees

The Board had constituted three committees: Audit Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee. In July 2017, the applicable rules were amended to exempt wholly-owned subsidiaries from appointment of independent directors and consequently, constitution of Board-level committees with majority of independent directors was not applicable to Infosys BPM Limited. Upon completion of tenure, the independent directors retired effective August 16, 2022. The Board, on September 20, 2022, dissolved the Audit Committee and Nomination & Remuneration Committee and changed the composition of the Corporate Social Responsibility Committee.

## 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. The recommendations of the committees are submitted to the Board for approval.

### 1. 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.

In July 2017, the applicable rules were amended to exempt wholly-owned subsidiaries from appointment of independent directors and consequently, constitution of Board-level

committees with majority of independent directors was not applicable to Infosys BPM Limited. The Board, on September 20, 2022, dissolved the audit committee.

### Audit committee attendance

During the year, the Committee met twice. The meetings were held on April 11, 2022 and July 21, 2022.

The attendance details of the Committee meetings are as follows:

Name of the director	Number of meetings held during the tenure	Meetings attended during the tenure
Gopal Devanahalli	2	2
Michael Gibbs	2	2
Ravikumar S.	2	2

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 granted omnibus approval for the related party transactions proposed to be entered into by the Company during fiscal 2023. Post dissolution of the Committees, the Board, on periodic basis, reviewed and approved the transactions with the related parties.

### 2. Nomination and Remuneration Committee

The main objective of the Committee is to assist the Board in discharging its responsibilities relating to compensation of the Company's directors, Key Managerial Personnel (KMP) and senior management, evaluate and approve the adequacy of the compensation plans, policies, programs and succession plans for the Company's executive directors, KMP and senior management, formulate the criteria for determining qualifications, positive attributes and independence of a director and for performance evaluation of directors on the Board, screen and review individuals qualified to serve as directors, KMPs and senior management consistent with the criteria approved by the Board, recommend the appointment and removal of directors, for approval at the AGM, and evaluate the performance of the Board and review the evaluation's implementation and compliance.

In July 2017, the applicable rules were amended to exempt wholly-owned subsidiaries from appointment of independent directors and consequently, constitution of Board-level committees with majority of independent directors was not applicable to Infosys BPM Limited. The Board, on September 20, 2022, dissolved the Nomination and Remuneration Committee.

During the year, the Committee met twice. The meetings were held on April 11, 2022 and July 21, 2022.

## 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 during the tenure
Gopal Devanahalli	2	2
Michael Gibbs	2	2
Ravikumar S.	2	2

## 3. Corporate Social Responsibility Committee

We focus on our social and environmental responsibilities to fulfill the needs and expectations of the communities around us. Our CSR is not limited to philanthropy, but encompasses holistic community development, institution-building and sustainability-related initiatives.

The CSR report, as required under the Companies Act, 2013 for the year ended March 31, 2023 is attached as *Annexure-5* to the *Board's report*. The CSR Committee is responsible for overseeing the execution of the Company's CSR policy.

The Committee, on a periodic basis, reviewed and approved the budget and disbursement of funds for CSR activities.

### Composition

Pursuant to Section 135, the CSR Committee shall consist of three or more directors, of which at least one director shall be an independent director. However, where a company is not required to appoint an independent director under sub-section (4) of Section 149, it shall have in its CSR Committee two or more Directors.

As on March 31, 2023, the CSR Committee consists of the following two members:

- Inderpreet Sawhney, Chairperson
- Anantharaman Radhakrishnan, 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 Foundation, in turn, guides the CSR Committee in reporting the progress of deployed initiatives, on a periodic basis.

During the year, the Committee met four times. The meetings were held on April 11, 2022, July 21, 2022, October 10, 2022 and January 9, 2023.

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 during the tenure
Ravikumar S. <sup>(1)</sup>	3	3
Anantharaman Radhakrishnan	4	4
Gopal Devanahalli <sup>(2)</sup>	2	2
Inderpreet Sawhney <sup>(3)</sup>	2	2

<sup>(1)</sup> Ceased to be Chairperson of the Committee due to resignation effective October 11, 2022

<sup>(2)</sup> Ceased to be a member of the Committee due to retirement effective August 16, 2022

<sup>(3)</sup> Appointed as member of the Committee effective September 20, 2022 and Chairperson of the Committee effective January 9, 2023

### 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 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.

### 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 Practising 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.

### Whistleblower Policy

Our Company has a Whistleblower Policy in place to ensure and promote ethics, transparency and accountability. The whistleblower is a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Company's Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avails the mechanism.

### 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.

### General body meetings

Details of the last three Annual General Meetings are as follows:

Financial year ended	Date	Time	Venue	Special Resolution
March 31, 2022	August 16, 2022	5.30 p.m.	Held through video conferencing / OVAM	–
March 31, 2021	July 7, 2021	5.00 p.m.	Held through video conferencing / OVAM	Reappointment of Michael Gibbs as an independent director Reappointment of Gopal Devanahalli as an independent director
March 31, 2020	July 9, 2020	5.00 p.m.	Held through video conferencing / OVAM	To consider and approve the consolidation of equity shares of the Company

# Risk management report

Note: The risk-related information outlined in this section may not be exhaustive. The discussion may contain statements that are forward-looking in nature. Our business is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. If any of the risks materializes, our business, financial conditions or prospects could be materially and adversely affected. Our business, operating results, financial performance or prospects could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material. Readers are advised to refer to the detailed discussion of risk factors and related disclosures in our regulatory filings, and exercise their own judgment in assessing risks associated with the Company.

## Overview

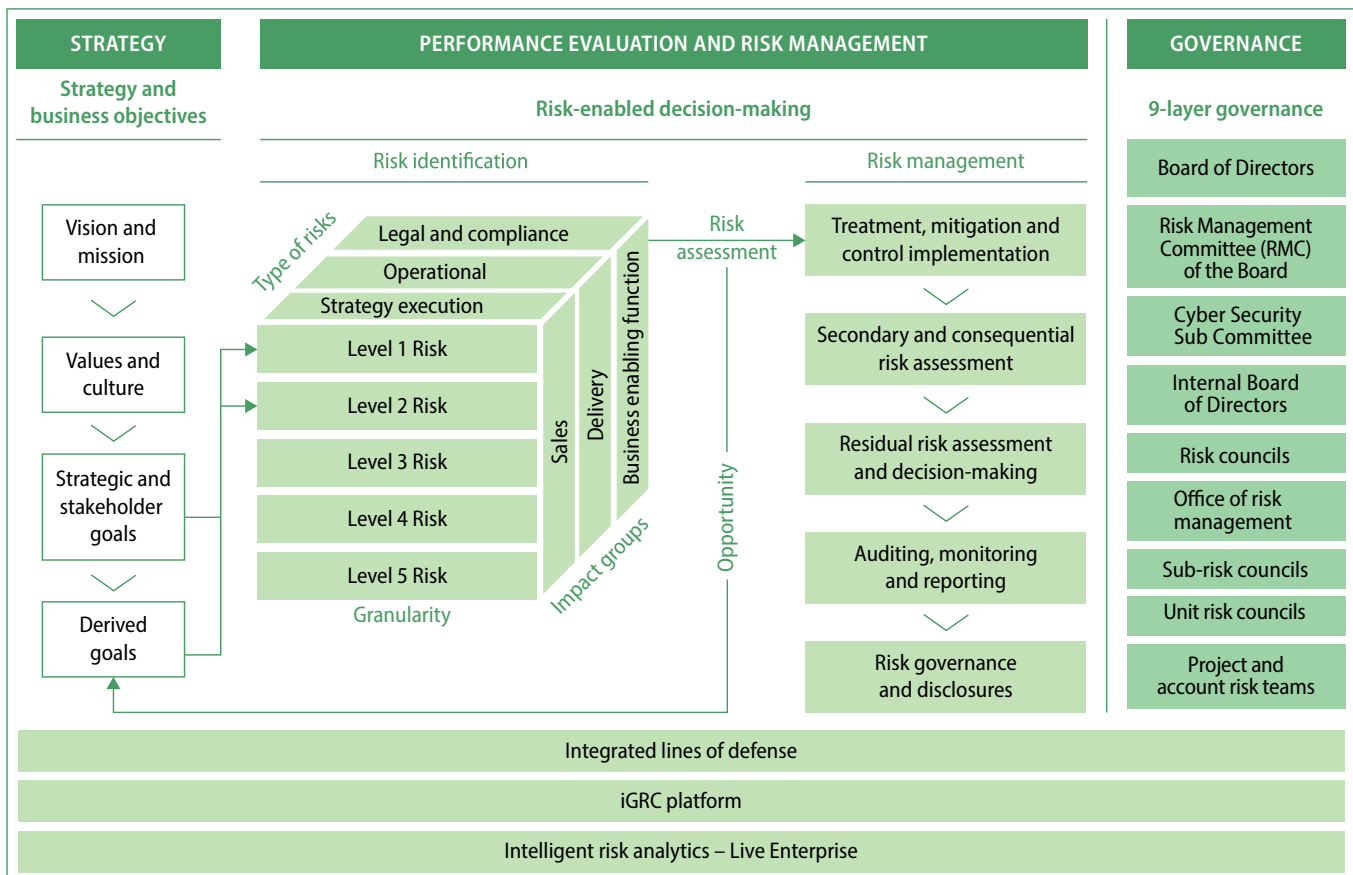
Our Enterprise Risk Management (ERM) function enables the achievement of the Company's strategic objectives by identifying, analyzing, assessing, mitigating, monitoring, and governing any risk or potential threat to these objectives. While this is the key driver, our values, culture and commitment to stakeholders – employees, customers, investors, regulatory bodies, partners and the community around us – are the foundation for our ERM framework.

The systematic and proactive identification of risks, and mitigation thereof, enables our organization to boost performance with effective and timely decision-making. Strategic decisions are taken after careful consideration of primary risks, secondary risks, consequential risks and residual risks. The ERM function also enables effective resource allocation through structured qualitative and quantitative risk impact assessment and prioritization based on our risk appetite. Our ERM framework encompasses all of the Company's risks 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 Limited has adopted the integrated risk management framework that is being implemented across the Group companies. The framework is based on international standards and tailored to suit business needs of Infosys Group including Infosys BPM Limited.

## Integrated Enterprise Risk Management Framework



## Risk Governance Structure

At the corporate level, leadership team lead led by the Chief Executive Officer are responsible for managing the risks. The Board of Directors (“the Board”) are responsible for monitoring the management of risks. Risks 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. Critical risks under different categories of risks at the group level are reviewed by Chief Executive 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, 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 the Group’s Strategic and Risk Council on a quarterly basis.
- Operational and legal and compliance risks at the subsidiary are routed to the Group’s operational risk council, and legal and compliance risk council which meet once a quarter.
- 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, the 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 2022-23 for details of Infosys integrated risks management framework.

## Risk management highlights of the year

During the year, our focus was on 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 the 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 and BGC), Philippines; Bengaluru, Mysuru, Hyderabad, Chennai (TRIL and TIDEL), Pune, Jaipur and Gurugram, India; Lodz, Wroclaw Poland; Brno, Czech Republic; Dalian and Hangzhou, China; Monterrey, Mexico; Belo Horizonte, Brazil; San Jose, Costa Rica; Arizona, Phoenix; Aguadilla, Puerto Rico; Dublin, Republic of Ireland; United Kingdom, Birmingham; Germany, Berlin and Australia, Sydney.



# Report on health, safety, and environment

At Infosys highest priority is accorded to safety and wellbeing of its employees & other relevant interested parties and environmental protection. The robust Health, Safety and Environmental (HSE) Management System at Infosys termed 'Ozone' has enabled certification to ISO 45001:2018 and ISO 14001:2015 standards. Our HSE policy enunciates our philosophy and commitment towards management of key HSE aspects and drives our efforts in this area globally. We ensure adherence to all applicable regulations globally.

## Health & Safety

At Infosys, we are committed to providing and maintaining a healthy, safe workplace by:

- Eliminating hazards and reducing risks
- Providing and maintaining safety equipment
- Appropriate, timely, and regular safety training

The Ozone initiative driven by management commitment, legal requirements and interested parties' expectations has not only enabled obtain basic assurance on the processes instituted through certifications or assessment but has also helped Infosys to be a leader in this area. 100% adherence to all applicable HSE-related statutory, legislative requirements is ensured in the regions where we operate. A process for governance at various levels is also established to ensure we comply to requirements globally. We consciously strive to ensure zero accidents, physical and emotional well-being, and safety of our stakeholders.

As Infosys is an IT / ITES company, there are no product risks but those related to provision of services like ergonomics, emotional wellbeing, risks associated with operation of utilities, commute, etc., We have established numerous initiatives, interventions, virtual sessions, and process controls to address them. Well-equipped occupational health centers / physiotherapy facilities are available at our campuses in India. Various interventions on physical and emotional wellbeing were enabled under the aegis of our SAFE initiative. Safety at the workplace is accorded one of the highest priorities at Infosys. We have always focused on building a culture of safety, emphasizing individual responsibility. Systems have been established, including work permits, trainings, LOTO (lockout/tagout), safety inspections, audits, operational controls, monitoring, audits and assessments and others. Gaps, learnings, deviations, findings if any are identified, controls implemented and tracked for effective closure. The effectiveness and adequacy of the HSE framework and its execution are subject to management reviews at defined frequencies.

## Occupational Health & Safety Committee

An Occupational Health and Safety (OH&S) Committee is set up in each Development Centre. This committee comprises of employee representatives of designated work groups. The OH&S committee brings employees and 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.

## Incident reporting and investigation

Incidents which include near misses / potential hazards / accidents are reported through various sources such as internal applications (AHD), mails, ambulance usage, first aid registers etc., Root causes of incidents are identified, analyzed and appropriate corrective actions are taken to avoid recurrence or occurrence of incidents leading to injuries / losses.

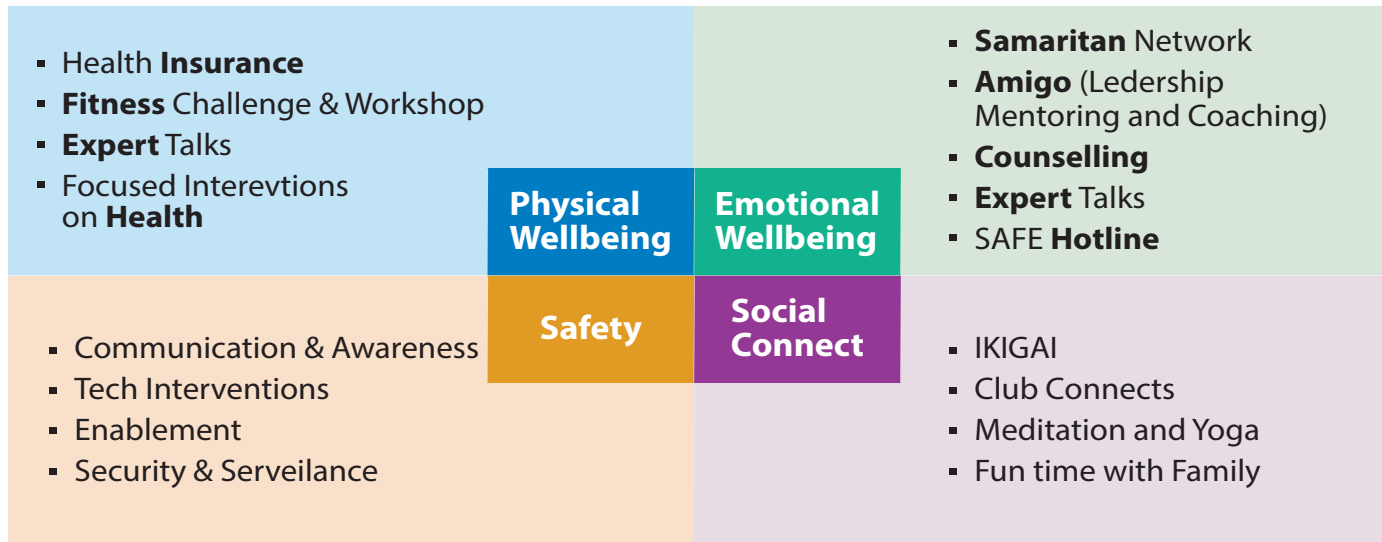
## SAFE - Secure affirmative fun environment

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 well-being 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. We have various offerings from SAFE in both the operating model

- On Campus – Health check up camps, fitness workshops, Expert session, Sports for health, Marathon /Walkathon etc 24/7 Medical center and so on, Face to face psychological consultation ,Emergency Support
- Virtual: Expert talks , Fitness challenge , Awareness campaign , 24/7 Online counselling support ,Emotional wellness sessions , Online emergency support etc

The objective of SAFE initiative at Infosys is to optimize the triad of employee health, quality of life and work environment, leading to a rise in employee productivity and morale, which in turn would sharpen the company's competitive edge in the marketplace. We therefore strive to create a safe and healthy work environment, promote positive lifestyle choices and provide resources to help employees maintain a healthy balance between work and life.

We have a variety of health-related resources and benefits within the ambit of our SAFE program with a clear focus towards employee well-being.



**Physical Wellbeing:**

We at Infosys take the well-being of our employees very seriously. We provide a wide range of wellness programs and initiatives to help our employees maintain and improve their physical health. We encourage them to participate in regular physical activities and exercises, such as yoga, aerobics, fitness classes, health screenings, health education classes, and access to nutrition counseling. We also offer mental health support programs and resources, as well as work-life balance initiatives to help employees manage their work and personal commitments.

- Health Interventions – “Greatest Health is Wealth”
  - Health Insurance: “Health and safety of our employees and their extended families have always been of utmost priority”

**For Employees:**

The Health Insurance Plan (HIP) at Infosys aims to minimize the financial risk arising out of sickness or injuries for employees & their immediate dependents. HIP aims to provide reasonable insurance protection which covers necessary Hospitalization expenses for the treatment of illness & injuries requiring in-patient Hospitalizations in Healthcare facilities such as Hospitals/Nursing Homes in India. Thus, securing good health and well-being.

**For Employees’ Families:**

Extended Health Insurance Policy (EFHIP) at Infosys aims to minimize the financial risk arising out of sickness or injuries to our employees parents and parents in law and siblings. EFHIP aims to provide reasonable insurance protection for Hospitalization expenses for the treatment of illness & injuries requiring in-patient Hospitalizations in Healthcare facilities such as Hospitals/Nursing Homes in India. Thus, securing good health and well-being.

- **Health & Wellness Centers:** These centers provide a variety of services, including health screenings, health-related seminars and workshops, health education, and group fitness classes. Employee safety is paramount and non-negotiable for us; therefore, we had taken extensive measures for employee safety. We had set up “Medical Center” inside our office premises across India DCs with access to 24/7 dedicated ambulance services, so that initial support could be provided to the employees. Our medical support staff is equipped with the required infrastructure to help employees with their health issues.
- **Health Camps** – An opportunity for employees to avail attractive discounts on health checks right in the comfort of their campus. These camps are sometimes extended to families as well.
- **Wellness Programs** - Our wellness program encourages employees to make healthy lifestyle choices and offers incentives such as discounted gym memberships, healthy snacks, and discounts on health-related products and services. All our locations have regular meditation and yoga classes after office hours to help employees manage stress.
- Employee Wellness Challenges - These challenges offer employees the opportunity to work toward common health-related goals.

“Healthy Mind Lies In Healthy Body” – At Infosys, its our constant endeavor to ensure the physical wellbeing of employees by introducing various types of wellness interventions.



## Emotional Well-being:

“It is an awareness, understanding and acceptance of our feelings, and our ability to manage effectively through challenges and change”. At Infosys, our biggest asset is our social capital. We believe if our employees are happy, the organization will grow organically. We invest in our employees and work daily to make their experience better. SAFE at Infosys, works as our well-being buddy in the organization. Each area of our well-being has the potential to impact other areas. Many research studies focus on how poor mental well-being negatively impacts physical health — leading to an increased risk of cancer, heart disease, and respiratory disease. Thus, it becomes important to work together on this.

Emotional Wellbeing at SAFE, carter offers which helps our employees to grow, help and reflect on employees mental wellbeing, which in turn gives employee a happy mind. Our employees get the overall support from mental health experts, Live webinars with leading professionals, Recorded platforms. We ensure engaging employees in mental health content, Self-care and engagement programs. Based on the interventions received by the inhouse counsellors report to address the issues reported, we organized weekly Emotional Wellbeing Sessions. We also organized the Doctors' Sessions for giving awareness & preventive measures related to various health aspects which included COVID related sessions, Cardiology, Gynecology, Pediatric, Ophthalmology, General Medicine, Ergonomics and may more. We touched based not only employees but also their families with 400+ Mindfulness Sessions, 100+ Webinar Series from Experts and Live session on the production floors. We have wide range of emotional wellbeing programs for our employees and below are some of Flagship Emotional Wellbeing Programs:

- **Exclusive Senior Management Wellness Program:** A healthy manager will be more likely to foster a healthier, more positive work environment for their team and create an atmosphere of open communication and collaboration. Therefore, as part of it we introduced 3 unique interventions Manager Wellness Program, Manager Assistance Program and Amigo.
  - Wellness sessions for leaders, Healthy Habits, Health challenges and Health Check Surveys are some of the important highlights of this program
  - Amigo-Leadership Guide and Mentorship Program - Understanding the need for identifying and supporting emotional needs of leaders and Exclusive leadership mentoring program was created, which is launched keeping leaders at the focal point who are mentored by the title holders
  - Samaritans: It is a peer-to-peer counselling program. Samaritan network is an initiative focusing on the emotional well-being of our employees. Samaritans are our own employees who are trained by professional counselors and are well-equipped to counsel and help our employees with managing personal problems, interpersonal ineffectiveness, work life balance and work-related issues.
- **Counseling Services:** This is a 24/7 facility being provided to our employees facing psychological problems having instant access to a trained professional. We have a network of professional counsellors and they have been traditionally providing professional counselling, both face-to-face and on-call, in times of crisis. However, post-pandemic, we moved to digital counselling platforms where employees could get on video calls with counsellors to discuss their issues 24x7. We also provided one on one counselling facilities free of cost, to the families of employees who tested COVID +ve, to provide them respite during distressing times. It has helped several cases to be addressed before they could get worse.
- **Mental Health:** Mental health is an important component of overall health and well-being and is critical to the success of any workplace. At Infosys we prioritize the mental health of our employees through activities that promote physical and mental well-being. We initiated various programs like handling of Relationship issues, Power of Optimism, Session on Mind and Body Connect, overcoming self-doubts including awareness to help employees understand the importance of mental health and how to recognize signs of stress and anxiety. The program also provided tips on how employees can take care of their mental health and provides access to mental health resources.

Having good emotional wellbeing helps employee to be more resilient when faced with challenging situations and can lead to improved job satisfaction. We at Infosys BPM have avenues for employees to connect with one another, access mental health resources, and find ways to stay healthy and engaged in their work.

## Environment

Conservation of resources has been our focus to be progressively self-sustainable, to reduce operational costs, and an important first step towards reducing our carbon footprint. Increased adoption of renewable energy in our operations have helped in reducing our emissions, and high-impact carbon offset projects have enabled us to offset unavoidable emissions.

Energy: Various retrofits were undertaken during the year which includes:

- Lighting: Replaced 1294 CFLs with LED Lighting fixtures at Pune
- Fresh Air Retrofits projects: To enhance indoor air quality retrofits were undertaken at Pune
- UPS: Replacement of conventional UPS to modular UPS- achieved around 57.69% of load reduction based on load factor at Bangalore
- Refrigerants with GWP: Replacement of R22 units to R32 units at Bangalore and reduced the capacity of AC units on utilizing the HVAC on all floors.

- **Renewable Energy:** We have a total capacity of 60 MW of solar PV, including rooftop and ground-mounted systems. We continue to pursue green power purchase from third-party power producers and continue working with governments to enable favourable policies for scaling up green power by corporates in India.

**Water management:** Reduce, Recycle and Reuse of water through demand side measures and implementing efficient technology has enabled freshwater conservation. We focused on roof top rainwater harvesting during the year across campuses which substantially reduces our dependency on external sources of water and have a positive impact on the water table, thereby benefiting the surrounding communities. We have also implemented state of the art sewage treatment plants of tertiary treatment capabilities, which enables zero discharge of wastewater from our campuses.

**Waste management:** Infosys adopts the most sustainable model for waste management i.e. Circular Economy, emphasized on usage of the material incorporating aspects of Reduce, Reuse, Recycle, Refuse, Reduce, Repurpose. We seek to uphold our ambition of "Zero Waste to Landfill" through active minimization combined with technology investment in recycling and streamlining systems and processes, TRUE certification aimed at diversion of all non-hazardous solid waste from the landfill. We focussed on diversion of some of the identified waste going for incineration to co-processing, which refers to the simultaneous recycling of mineral materials and recovery of energy within one single industrial process of cement production. Generally, the waste which cannot be reused or recycled and has high calorific value is selected for co processing.

**Carbon offsets:** After reducing and avoiding emissions to the maximum extent possible, there are unavoidable emissions that need to be addressed through the carbon. Infosys continues to identify projects that have a high social impact – improving health and livelihoods of rural families, creating rural jobs, etc., and along the way, also generating carbon offsets for the company. Our unique offset program is certified to the highest level (Gold Standard) in terms of authenticity and transparency, and considered to be of high quality. This year, we added new cookstove projects in Rajasthan, and Biogas projects in Maharashtra and Karnataka. While the cookstove projects improve health of residents of the households through low-smoke, low-firewood usage option, the household biogas units benefit the families by minimizing the fuel cost and utilizing cattle manure. Our carbon offset program is spread across 6 states in rural India, and is expected to benefit about 240,000 rural families, and create over 2800 rural jobs.

### **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.

### **HSE Awareness**

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.

# Management's discussion and analysis of Financial Condition and results of operations- Year ended March 31, 2023.

## Overview

Infosys BPM Limited, a wholly owned subsidiary of Infosys Limited (NYSE: INFY) was established in April 2002. We offer integrated end-to-end transformative business process management (BPM) services and have traversed the table stakes of performance and efficiency with a growing emphasis on improving stakeholder experience and empathy. Over the last couple of decades, we have grown into a truly global organization, with a diverse, inclusive, and talented pool of over 56,900 employees across 124 nationalities, operating from 39 delivery centers spread across 12 countries – as of March 2023.

We have a substantial global client base, spanning a gamut of industries with deep domain expertise across multiple enterprise services. We leverage our digital services across several industry solutions and vertical platforms, combining the best of digital technology and people skills.

As a trusted transformation partner, we help our clients to unlock business value by enabling them to navigate the next. We utilize innovative business excellence frameworks, ongoing productivity improvements, process reengineering, automation, digitalization, and cutting-edge technology platforms – to enable end-users to achieve cost reduction objectives, improve process efficiencies, and enhance effectiveness, with an ever-increasing focus on delivering superior customer experience, with empathy.

## Our Business

Infosys BPM Limited was incorporated on April 3, 2002 as Progeon Limited, and was subsequently renamed as Infosys BPO Limited on August 29, 2006. The company name was then changed to Infosys BPM Limited on December 18, 2017, symbolizing the paradigm shift in the nature of services that we offer through our holistic approach of delivering end-to-end transformative BPM services.

At Infosys BPM, we enable clients to experience their next by delivering business value through deep domain expertise and technology prowess, leveraging our global delivery model to offer onshore, offshore and nearshore services to clients. We have augmented and amplified our growth through our innovative operating, pricing, and talent models - based on scalable and predictable delivery platforms. Through our unique approach of integrating employees with business domain expertise and technology, we continue to co-create business value and enhance experience for our clients and our employees.

We are committed to helping our clients reimagine their businesses, with our best in class, next generation digital services across a wide range of industries (verticals) and service lines (horizontal). Our horizontal primarily include Finance & Accounting (F&A), Sourcing & Procurement (S&P), Sales & Fulfillment (S&F), Customer Service (CS), Human Resource Outsourcing (HRO), Legal Process Management (LPM), Digital Interactive Services (DIS), Digital Transformation Services (DTS), BPM Analytics (AT), Robotic Process Automation

(RPA), Annotation Services, Learning Services, Master Data Management, Geospatial Data Services and Business Process as a Service (BPaaS). Our verticals include Manufacturing, Retail, CPG & Logistics, Financial Services, Healthcare, Insurance & Life Sciences Services, OEMs, Utilities & Energy, Resources, Communications, Media & Entertainment and Edutech Services.

We believe in continuously building a business mix that allows us to provide long-term and consistent benefits to our clients. Our objective is to enable our clients to move up the growth curve, by effectively managing and mitigating any risks and delivering enhanced business value, leveraging our deep process management skills and widespread experience. In addition to cost arbitrage, Infosys BPM consistently demonstrates value arbitrage with enterprise-wide improvements in client operations, based on diverse best practices and consultative digital solutions. Since its inception, Infosys BPM has focused on end-to-end outsourcing and operates on the principle that true BPM is transformational.

## Financial Condition & 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 an accrual basis, except for certain financial instruments, which are measured at fair value. 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 has been undergoing a paradigm shift in terms of business value delivery models and enhanced customer experiences. This change has further been triggered due to a global-level digital disruption that is now at its peak across processes and domains. Companies have been increasingly focusing on transforming their end-to-end processes with more accurate outcomes, more so for repetitive tasks.

This digital disruption has encouraged us to move further ahead on the journey of digitalization, automation, and artificial intelligence by increasingly taking on projects that enable transformation not just for our clients but for us as well. To thrive on these huge shifts, Infosys BPM is leveraging the Live Enterprise approach and has highly skilled and experienced domain professionals who can execute and deliver on high-impact client imperatives, leveraging our niche and customized solutions.

The new business process management will be focused on the inverted work triangle – from manual work to fully automated work, all combined, cohesively and coherently bringing about the change that will further enable end-to-end business transformation. Integrated solutions incorporating internal

technologies and external partners, including cloud-based technology platform solutions as well as analytics tools and technologies, will increasingly be the way forward. Renewed business process management will be about augmented focus on enhanced business value delivery to ensure superior stakeholder experience.

### 1. Enabling clients to navigate their digital journey

Technology is taking center stage, especially through platform-based services that integrate various digital elements into a holistic ecosystem, enable a seamless flow of data, improving the experience and real-time decision-making. Moving beyond piecemeal use of technology for digital adoption at scale through an integrated digital capabilities platform would enable better analytics and AI deployment at the core. Our clients' customers are increasingly using multiple digital channels and technologies to interact with each other, thereby exponentially increasing the digital touchpoints and complexities service providers need to take care of. Over the last two decades, we at Infosys BPM have partnered with clients across industries, enabling them to accelerate their digital journey through our Digital Navigation Framework, leveraging the best of digital technology and the cloud along with business domain expertise, design thinking and data contextualization. This helps our clients innovate their business models across their industry, enterprise processes, technology, people and partner ecosystems.

### 2. AI First with Humanware (Humanware= People + Software)

Disruptive technologies like AI have changed how we live, work and interact with technology. With the recent advent of generative AI, the landscape is evolving at an unprecedented pace, which has garnered a lot of interest in the IT/services industry. At Infosys BPM Limited, we look at AI as an amplifier of human potential that would create tools and assistance for our clients and us that would help to work better, unlocking information between documents and databases with applied AI platforms that can abstract capability across platforms and contribute even further to enabling a sentient agile enterprise responding in real-time to demand signals across the value chain.

### 3. Operating & Talent Model

The BPM industry is diversifying its delivery footprints, moving into a distributed delivery operating model and reducing reliance on mega hubs. Operating models are also changing in tandem with the talent movement. Digital talent supply across key digital skills such as cloud computing, AI, big data analytics and internet of things (IoT) is an upcoming trend unlocking hybrid and remote working global opportunities. Demand for data science and AI skills is high, the time and effort needed to build an in-house talent pool acts as a barrier as BPM players are competing with the IT industry for the same talent pool.

### 4. Leveraging vertical utilities

There is a huge opportunity to help clients with more complex, industry-specific work that goes beyond the traditional process requirements while promising a consistent stakeholder experience throughout all interactions. The future of BPM lies in domain specialisation, better operational performance and productivity for clients with industry specific requests. Our industry specific services include: Wealth Management; Actuarial

Services; Manufacturing Reporting; Royalties Management; Social Media Management; Pricing Support; Investment Banking; Fraud Management; Asset Data Enrichment, to name a few. We leverage McCamish Insurance Utilities (VPAS and NGIN policy admin platforms, new business and underwriting platform from STEP), Stater Mortgage platform, Infosys NIA™ the Company's first-generation AI platform for our CXOs.

### 5. Pricing structure- commercial models

With customers looking to gain share and expectations from enterprises to bring more business value, commercial models are seeing a change in the pricing structure of deals, with the majority of deals moving to outcome-based pricing (combining tech, process, people and analytics). Opportunity unfolds for service providers to drive value realization, value-based commercial models with a focus on verticalized use cases.

## II. Financial condition:

Refer to the *Standalone and Consolidated financial statements* in this Integrated Annual Report for detailed schedules and notes.

### Financial Position as on March 31, 2023 at a glance:

#### 1. Equity Share Capital

We have one class of shares referred to as equity shares having a par value of ₹ 10,000 each.

The Board of Directors, in their meeting held on January 08, 2020, considered and approved the scheme of consolidation of authorized, issued, subscribed and paid-up equity shares by increasing the par value of the equity shares from ₹ 10 each to ₹ 10,000 each such that every 1,000 equity shares with par value of ₹ 10 each held by a member are consolidated and re-designated into 1 equity share with par value of ₹ 10,000.

#### 2. Other equity

The movement in retained earnings was on account of profit earned during the year and payment of dividends. On a standalone basis, other components of equity decreased due to fair value changes on investments and remeasurement of the net defined benefit liability/asset.

#### 3. Property, plant and equipment

Additions to gross block were on computer equipment and infrastructure investments which comprises of Leasehold improvements, Plant and machinery, Furniture & fixtures, Buildings and Office equipment.

#### 4. Goodwill and other intangible Assets

There was no addition to goodwill and other intangible assets in the current year.

#### 5. Financial assets

##### A. Investments

On a standalone level, during the year, we invested additionally in our subsidiary (Infosys BPM UK Limited) for operations and expansions.

Refer to *Annexure 1* to the *Board's report* for the statement pursuant to Section 129(3) of the Companies Act, 2013, for the summary of the financial performance of our subsidiaries. The audited financial statements and related



information of subsidiaries will be available on our website, at [www.infosysbpm.com](http://www.infosysbpm.com).

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

### **B. Trade Receivables and unbilled revenues**

Trade receivables and unbilled revenues are typically unsecured and are derived from revenue earned from customers located globally. On a consolidated basis, Days Sales Outstanding was 62 days, compared to 67 days in the previous year.

### **C. Cash and cash equivalents**

Our cash and cash equivalents comprise deposits with banks and financial institutions. 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 project-related expenditure of the overseas operations and regulatory requirements.

### **D. Loans**

We provide personal loans and salary advances to employees and loans to subsidiaries as per business requirements on a need basis.

### **E. Other financial assets**

Restricted deposits represent amounts deposited with financial institutions to settle employee-related obligations as and when they arise during the normal course of business. Unbilled revenues are classified as financial assets as the right to consideration is unconditional and is due only after the passage of time. Foreign currency forward and options contracts are entered into to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

### **6. Other assets**

Unbilled revenues are classified as non-financial assets, where the right to consideration is dependent on the completion of contractual milestones. Unbilled revenues increase is mainly attributable to complex and integrated large deals. Withholding taxes and others represent local taxes payable in various countries in which we operate. Deferred contract cost mainly comprises the cost of obtaining a contract and the cost of fulfilling a contract recorded in accordance with Ind AS 115, Revenue from Contracts with Customers.

### **7. Deferred tax assets / liabilities**

Deferred tax assets primarily comprise deferred taxes on property, plant and equipment, accrued compensation to employees, lease liabilities, trade receivables, compensated absences, post sales client support, carry forward losses, tax subsidies and others. Deferred tax liability primarily comprises of intangibles and others.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base 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**

Our net profit earned from providing business process management and other services outside India is subject to tax in the country where we perform the work. Most of our taxes paid in countries other than India can be claimed as credit against our tax liabilities in India.

### **9. Financial liabilities**

Liabilities for accrued compensation to employees include 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. The expected cost of accumulating compensated absences is determined by actuarial valuation. Other financial liabilities include financing arrangements entered into by the company with a third party towards deferred contract cost assets.

Financial liabilities (except foreign currency forward contracts and compensated absences) are carried at amortized cost using the effective interest method. Trade and other payables maturing within one year from the balance sheet date are carried at fair value due to the short maturity of these instruments. Foreign Currency forward contracts are amortized through profit and loss.

### **10. Other liabilities**

Withholding and other taxes payable represent local taxes payable in various countries in which we operate. Invoicing in excess of revenues are classified as unearned revenues. We provide for gratuity, a defined benefit retirement plan ("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.

### **11. Provisions**

The company provides its clients with fixed-period post sales support on 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 Statement of Profit or Loss. The company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

### **12. Lease**

Additions mainly comprise lease of computers and building taken on lease.

### III. Results of our operations:

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

Particulars	in ₹ crore			
	Year ended			
	31-Mar-23	%	31-Mar-22	%
Revenue from operations	7,529	100.0	6,684	100.0
Cost of Revenue	5,800	77.0	5,137	76.9
Gross profit	1,729	23.0	1,547	23.1
Selling and marketing expenses	266	3.5	204	3.1
General and administrative expenses	497	6.6	371	5.6
Operating profit	966	12.8	972	14.5
Other income	189	2.5	292	4.4
Finance cost	32	0.4	29	0.4
Profit before tax	1,123	14.9	1,235	18.5
Tax expense	277	3.7	275	4.1
Profit after tax	846	11.2	960	14.4

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

Particulars	in ₹ crore			
	Year ended			
	31-Mar-23	%	31-Mar-22	%
Revenue from operations	12,997	100.0	11,004	100.0
Cost of Revenue	10,535	81.1	8,798	80.0
Gross profit	2,462	18.9	2,206	20.0
Selling and marketing expenses	286	2.2	235	2.1
General and administrative expenses	739	5.7	592	5.4
Operating profit	1,437	11.1	1,379	12.5
Other income	223	1.7	238	2.2
Finance cost	65	0.5	45	0.4
Profit before tax	1,595	12.3	1,572	14.3
Tax expense	369	2.8	397	3.6
Profit after tax	1,226	9.4	1,175	10.7

#### 1. Revenue

Of the total revenues for the year ended March 31, 2023, on a standalone basis, approximately 94.9% were export revenues, whereas 5.1% were domestic revenues, as compared to 95.5% being export revenues and 4.5% being domestic revenues during the previous year.

Of the total revenues for the year ended March 31, 2023, on a consolidated basis, approximately 96.9% were export revenues, whereas 3.1% were domestic revenues, as compared to 97.2% being export revenues and 2.8% being domestic revenues during the previous year.

Revenues for the current year increased by 12.6% and 18.1% on a standalone and consolidated basis respectively as compared to the immediately preceding year. The increase in revenues was primarily attributable to an increase in digital revenues, deal wins including large deals and volume increases across most of the segments.

##### 1.1 Analysis of Revenues

The company's revenues are segregated 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 development centers.

The details of revenues are as follows:-

Particulars	in %			
	Standalone		Consolidated	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Onsite	43.9	44.5	67.8	66.8
Offshore	56.1	55.5	32.2	33.2
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.

The Revenue from digital and core services for fiscal 2023 and 2022 as follows :

Particulars	in ₹ crore		
	Consolidated		% Increase
	As at March 31,		
	2023	2022	
Digital Revenue	3,753	2,242	67.4
Core Revenue	9,244	8,762	5.5
Total	12,997	11,004	

Revenue growth in reported terms includes the impact of currency fluctuations. We, therefore, additionally report the revenue growth in constant currency terms, which represents the real growth in revenue excluding the impact of currency fluctuations. We calculate constant currency growth by comparing current period revenues in respective local currencies converted to INR using prior-period exchange rates and comparing the same to our prior-period reported revenues. Our revenues in reported currency terms for fiscal 2023 is US \$ 1,611.7 million, a growth of 9.2%. Our revenues for fiscal 2023 in constant currency grew by 11.1%.

### 1.2 Revenues by Project Type

The company's revenues are generated principally on time and material, unit of work basis and fixed price contracts. Revenue from time-and-material and unit of work based contracts are recognized when the related services are performed. Fixed price business process management services revenue is recognized ratable either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the group costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed price, fixed-time frame contracts, where the performance obligations are satisfied over time is recognized using the percentage of completion method.

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

Particulars	in %			
	Standalone		Consolidated	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Fixed price	24.5	24.0	31.6	34.2
Time and material	75.5	76.0	68.4	65.8
Total	100.0	100.0	100.0	100.0

### 1.3 Voice Vs 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, 2023, the voice and non-voice proportion was at 12:88 whereas for the previous year, the voice and non-voice proportion was 10:90. On a consolidated basis, for the current year ended March 31, 2023, the voice and non-voice proportion was at 8:92 whereas for the previous year, the voice and non-voice proportion was 6:94.

## 2. Expenditure

### Cost of sales

Consultancy charges represent the cost of sub-contractors used for operational activities. The company uses these consultants mainly to meet mismatch in certain skill-sets that are required in various projects and will continue to use external consultants for some of its project work on a need basis. Consultancy charges includes cross charge levied by Infosys Ltd. and group companies for services provided to IBPM. Professional charges primarily relate to payments made for legal charges, translation charges, etc. It also includes consultant charges towards recruitment of sales personnel.

The cost of efforts, comprising employee cost and cost of technical sub-contractors, has decreased as a percentage of revenue from 68.3% in fiscal 2022 to 67.7% in fiscal 2023 on a standalone basis and decreased from 56.9% in fiscal 2022 to 53.7% in fiscal 2023 on a consolidated basis.

### Selling and marketing expenses

The selling and marketing expenses on standalone and consolidated basis have increased as a percentage of revenue during fiscal 2023 to 3.5% from 3.1% in fiscal 2022, and 2.2% during fiscal 2023 from 2.1% in fiscal 2022, respectively, mainly on account of increase in marketing expenses offset by decrease in brand building and travelling expenses.

### General and administration expenses

The general and administration expenses on standalone and consolidated basis have increased as a percentage of revenue during fiscal 2023 to 6.6% from 5.6% in fiscal 2022, and 5.7% during fiscal 2023 from 5.4% in fiscal 2022, respectively, mainly on account of increase in office maintenance offset by decrease in bank charges and communication expenses.

## 3. Other income and finance cost

Other income primarily includes income from investments, gain/loss on investments, foreign exchange gain / loss on forward and options contracts and foreign exchange gain / loss 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. We use foreign exchange forward and options contracts to hedge our exposure against movements in foreign exchange rates. Finance cost are on account of leases. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

## 4. Provision for tax

The present Indian corporate tax rate is 25.17% (comprising a base rate of 22.0% and a surcharge of 10.0% on the base rate and an educational cess of 4.0% on the cumulative tax). New Income tax regime as per The Taxation Laws (Amendment) Act, 2019 is opted by the company from Financial Year 2022-23 onwards.

Provisions for taxation represent estimated income tax liabilities, both in India and abroad. On a standalone basis, for the year ended March 31, 2023, provision for taxation amounting to ₹ 293 crore and deferred tax assets of ₹ 16 crore were recognised. Effective Tax Rate for the current year is 23.1 % as compared to 25.3 % for the previous year. Effective tax rate is generally influenced by various factors, including differential tax rates, non-deductible expenses, exempt non-operating income, overseas taxes, benefits from SEZ units, tax reversals and provisions pertaining to prior periods primarily on account of adjudication of certain disputed matters, filing of tax return and completion of assessments, across various jurisdictions.

On a consolidated basis, for the year ended March 31, 2023, provision for taxation amounts to ₹ 484 crore and deferred tax assets of ₹ 115 crore were recognised. Net impact of provision for taxation for different period is as follows.

Particulars	in ₹ crore			
	Standalone		Consolidated	
	As at March 31,	2022	As at March 31,	2022
	2023		2023	
Current taxes	293	252	484	385
Deferred taxes	(16)	23	(115)	12
Total	277	275	369	397

## 5. 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 with 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. This is discussed in detail in Note 2.25 to the Consolidated financial statements in this Integrated Annual Report.



## Business Segment – Consolidated

in ₹ crore

Particulars	FA <sup>(1)</sup>	IS <sup>(2)</sup>	CS <sup>(3)</sup>	S&F <sup>(4)</sup>	S&P <sup>(5)</sup>	DB <sup>(6)</sup>	MCM <sup>(7)</sup>	Others	Total
Segmental revenues									
2023	1,661	2,147	1,368	1,200	353	813	3,803	1,652	12,997
2022	1,394	2,131	1,100	979	329	681	3,090	1,300	11,004
Segmental operating income									
2023	309	593	(57)	330	32	132	365	135	1,839
2022	287	504	(43)	225	66	107	389	144	1,679
Segmental operating income (%)									
2023	18.6%	27.6%	-4.2%	27.5%	9.1%	16.2%	9.6%	8.2%	14.1%
2022	20.6%	23.7%	-3.9%	23.0%	20.1%	15.7%	12.6%	11.1%	15.3%

<sup>(1)</sup>Finance & Accounts

<sup>(2)</sup>Industry Solutions

<sup>(3)</sup>Customer Service

<sup>(4)</sup>Sales & Fulfilment

<sup>(5)</sup>Sourcing & Procurement

<sup>(6)</sup>Digital Business

<sup>(7)</sup>McCamish

## Geographic Segment - Consolidated

in %

Particulars	North America	Europe	Others*	Total
Segmental revenues				
FY'23	8,552	3,390	1,055	12,997
FY'22	7,715	2,427	862	11,004
Growth %	10.8	39.7	22.4	18.1

\* 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, 2023 the company had cash and cash equivalents of ₹ 303 crore as compared to ₹ 1,497 as at March 31, 2022. The cash and cash equivalents decreased by ₹ 1,194 crore during the current year. On a consolidated basis, as at March 31, 2023 the company had cash and cash equivalents of ₹ 1,761 crore as compared to ₹ 2,089 as at March 31, 2022. The cash and cash equivalents decreased by ₹ 328 crore during the current year mainly due to payment of dividend and investment in financial assets.

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 detail in Note 2.23 to the *standalone financial statements* in this Integrated Annual Report.

## 14. Events occurring after the Balance Sheet date

There were no significant events that occurred after the Balance Sheet date apart from the ones mentioned in 'Material changes and commitments affecting financial position between the end of the fiscal and date of the report' in the *Board's report*.

## IV. Opportunities & threats:

### 1. Our strengths

Infosys BPM Limited 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 39 delivery centers with 13 in India, 5 in APAC, 16 in Europe, and 5 in the US. Client stickiness, deep, lasting client relationships and a strong brand name have helped us establish as the employer of choice. 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 a superior customer experience.

## 2. Our strategy

Infosys BPM Limited seeks to differentiate itself in the market by navigating clients to experience their next 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 consistently scaled and sustained profitable growth through our digitalized service delivery, innovative operating, pricing and talent models. Through our integrated 'business domain people + software = 'humanware' approach we continue to co-create business value and enhancing experience for our clients and our employees.

Through our focus on reskilling our humanware, Infosys BPM Limited fulfils its increasing need for highly skilled talent who are domain professionals and execute initiatives that the client values. Through our traditional services and digital service offerings we provide consultative solutions to our clients, thus helping us enhance stakeholder's experience.

## 3 Our competition

We operate in a highly competitive and rapidly changing market. At one end of the spectrum, we compete with consulting firms and divisions of large multinational technology firms. Besides these, we directly compete with core Business Process Management players. 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.

## V. 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:

- Delays in client decision-making, conservative discretionary spending except for digital transformation, transactions being placed on hold or abandoned, and client productivity benefit requirements with ongoing pricing pressure.
- Our revenues are heavily reliant on clients mostly based in the US and Europe, as well as clients focused on certain industries. A downturn in the economy or industry in these locations may have an impact on our operations.
- Some of our clients are impacted by ongoing supply chain disruption which has been exacerbated by the war in Ukraine.

- While sector-specific and geo-specific nuances continue to exist due to macroeconomic parameters, we see muted demand across some geos and segments.
- Pricing pressure in new contracts (especially large deals) is due to aggressive competition and wage-inflation.
- Our revenues and expenses are difficult to predict and can vary significantly from period to period. We may not be able to maintain our historical profit margins or levels of profitability.
- The economic environment, pricing pressure and decreased employee utilization rates could potentially negatively impact our revenues.
- 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.
- Revenues are also dependent on net client addition by continuing to mine existing clients and maintaining the revenue level on a sequential basis.
- 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 weaken to anticipate and develop new services in order to keep pace with rapid changes in technology.
- 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.
- Wage pressures in India and the hiring of employees outside India may prevent us from maintaining our competitive edge and diminish our profit margins.
- Terrorist attacks or a war could adversely affect our business, results of operations and financial condition.
- Exposure to currency exchange rate variations in the various currencies in which we conduct business, including the possible impact of the Russian-Ukraine war, increasing inflation, high interest rates, and economic recessionary trends.
- Our capacity to make correct estimates and assumptions while preparing our consolidated financial statements.

## 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.

# Ratio Analysis

Particulars	2022-23	2021-22
<b>Ratios- Financial Performance (%)</b>		
Gross profit / Revenue	18.9	20.0
Cost of sales / Revenue	81.1	80.0
Selling and Marketing Expenses / Revenue	2.2	2.1
General and administrative expenses / Revenue	5.7	5.4
Selling and marketing, general and administrative expenses/ Revenue	7.9	7.5
Aggregate employee costs / Revenue	50.1	51.8
Operating profit (PBIDAT) / Revenue	14.1	15.3
Operating profit / Revenue	11.1	12.5
Other Income / Revenue	1.7	2.2
Profit before tax / Revenue	12.3	14.3
Tax / Revenue	2.8	3.6
Effective tax rate - Tax / PBT**	23.1	25.3
Profit after Tax/ Revenue	9.4	10.7
<b>Ratios - Balance Sheet</b>		
Days Sales Outstanding (DSO)	62	67
Consolidated Cash and investments / total assets %	32.8	33.0
Consolidated Cash and investments / Revenue %	33.7	34.6
Operating Cash Flows / Revenue %	15.6	8.5
<b>Ratios- Return (%)</b>		
ROE (PAT / Average Equity)	19.7	19.1
<b>Ratios- Growth (%)</b>		
Revenue	18.1	24.4
Operating Profit after Depreciation and Interest	2.8	29.3
Net Profit	4.3	29.4
Earning Per Share- Basic*	4.3	29.4
Earning Per Share- Diluted	4.3	29.4

Note: The ratio calculations are based on consolidated IND AS financial statements

\* 1. Weighted average number of shares are used in computing earning per share

2. Par value of the shares has been increased from Rs.10/- to Rs.10,000/- with effect from January 03, 2022 due to consolidation of share capital

\*\* Effective tax rate is as per financials

## CEO and CFO certification

The Board of Directors

Infosys BPM Limited, Bengaluru

Dear members of the Board,

We, Anantharaman Radhakrishnan, Chief Executive Officer and Managing Director, and Vasudeva Maipady, 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, 2023, 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, 2023.
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.

Bengaluru  
April 11, 2023

Sd/-  
Anantharaman Radhakrishnan  
Chief Executive Officer and Managing Director

Sd/-  
Vasudeva Maipady  
Chief Financial Officer

# Standalone Financial Statements under Indian Accounting Standards (Ind AS) for the year ended March 31, 2023

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# Independent Auditor's Report

To the members of Infosys BPM Limited

## Report on the Audit of the 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, 2023, 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 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 2023, and its profit, Total Comprehensive Income, Changes In Equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

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

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the 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, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 Flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer to Note 2.22 of the 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 - Refer to Note 2.15 of the standalone financial statements. The Company did not have any long-term derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 2.4 to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. As stated in Note 2.11 to the standalone financial statements
    - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act as applicable.
    - (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
    - (c) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software, which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration Number: 117366W/W-100018)

**Gurvinder Singh**  
Partner  
Membership No. 110128  
UDIN: 23110128BGRDEF7140

Place: Bengaluru  
Date: April 11, 2023



## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Infosys 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”)

We have audited the internal financial controls over financial reporting of Infosys BPM Limited (the “Company”) as of March 31, 2023 in conjunction with our audit of the standalone Ind-AS financial statements of the Company for the year ended on that date.

### Management’s responsibility for internal financial controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor’s responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements 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 ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls with reference to standalone financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

### Meaning of internal financial controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

### Inherent limitations of internal financial controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls statements issued by the ICAI.

### For Deloitte Haskins & Sells LLP

*Chartered Accountants*

(Firm Registration Numbe: 117366W/W-100018)

### Gurvinder Singh

*Partner*

Membership No. 110128

UDIN: 23110128BGRDEF7140

Place: Bengaluru

Date: April 11, 2023

## Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infosys BPM Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment, right-of-use of assets and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.  
(B) The Company does not have intangible assets. Hence, reporting under clause 3(i)(a)(B) of the Order is not applicable.
  - (b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the verifiable assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right on use assets were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which the building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under property, plant and equipment are held in the name of the Company as at the Balance Sheet date.
  - (d) The Company has not revalued any of its property, plant and equipment (including Right-of-Use assets) during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the order is not applicable.
- iii. The Company has made investments in, companies, and granted unsecured loans to other parties, during the year, in respect of which:
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under paragraph 3(iii)(a) of the order is not applicable.
  - (b) In our opinion, the investments made and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation.
  - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the Balance Sheet date.
  - (e) No loan granted by the Company, which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
  - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts, which are deemed to be deposits. Hence, reporting under clause 3(v) of the order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub Section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the order is not applicable to the Company.
- vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the statute	Nature of dues	Amount in Crores	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	15	AY 2011-12, AY 2016-17 and AY 2017-18	Commissioner (Appeals)
The Income Tax Act, 1961	Income Tax	–*	AY 2008-09 to AY 2010-11, AY 2012-13, AY 2013-14, AY 2015-16, AY 2016-17	Assessing Officer
Finance Act, 1994	Service Tax	101	FY 2004-05 to FY 2011-12, FY 2014-15 to FY 2017-18	Customs Excise and Service Tax Appellate Tribunal
The Rajasthan Sales Tax Act, 1994	Value Added Tax	–*	FY 2017 -18	Joint Commissioner (Appeals)
Goods and Service Tax Act, 2017	Goods and Service Tax	1	FY 2017-18 and FY 2018-19	Joint Commissioner (Appeals)
<b>Total</b>		<b>117</b>		

\* Less than INR 1 crore

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under paragraph 3(x)(b) of the order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report) while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For Deloitte Haskins & Sells LLP**

*Chartered Accountants*

(Firm Registration Number: 117366W/W-100018)

**Gurvinder Singh**

*Partner*

(Membership No.110128)

UDIN: 23110128BGRDEF7140

Place: Bengaluru

Date: April 11, 2023

# Balance Sheet

(In ₹ crore)

Particulars	Note No.	Years ended March 31,	
		2023	2022
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	2.1	307	275
Right of use assets	2.2	540	433
Capital work-in-progress	2.3	12	4
Goodwill		19	19
Financial assets			
Investments	2.4	1,396	1,752
Loans	2.5	2	2
Other financial assets	2.6	44	41
Deferred tax assets (net)	2.16	89	72
Income tax assets (net)	2.16	159	137
Other non-current assets	2.9	47	62
Total non-current assets		2,615	2,797
Current assets			
Financial assets			
Investments	2.4	1,916	660
Trade receivables	2.7	1,056	1,042
Cash and cash equivalents	2.8	303	1,497
Loans	2.5	26	18
Other financial assets	2.6	463	325
Income tax assets (net)	2.16	6	54
Other current assets	2.9	246	236
Total current assets		4,016	3,832
Total assets		6,631	6,629
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity share capital	2.11	34	34
Other equity		4,404	4,784
Total equity		4,438	4,818
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	2.2	536	417
Other financial liabilities	2.12	2	1
Other non-current liabilities	2.14	1	1
Total non-current liabilities		539	419
Current liabilities			
Financial liabilities			
Lease liabilities	2.2	101	84

Particulars	Note No.	Years ended March 31,	
		2023	2022
Trade payables	2.13		
Total outstanding dues of micro enterprises and small enterprises		3	–
Total outstanding dues of creditors other than micro enterprises and small enterprises		77	64
Other financial liabilities	2.12	977	823
Other current liabilities	2.14	331	331
Provisions	2.15	22	16
Income tax liabilities (net)	2.16	143	74
Total current liabilities		1,654	1,392
Total equity and liabilities		6,631	6,629

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

As per our report of even date attached

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

**for Deloitte Haskins & Sells LLP**

*Chartered Accountants*

Firm Registration Number:117366W/ W-100018

**Gurvinder Singh**

*Partner*

Membership No.: 110128

**Martha King**

*Chairperson and Director*

**Anantharaman Radhakrishnan**

*Chief Executive Officer and Managing Director*

Bengaluru

April 11, 2023

**Vasudeva Maipady**

*Chief Financial Officer*

**Sudhir Gaonkar**

*Company Secretary*

# Statement of Profit and Loss

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

Particulars	Note No.	Years ended March 31,	
		2023	2022
Revenue from operations	2.17	7,529	6,684
Other income, net	2.18	189	292
<b>Total Income</b>		<b>7,718</b>	6,976
<b>Expenses</b>			
Employee benefit expenses	2.19	5,020	4,441
Cost of technical sub-contractors and professional charges	2.19	664	593
Travel expenses		100	18
Depreciation and amortization expense	2.1 & 2.2	220	186
Finance cost	2.2	32	29
Other expenses	2.19	559	474
<b>Total expenses</b>		<b>6,595</b>	5,741
<b>Profit before tax</b>		<b>1,123</b>	1,235
<b>Tax expense:</b>			
Current tax	2.16	293	252
Deferred tax	2.16	(16)	23
		<b>277</b>	275
<b>Profit for the period</b>		<b>846</b>	960
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of the net defined benefit liability/asset, net of tax	2.20	(1)	(12)
		<b>(1)</b>	(12)
<b>Items that will be reclassified subsequently to profit or loss</b>			
Fair value changes on investments, net of tax	2.4	(19)	(10)
		<b>(19)</b>	(10)
<b>Total other comprehensive income/(loss), net of tax</b>		<b>(20)</b>	(22)
<b>Total comprehensive income for the period</b>		<b>826</b>	938
<b>Earnings per equity share</b>			
Equity shares of par value ₹ 10,000/- each			
Basic and Diluted (₹)		<b>250,170.00</b>	283,726.18
<b>Weighted average equity shares used in computing earnings per equity share</b>			
Basic and Diluted		<b>33,828</b>	33,828

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

As per our report of even date attached

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

**for Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm Registration Number:117366W/ W-100018

**Gurvinder Singh**

Partner

Membership No.: 110128

**Martha King**

Chairperson and Director

**Anantharaman Radhakrishnan**

Managing Director and Chief Executive Officer

Bengaluru

April 11, 2023

**Vasudeva Maipady**

Chief Financial Officer

**Sudhir Gaonkar**

Company Secretary



# Statement of Changes in Equity

(In ₹ crore)

Particulars	Other equity								Total equity attributable to equity holders of the company
	Equity share capital	Reserves & Surplus						Other comprehensive income <sup>(2)</sup>	
		Capital reserve	Securities premium <sup>(2)</sup>	General reserve	Special economic zone re-investment reserve <sup>(1)(2)</sup>	Retained earnings <sup>(2)</sup>	Other comprehensive income <sup>(2)</sup>		
	Capital reserve	Other reserves <sup>(2)</sup>							
Balance as at April 1, 2021	34	1	–	25	1,000	241	3,758	(29)	5,030
Changes in equity for the year ended March 31, 2022									
Profit for the period	–	–	–	–	–	–	960	–	960
Fair value changes on investments, net of tax (Refer to Note 2.4)	–	–	–	–	–	–	–	(10)	(10)
Remeasurement of the net defined benefit liability/asset, net of tax	–	–	–	–	–	–	–	(12)	(12)
Total comprehensive income for the period	–	–	–	–	–	–	960	(22)	938
Transfer to Special Economic Zone Re-investment Reserve	–	–	–	–	–	261	(261)	–	–
Transfer from Special Economic Zone Re-investment Reserve on utilization	–	–	–	–	–	(88)	88	–	–
Dividends (Refer to Note 2.11)	–	–	–	–	–	–	(1,150)	–	(1,150)
Balance as at March 31, 2022	34	1	–	25	1,000	414	3,395	(51)	4,818
Balance as at April 1, 2022	34	1	–	25	1,000	414	3,395	(51)	4,818
Impact on account of adoption of Ind AS 37	–	–	–	–	–	–	(1)	–	(1)
	34	1	–	25	1,000	414	3,394	(51)	4,817
Changes in equity for the year ended March 31, 2023									
Profit for the period	–	–	–	–	–	–	846	–	846
Fair value changes on investments, net of tax (Refer to Note 2.4)	–	–	–	–	–	–	–	(19)	(19)
Remeasurement of the net defined benefit liability/asset, net of tax	–	–	–	–	–	–	–	(1)	(1)
Total comprehensive income for the period	–	–	–	–	–	–	846	(20)	826
Transfer to Special Economic Zone Re-investment Reserve	–	–	–	–	–	13	(13)	–	–
Transfer from Special Economic Zone Re-investment Reserve on utilization	–	–	–	–	–	(67)	67	–	–
Reserves recorded upon business transfer under common control (Refer to Note 2.11)	–	–	(18)	–	–	–	–	–	(18)
Dividends (Refer to Note 2.11)	–	–	–	–	–	–	(1,187)	–	(1,187)
Balance as at March 31, 2023	34	1	(18)	25	1,000	360	3,107	(71)	4,438

<sup>(1)</sup> 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.

<sup>(2)</sup> A description of the purposes of each reserve within equity have been disclosed in Note 2.11.

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

As per our report of even date attached

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

**for Deloitte Haskins & Sells LLP**

*Chartered Accountants*

Firm Registration Number:117366W/ W-100018

**Gurvinder Singh**

*Partner*

Membership No.: 110128

**Martha King**

*Chairperson and Director*

**Anantharaman Radhakrishnan**

*Chief Executive Officer and Managing Director*

Bengaluru

April 11, 2023

**Vasudeva Maipady**

*Chief Financial Officer*

**Sudhir Gaonkar**

*Company Secretary*

# Statement of Cash Flows

## Accounting Policy

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

(In ₹ crore)

Particulars	Note No.	Year ended March 31,	
		2023	2022
Cash flows from operating activities:			
Profit for the period		846	960
Adjustments to reconcile net profit to net cash generated from operating activities:			
Depreciation and amortization expense	2.1 & 2.2	220	186
Finance cost	2.2	32	29
Income tax expense	2.16	277	275
Profit on sale of property, plant and equipment		(1)	(1)
Interest and dividend income		(50)	(200)
Income on other financial assets		(122)	(70)
Exchange differences on translation of assets and liabilities, net		(18)	(8)
Allowance for credit loss on financial assets		17	5
Other adjustments		16	14
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(124)	(63)
Loans, other financial assets and other assets		(65)	77
Trade payables		16	2
Other financial liabilities, other liabilities and provisions		168	(151)
Cash generated from operations		1,212	1,055
Income taxes paid, net of refunds	2.16	(163)	(292)
Net cash generated from operating activities		1,049	763
Cash flows from investing activities:			
Expenditure on property, plant and equipment		(178)	(152)
Deposits placed with corporation		(3)	(10)
Interest received on bank deposits and others		139	168
Investment in subsidiary	2.4	(1)	(72)
Payment towards business transfer for entities under common control	2.11	(19)	-
Payment to acquire financial assets			
Non-convertible debentures		(247)	(150)
Government Securities		(198)	(791)
Certificates of deposit		(1,439)	(287)
Government bonds		(13)	-
Liquid mutual fund units and fixed maturity plan securities		(4,885)	(4,192)
Commercial Paper		(518)	-
Proceeds on sale of financial assets			
Non-convertible debentures		75	256

Particulars	Note No.	Year ended March 31,	
		2023	2022
Government Securities		350	–
Certificates of deposit		950	–
Government bonds		8	–
Liquid mutual fund units and fixed maturity plan securities		4,831	4,115
Commercial Paper		200	–
Dividend received from subsidiary		–	102
Net cash used in investing activities		(948)	(1,013)
Cash flows from financing activities:			
Payment of lease liabilities	2.2	(109)	(101)
Payment of dividends		(1,187)	(1,150)
Net cash used in financing activities		(1,296)	(1,251)
Effect of exchange differences on translation of foreign currency cash and cash equivalents		1	(2)
Net decrease in cash and cash equivalents		(1,195)	(1,501)
Cash and cash equivalents at the beginning of the period	2.8	1,497	3,000
Cash and cash equivalents at the end of the period	2.8	303	1,497
Supplementary information:			
Restricted cash balance	2.8	–	–

As per our report of even date attached

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

**for Deloitte Haskins & Sells LLP**

*Chartered Accountants*

Firm Registration Number:117366W/ W-100018

**Gurvinder Singh**

*Partner*

Membership No.: 110128

**Martha King**

*Chairperson and Director*

**Anantharaman Radhakrishnan**

*Chief Executive Officer and Managing Director*

Bengaluru

April 11, 2023

**Vasudeva Maipady**

*Chief Financial Officer*

**Sudhir Gaonkar**

*Company Secretary*

# Notes to the Standalone Financial Statements

## 1. Overview

### 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 wholly-owned 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 name of the Company was changed from Infosys BPO Limited to Infosys BPM Limited with effect from December 18, 2017.

The standalone financial statements are approved by the Company’s Board of Directors on April 11, 2023.

### 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.

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

### 1.3 Use of estimates and judgements

The preparation of the 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 period. The 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 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 and judgements

### a. Revenue recognition

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

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

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

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it controls the good or service before it is transferred to the customer. The Company considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the goods or service and therefore, is acting as a principal or an agent.

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

## 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. Also, Refer to Note No. 2.16 and Note No. 2.22.

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

## 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 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. Also Refer to Note No. 2.1.

### 1.5 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind-AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Standalone financial statements.

Ind-AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind-AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind-AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not

apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

## 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 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 <sup>(1)</sup>	22-25 years
Plant and machinery <sup>(1)</sup>	5 years
Computer equipment <sup>(1)</sup>	3-5 years
Furniture and fixtures <sup>(1)</sup>	5 years
Office equipment <sup>(1)</sup>	5 years
Leasehold improvements	Over the lease term or 5 years whichever is lower

<sup>(1)</sup> 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. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not 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 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 the Statement of Profit and Loss.

### 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 Generating Unit ("CGU") to which the asset belongs.



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

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

(In ₹ crore)							
Particulars	Buildings <sup>(1)</sup>	Leasehold improvements	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as at April 1, 2022	155	144	66	113	496	70	1,044
Additions	7	37	5	6	101	6	162
Additions through Business transfer (Refer to Note 2.11)	-	-	-	-	2	-	2
Deletions*	-	(11)	(2)	(24)	(90)	(44)	(171)
Gross carrying value as at March 31, 2023	162	170	69	95	509	32	1,037
Accumulated depreciation as at April 1, 2022	84	127	62	106	324	66	769
Depreciation	6	10	2	3	109	2	132
Accumulated depreciation on deletions*	-	(11)	(2)	(24)	(90)	(44)	(171)
Accumulated depreciation as at March 31, 2023	90	126	62	85	343	24	730
Carrying value as at March 31, 2023	72	44	7	10	166	8	307
Carrying value as at April 1, 2022	71	17	4	7	172	4	275

\*During the year ended March 31, 2023, certain assets, which were old and not in use having gross book value of ₹138 crore (net book value: Nil) respectively, were retired.

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2022:

(In ₹ crore)							
Particulars	Buildings <sup>(1)</sup>	Leasehold improvements	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as at April 1, 2021	155	141	64	114	412	69	955
Additions	-	3	2	2	136	1	144
Deletions*	-	-	-	(3)	(52)	-	(55)
Gross carrying value as at March 31, 2022	155	144	66	113	496	70	1,044
Accumulated depreciation as at April 1, 2021	79	119	58	105	296	64	721
Depreciation	5	8	4	4	80	2	103
Accumulated depreciation on deletions*	-	-	-	(3)	(52)	-	(55)
Accumulated depreciation as at March 31, 2022	84	127	62	106	324	66	769
Carrying value as at March 31, 2022	71	17	4	7	172	4	275
Carrying value as at April 1, 2021	76	22	6	9	116	5	234

\*During the year ended March 31, 2022, certain assets, which were old and not in use having gross book value of ₹22 crore (net book value: Nil) respectively, were retired.

<sup>(1)</sup> Includes certain assets provided on cancellable operating lease to holding company.

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

## 2.2 Leases

### Accounting Policy

#### The Company as a lessee

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

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

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

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are

largely independent of those from other assets. In such cases, the recoverable amount is determined as Cash Generating Unit (CGU) to which the asset belongs.

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

Lease liability and Right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### The Company as a lessor

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

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

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

The changes in the carrying value of right of use assets for the year ended March 31, 2023 are as follows:

Particulars	Category of ROU asset		Total
	Land	Buildings	
Balance as of April 1, 2022	10	423	433
Additions <sup>(1)</sup>	-	195	195
Deletions	-	-	-
Depreciation	-	(88)	(88)
Translation difference	-	-	-
Balance as of March 31, 2023	10	530	540

<sup>(1)</sup> Net of adjustments on account of modifications

The changes in the carrying value of right-of-use assets for the year ended March 31, 2022 are as follows:

Particulars	Category of ROU asset		Total
	Land	Buildings	
Balance as of April 1, 2021	10	469	479
Additions <sup>(1)</sup>	-	44	44
Deletions	-	(7)	(7)
Depreciation	-	(83)	(83)
Balance as of March 31, 2022	10	423	433

<sup>(1)</sup> Net of adjustments on account of modifications

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

The break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	As at March 31,	
	2023	2022
Non-current lease liabilities	536	417
Current lease liabilities	101	84
<b>Total</b>	<b>637</b>	<b>501</b>

The movement in lease liabilities during the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	As at March 31,	
	2023	2022
Balance at the beginning	501	548
Additions <sup>(1)</sup>	195	44
Deletions	-	(8)
Finance cost accrued during the year	32	29
Payment of lease liabilities	(109)	(101)
Translation difference	18	(11)
<b>Balance at the end</b>	<b>637</b>	<b>501</b>

<sup>(1)</sup> Net of adjustments on account of modifications

Rental expense recorded for short-term leases was ₹30 and ₹25 crore for the years ended March 31, 2023 and March 31, 2022.

The details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis are as follows:

Particulars	As at March 31,	
	2023	2022
Less than one year	225	103
One to five years	682	325
More than five years	280	182
<b>Total</b>	<b>1,187</b>	<b>610</b>

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

### 2.3 Capital work-in-progress

Particulars	As at March 31,	
	2023	2022
Capital work-in-progress	12	4
<b>Total Capital work-in-progress</b>	<b>12</b>	<b>4</b>

Capital work-in-progress ageing schedule for the year ended March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	12	-	-	-	12
<b>Total Capital work-in-progress</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>

Capital work-in-progress ageing schedule for the year ended March 31, 2022:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4	-	-	-	4
<b>Total Capital work-in-progress</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>

During the year ended March 31, 2023 and March 31, 2022, in capital-work-in progress there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

### 2.4 Investments

Particulars	As at March 31,	
	2023	2022
<b>Non-current investments</b>		
Equity instruments of subsidiaries	693	692
Government bonds	14	-
Non-convertible debentures	222	259
Government Securities	467	801
<b>Total non-current investments</b>	<b>1,396</b>	<b>1,752</b>
<b>Current investments</b>		
Liquid mutual fund units	199	128
Government bonds	-	8
Certificates of deposit	809	289
Non-convertible debentures	279	81
Government Securities	308	154
Commercial Paper	321	-
<b>Total current investments</b>	<b>1,916</b>	<b>660</b>
<b>Total carrying value</b>	<b>3,312</b>	<b>2,412</b>

(in ₹ crore, except as otherwise stated)

Particulars	As at March 31,	
	2023	2022
<b>Non-current investments</b>		
Unquoted		
Investments carried at cost		
Investments in equity instruments of subsidiaries		
Infosys (Czech Republic) Limited s.r.o., 18,75,000 (18,75,000) equity shares of CZK 10 each, full paid	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, 1,74,50,000 (1,74,50,000) equity shares, fully paid	211	211
Infosys BPO Americas LLC	130	130
Infosys BPM UK Limited, 1,00,000 (NIL) equity shares of GBP 1 each, fully paid	1	-
	<b>693</b>	692
Quoted		
Investments carried at amortized cost		
Government bonds	14	-
	<b>14</b>	-
Investments carried at fair value through other comprehensive income		
Non-convertible debentures	222	259
Government securities	467	801
	<b>689</b>	1,060
<b>Total Non-current investments</b>	<b>1,396</b>	1,752
<b>Current investments</b>		
Unquoted		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	199	128
	<b>199</b>	128
Investments carried at fair value through other comprehensive income		
Certificates of deposit	809	289
Commercial Paper	321	-
	<b>1,130</b>	289
Quoted		
Investments carried at amortized cost		
Government bonds	-	8
	<b>-</b>	8
Investments carried at fair value through other comprehensive income		
Non-convertible debentures	279	81
Government securities	308	154
	<b>587</b>	235
<b>Total current investments</b>	<b>1,916</b>	660
<b>Total investments</b>	<b>3,312</b>	2,412
Aggregate amount of quoted investments	<b>1,290</b>	1,303
Market value of quoted investments (including interest accrued thereon) - Non current	<b>705</b>	1,060
Market value of quoted investments (including interest accrued thereon) - Current	<b>587</b>	243
Aggregate amount of unquoted investments	<b>2,022</b>	1,109

Particulars	As at March 31,	
	2023	2022
Investment carried at cost	693	692
Investment carried at amortized cost	14	8
Investment carried at fair value through other comprehensive income	2,406	1,584
Investment carried at fair value through profit or loss	199	128

Refer to Note No. 2.10 for accounting policies on financial instruments.

Details of amounts recorded in Other Comprehensive income for:

	(In ₹ crore)					
	Years ended March 31,					
	2023			2022		
	Gross	Tax	Net	Gross	Tax	Net
Net Gain/(loss) on						
Non-convertible debentures	(8)	-	(8)	(7)	1	(6)
Government Securities	(12)	-	(12)	(4)	-	(4)
Certificates of deposit	1	-	1	-	-	-
Commercial Paper	-	-	-	-	-	-
Total	(19)	-	(19)	(11)	1	(10)

Method of fair valuation:

Class of investment	Method	(In ₹ crore)	
		Fair Value as at March 31,	
		2023	2022
Non-convertible debentures	Quoted price and market observable inputs	501	340
Liquid mutual fund units	Quoted price	199	128
Government Securities	Quoted price and market observable inputs	775	955
Certificates of deposit	Market observable inputs	809	289
Commercial Paper	Market observable inputs	321	-

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

## 2.5 Loans

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
Non-current		
Unsecured, considered doubtful		
Loans to employees	-	-
Less: Allowance for doubtful loans to employees	-	-
	-	-
Unsecured, considered good		
Loans to employees	2	2
Total non-current loans	2	2
Current		
Unsecured, considered good		
Loans to employees	26	18
Total current loans	26	18
Total loans	28	20

## 2.6 Other financial assets

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
<b>Non- current</b>		
Security deposits <sup>(1)</sup>	3	3
Rental deposits <sup>(1)</sup>	41	38
<b>Total non-current other financial assets</b>	<b>44</b>	<b>41</b>
<b>Current</b>		
Security deposits <sup>(1)</sup>	-	-
Rental deposits <sup>(1)</sup>	-	-
Restricted deposits <sup>(1)**</sup>	171	156
Unbilled revenues <sup>(1) (3)*</sup>	235	133
Interest accrued but not due <sup>(1)</sup>	16	26
Foreign currency forward contracts <sup>(2)</sup>	6	8
Others <sup>(1) (4)</sup>	35	2
<b>Total current other financial assets</b>	<b>463</b>	<b>325</b>
<b>Total other financial assets</b>	<b>507</b>	<b>366</b>
<sup>(1)</sup> Financial assets carried at amortized cost	501	358
<sup>(2)</sup> Financial assets carried at fair value through Profit or Loss	6	8
<sup>(3)</sup> Includes dues from holding company, subsidiaries and other group companies	1	7
<sup>(4)</sup> Includes dues from holding company, subsidiaries and other group companies	35	2

\*Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.

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

## 2.7 Trade receivables

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
<b>Current</b>		
Trade Receivable considered good - Unsecured <sup>(2)</sup>	1,071	1,056
Less: Allowance for expected credit loss	15	14
Trade Receivable considered good - Unsecured	1,056	1,042
Trade Receivable - credit impaired - Unsecured	6	5
Less: Allowance for credit impairment	6	5
Trade Receivable - credit impaired - Unsecured	-	-
<b>Total trade receivables <sup>(1)</sup></b>	<b>1,056</b>	<b>1,042</b>
<sup>(1)</sup> Includes dues from companies where directors are interested		
<sup>(2)</sup> Includes dues from holding company, subsidiaries and other group companies	198	206

The details regarding the ageing of Trade receivables as at March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	935	132	-	4	-	-	1,071
Undisputed Trade receivables - credit impaired	-	-	-	-	1	-	1
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	5	5
Less: Allowance for credit loss							21
<b>Total trade receivables</b>	<b>935</b>	<b>132</b>	<b>-</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>1,056</b>

The details regarding the ageing of Trade receivables as at March 31, 2022 are as follows:

(In ₹ crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	890	158	2	-	1	-	1,051
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	5	5
Less: Allowance for credit loss							14
<b>Total trade receivables</b>	<b>890</b>	<b>158</b>	<b>2</b>	<b>-</b>	<b>1</b>	<b>5</b>	<b>1,042</b>

## 2.8 Cash and cash equivalents

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
Balances with banks		
In current and deposit accounts	303	1,272
Cash on hand	-	-
Others		
Deposits with financial institution	-	225
<b>Total Cash and cash equivalents</b>	<b>303</b>	<b>1,497</b>
Balances with banks in unpaid dividend accounts	-	-
Deposits with more than 12 months maturity	-	365

Cash and cash equivalents as at March 31, 2023 and March 31, 2022 include restricted 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.



## 2.9 Other assets

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
Non-current		
Capital advances	-	1
Others		
Prepaid expenses	-	-
Defined benefit assets	6	4
Deferred contract cost <sup>(2)</sup>	24	39
Withholding taxes and others <sup>(3)</sup>	17	18
Total non-current other assets	47	62
Current		
Advances other than capital advance		
Payment to vendors for supply of goods and services	4	2
Others		
Prepaid expenses	62	65
Deferred contract cost <sup>(2)</sup>	18	18
Withholding taxes and others <sup>(3)</sup>	122	110
Unbilled revenues <sup>(1)</sup>	40	41
Others	-	-
Total current other assets	246	236
Total other assets	293	298

<sup>(1)</sup> Classified as non-financial asset as contractual right to consideration is dependent on completion of contractual milestones.

<sup>(2)</sup> 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.

<sup>(3)</sup> Withholding taxes and others primarily consists of input tax credits and Cenvat recoverable from Government of India.

## 2.10 Financial instruments

### Accounting Policy

#### 2.10.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, 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.

#### 2.10.2 Subsequent measurement

##### a. Non-derivative financial instruments

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

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

##### (ii) Financial assets 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 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.

### **2.10.3 Derecognition of financial instruments**

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

### **2.10.4 Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, 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.

### **2.10.5 Impairment**

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

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

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 recognized 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, 2023 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		
<b>Assets:</b>							
Cash and cash equivalents (Refer to Note 2.8)	303	-	-	-	-	303	303
<b>Investments (Refer to Note 2.4)</b>							
Non-convertible debentures <sup>(1)</sup>	-	-	-	-	501	501	501
Government bonds <sup>(2)</sup>	14	-	-	-	-	14	14
Liquid mutual fund units	-	-	199	-	-	199	199
Certificates of deposit	-	-	-	-	809	809	809
Government Securities	-	-	-	-	775	775	775
Commercial Paper	-	-	-	-	321	321	321
Trade receivables (Refer to Note 2.7)	1,056	-	-	-	-	1,056	1,056
Loans (Refer to Note 2.5)	28	-	-	-	-	28	28
Other financial assets (Refer to Note 2.6) <sup>(3)(4)</sup>	501	-	6	-	-	507	507
<b>Total</b>	<b>1,902</b>	<b>-</b>	<b>205</b>	<b>-</b>	<b>2,406</b>	<b>4,513</b>	<b>4,513</b>
<b>Liabilities:</b>							
Lease liabilities (Refer to Note 2.2)	637	-	-	-	-	637	637
Trade payables (Refer to Note 2.13)	80	-	-	-	-	80	80
Other financial liabilities (Refer to Note 2.12)	814	-	4	-	-	818	818
<b>Total</b>	<b>1,531</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>1,535</b>	<b>1,535</b>

<sup>(1)</sup> The carrying value of debentures approximates fair value as the instruments are at prevailing market rates

<sup>(2)</sup> On account of fair value changes, including interest accrued

<sup>(3)</sup> Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones

<sup>(4)</sup> Excludes interest accrued on government bonds carried at amortized cost of less than ₹1 crore

The carrying value and fair value of financial instruments by categories as at March 31, 2022 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		
<b>Assets:</b>							
Cash and cash equivalents (Refer to Note 2.8)	1,497	-	-	-	-	1,497	1,497
<b>Investments (Refer to Note 2.4)</b>							
Non-convertible debentures <sup>(1)</sup>	-	-	-	-	340	340	340
Government bonds <sup>(2)</sup>	8	-	-	-	-	8	8
Liquid mutual fund units	-	-	128	-	-	128	128
Certificates of deposit	-	-	-	-	289	289	289
Government Securities	-	-	-	-	955	955	955
Trade receivables (Refer to Note 2.7)	1,042	-	-	-	-	1,042	1,042
Loans (Refer to Note 2.5)	20	-	-	-	-	20	20
Other financial assets (Refer to Note 2.6) <sup>(3)(4)</sup>	358	-	8	-	-	366	366
<b>Total</b>	<b>2,925</b>	<b>-</b>	<b>136</b>	<b>-</b>	<b>1,584</b>	<b>4,645</b>	<b>4,645</b>
<b>Liabilities:</b>							
Lease liabilities (Refer to Note 2.2)	501	-	-	-	-	501	501
Trade payables (Refer to Note 2.13)	64	-	-	-	-	64	64
Other financial liabilities (Refer to Note 2.12)	675	-	4	-	-	679	679
<b>Total</b>	<b>1,240</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>1,244</b>	<b>1,244</b>

<sup>(1)</sup> The carrying value of debentures approximates fair value as the instruments are at prevailing market rates.

<sup>(2)</sup> On account of fair value changes including interest accrued

<sup>(3)</sup> Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones

<sup>(4)</sup> Excludes interest accrued on government bonds carried at amortized cost of less than ₹ 1 crore

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

## Fair value hierarchy

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

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

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

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

(In ₹ crore)

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in liquid mutual fund units (Refer to Note 2.4)	199	199	-	-
Investment in non-convertible debentures (Refer to Note 2.4)	501	428	73	-
Investments in government securities (Refer to Note 2.4)	775	692	83	-
Investment in certificates of deposit (Refer to Note 2.4)	809	-	809	-
Investment in commercial paper (Refer to Note 2.4)	321	-	321	-
Derivative financial instruments - Fair value gain on outstanding foreign currency forward contracts (Refer to Note 2.6)	6	-	6	-
<b>Liabilities</b>				
Derivative financial instruments - Fair value loss on outstanding foreign currency forward contracts (Refer to Note 2.12)	4	-	4	-

The fair value hierarchy of assets and liabilities measured at fair value as at March 31, 2022 is as follows:

(In ₹ crore)

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in liquid mutual fund units (Refer to Note 2.4)	128	128	-	-
Investment in non-convertible debentures (Refer to Note 2.4) <sup>(1)</sup>	340	265	75	-
Investments in government securities (Refer to Note 2.4)	955	868	87	-
Investment in certificates of deposit (Refer to Note 2.4)	289	-	289	-
Derivative financial instruments - Fair value gain on outstanding foreign currency forward contracts (Refer to Note 2.6)	8	-	8	-
<b>Liabilities</b>				
Derivative financial instruments - Fair value loss on outstanding foreign exchange forward contracts (Refer to Note 2.12)	4	-	4	-

<sup>(1)</sup> During the year ended March 31, 2022, the non-convertible debentures of ₹75 crore were transferred from Level 1 to Level 2, since they were valued based on Observable market inputs other than quoted prices.

## 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.

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

## 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 financial assets and liabilities as at March 31, 2023 is as follows:

Particulars	(In ₹ crore)					
	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net Financial Assets	1,107	202	87	28	77	1,501
Net Financial Liabilities	(524)	(110)	(36)	(16)	(363)	(1,049)
Total	583	92	51	12	(286)	452

The foreign currency risk from financial assets and liabilities as at March 31, 2022 is as follows:

Particulars	(In ₹ crore)					
	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net Financial Assets	946	195	37	21	36	1,235
Net Financial Liabilities	(407)	(92)	(36)	(17)	(205)	(757)
Total	539	103	1	4	(169)	478

Sensitivity analysis between Indian Rupees and USD

Particulars	Years ended March 31,	
	2023	2022
Impact on the Company's incremental Operating Margins	0.34%	0.32%

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	As at			
	March 31, 2023		March 31, 2022	
	In million	In ₹ crore	In million	In ₹ crore
Forward contracts				
In U.S. dollars	135	1,113	113	855
In Euro	11	98	11	93
In Czech koruna	364	134	296	102
Total forwards		1,345		1,050

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

Particulars	(In ₹ crore)	
	As at March 31,	
	<b>2023</b>	2022
Not later than one month	<b>947</b>	330
Later than one month and not later than three months	<b>398</b>	240
Later than three months and not later than one year	<b>-</b>	480
	<b>1,345</b>	1,050

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

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

Particulars	(In ₹ crore)			
	As at			
	March 31, 2023		March 31, 2022	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognized financial asset/liability	<b>8</b>	<b>(6)</b>	8	(4)
Amount set off	<b>(2)</b>	<b>2</b>	-	-
Net amount presented in the Balance Sheet	<b>6</b>	<b>(4)</b>	8	(4)

### 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 ₹1056 crore and ₹1042 crore as March 31, 2023 and March 31, 2022, respectively and unbilled revenue amounting to ₹275 crore and ₹174 crore as at March 31, 2023 and March 31, 2022, 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:

Particulars	(In %)	
	Years ended March 31,	
	<b>2023</b>	2022
Revenue from top customer	<b>13%</b>	16%
Revenue from top ten customers	<b>44%</b>	49%



## Credit risk exposure

The allowance for lifetime Expected Credit Loss on customer balances is ₹ 3 crore and ₹ 2 for the year ended March 31, 2023 and March 31, 2022, respectively.

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Balance at the beginning	14	12
Provisions recognized / (reversed)	7	2
Write-offs	(1)	(1)
Translation differences	1	1
Balance at the end	21	14

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, certificates of deposit, commercial papers, quoted bonds issued by the government and quasi government organizations, non-convertible debentures issued by government aided institutions.

## Liquidity risk

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

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding 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, 2023, the Company had a working capital of ₹ 2,362 crore, including cash and cash equivalents of ₹ 303 crore and current investments of ₹ 1916 crore. As at March 31, 2022, the Company had a working capital of ₹ 2,440 crore, including cash and cash equivalents of ₹ 1,497 crore and current investments of ₹ 660 crore.

As at March 31, 2023 and March 31, 2022, the outstanding compensated absences were ₹ 161 crore and ₹ 145 crore, respectively, which have been substantially funded. Accordingly, no liquidity risk perceived.

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2023 are as follows:

Particulars	(In ₹ crore)				
	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	80	–	–	–	80
Other financial liabilities (Refer note 2.12)	818	–	–	–	818

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022:

Particulars	(In ₹ crore)				
	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	64	–	–	–	64
Other financial liabilities (Refer note 2.12)	679	–	–	–	679

## 2.11 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.

#### Description of reserves

##### Retained earnings

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

##### Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium.

### Special Economic Zone Re-investment reserve

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

### Other components of equity

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

### Business transfer reserve

Business combinations between entities under common control is accounted for at carrying value of the assets and liabilities in the financial statements.

On January 09, 2023, the Board of Directors of the Company authorized to execute a Business Transfer Agreement and related documents with its holding company, Infosys Limited, to transfer the German IBPM business of Infosys Limited to the Company for a consideration based on an independent valuation.

Subsequently on February 22, 2023, the Company entered into a business transfer agreement to acquire the German IBPM business of Infosys Limited with effective date as February 01, 2023 for a consideration of ₹19 crore resulting in recognition of a business transfer reserve of ₹18 crore.

The details of the assets and liabilities taken over upon business transfer are as follows:

	(In ₹ crore)
Assets/Liabilities	Total
Property, plant and equipment	2
Other Financial liabilities (Employee obligations)	(1)
Net assets/(liabilities)	1
Less: Consideration paid in cash	19
Business transfer reserve	(18)

### Equity share capital

Particulars	(in ₹ crore, except as otherwise stated)	
	As at March 31,	
	2023	2022
Authorized		
Equity shares, ₹ 10,000/- par value		
1,23,375 (1,23,375) equity shares	123	123
Issued, Subscribed and Paid-Up		
Equity shares, ₹ 10,000/- par value		
33,828 (33,828) equity shares fully paid up	34	34
	34	34

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10,000/-. Each holder of equity shares is entitled to one vote per share.

The Board of Directors, in their meeting held on January 8, 2020, considered and approved the scheme of consolidation of authorized, issued, subscribed and paid-up equity shares by increasing the par value of the equity shares from ₹ 10/- each to ₹10,000/- each such that every 1,000 equity shares with par value of ₹ 10/- each held by a member are consolidated and re-designated into 1 equity share with par value of ₹ 10,000/-

The scheme was approved by shareholders in Annual General Meeting held on July 09, 2020. The National Company Law Tribunal, Bangalore Bench, vide its order dated December 08, 2021, approved the consolidation of the authorized, issued, subscribed and paid-up equity share capital of the Company. The Company has approved January 03, 2022 as the effective date for consolidation of share capital. On consolidation, the Issued, subscribed, and paid-up equity shares became 33,828 shares with par value of ₹10,000/- each.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

The details of shareholder holding more than 5% shares as at March 31, 2023 and March 31, 2022 are as follows:

Name of the shareholder	As at March 31,			
	2023		2022	
	Number of shares	% held	Number of shares	% held
Infosys Limited (the holding company)	33,828	100.00	33,828	100.00

The details of shares held by promoters at the end of the year March 31, 2023 are as follows:

Promoter name	No. of shares	% of total shares	% Change during the year
Infosys Limited, the holding company	33,828	100.00	-

The details of shares held by promoters at the end of the year March 31, 2022 are as follows:

Promoter name	No. of shares	% of total shares	% Change during the year
Infosys Limited, the holding company	33,828	100.00	-

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	As at March 31,			
	2023		2022	
	Number of shares	Amount	Number of shares	Amount
Number of shares at the beginning of the period	33,828	34	3,38,27,751	34
Add: Shares issued during the period	-	-	-	-
Less: Consolidation of par value from ₹10/- to ₹10,000/-	-	-	(33,793,923)	-
Number of shares at the end of the period	33,828	34	33,828	34

### 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.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes.

The amount of per share ₹ 10,000/- par value (₹ 10/- par value) dividend recognized as distribution to equity shareholders is as follows:

Particulars	Years ended March 31,	
	2023	2022
Interim Dividend for fiscal 2023	146,000	-
Final Dividend for fiscal 2022	205,000	-
Interim Dividend for fiscal 2022	-	165
Final Dividend for fiscal 2021	-	175

During the year ended March 31, 2023 on account of the final dividend for fiscal 2022 and interim dividend for fiscal 2023, the Company has incurred a net cash outflow of ₹1,187 crore.

The Board of Directors, in their meeting on April 11, 2023, recommended a final dividend of ₹234,000/- per equity share for the financial year ended March 31, 2023. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting (AGM) of the Company and if approved, would result in a cash outflow of approximately ₹792 crore.

## 2.12 Other financial liabilities

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
Non-current		
Others		
Compensated absences	2	1
Total non-current other financial liabilities	2	1
Current		
Others		
Accrued compensation to employees <sup>(1)</sup>	362	398
Accrued expenses <sup>(1)(4)</sup>	280	239
Retention monies <sup>(1)</sup>	2	–
Compensated absences	159	144
Capital creditors <sup>(1)</sup>	10	22
Other payables <sup>(1)(3)</sup>	160	16
Foreign currency forward contracts <sup>(2)</sup>	4	4
Total current other financial liabilities	977	823
Total other financial liabilities	979	824
<sup>(1)</sup> Financial liability carried at amortized cost	814	675
<sup>(2)</sup> Financial liability carried at fair value through profit or loss	4	4
<sup>(3)</sup> Includes dues to holding, subsidiaries and other group companies	14	6
<sup>(4)</sup> Includes dues to holding, subsidiaries and other group companies	–	–

## 2.13 Trade payables

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
Current		
Outstanding dues of micro enterprises and small enterprises	3	–
Outstanding dues of creditors other than micro enterprises and small enterprises	77	64
Total Trade payables <sup>(1)</sup>	80	64
<sup>(1)</sup> Includes dues to holding, subsidiaries and other group companies	27	22

There is no interest due or outstanding on the dues to Micro, Small and Medium Enterprises. During the year ended March 31, 2023 and March 31, 2022, an amount of ₹1 crore (including interest) and ₹3 crore (including interest) was paid beyond the appointed day as defined in the Micro, Small and Medium Enterprises Development Act 2006.

The details regarding the ageing of Trade payables as at March 31, 2023 are as follows:

(In ₹ crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	3	–	–	–	–	3
Others	70	7	–	–	–	77
Disputed Dues- MSME	–	–	–	–	–	–
Disputed Dues- Others	–	–	–	–	–	–
Total trade payables	73	7	–	–	–	80

The details regarding the ageing of Trade payables as at March 31, 2022 are as follows:

(In ₹ crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	–	–	–	–	–	–
Others	51	13	–	–	–	64
Disputed Dues- MSME	–	–	–	–	–	–
Disputed Dues- Others	–	–	–	–	–	–
<b>Total trade payables</b>	<b>51</b>	<b>13</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>64</b>

## 2.14 Other liabilities

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
Non-current		
Others		
Accrued defined benefit plan liability	1	1
<b>Total non-current other liabilities</b>	<b>1</b>	<b>1</b>
Current		
Unearned revenue	222	213
Client deposits	1	1
Others		
Withholding taxes and others	108	117
Accrued defined benefit plan liability	–	–
<b>Total current other liabilities</b>	<b>331</b>	<b>331</b>
<b>Total other liabilities</b>	<b>332</b>	<b>332</b>

## 2.15 Provisions

### Accounting Policy

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

#### a. Post sales client support

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

#### b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. 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, 2023 and March 31, 2022 are as follows:

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
Current		
Others		
Post-sales client support and others	22	16
<b>Total Provisions</b>	<b>22</b>	<b>16</b>

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

### Provision for post-sales client support and others

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

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
Balance at the beginning	16	25
Provision recognized	36	20
Provision utilized	(29)	(30)
Exchange difference	(1)	1
<b>Balance at the end</b>	<b>22</b>	<b>16</b>

## 2.16 Income taxes

### Accounting Policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in 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. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to equity.

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

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
Current taxes	293	252
Deferred taxes	(16)	23
<b>Income tax expense</b>	<b>277</b>	<b>275</b>

Income tax expense for the year ended March 31, 2023 and March 31, 2022 includes reversal (net of additional provisions) of ₹3 crore and ₹23 crore respectively, pertaining to earlier periods. These reversals pertain to prior periods on account of adjudication of certain disputed matters in favor of the Company and upon filing of return across various jurisdictions.

Deferred income tax for the year ended March 31, 2023 and March 31, 2022 substantially 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 below:

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
Profit before income taxes	1,123	1,235
Enacted tax rates in India	25.17%	34.94%
Computed expected tax expense	283	432
Tax effect due to non-taxable income for Indian tax purposes	-	(100)
Overseas taxes	17	14
Tax provision (reversals)	(3)	(23)
Effect of exempt non-operating income	-	(36)
Effect of non-deductible expenses	(4)	(1)
Impact of change in tax rate	-	9
Others	(16)	(20)
<b>Income tax expense</b>	<b>277</b>	<b>275</b>

The applicable Indian corporate statutory tax rates for fiscal 2023 and 2022 is 25.17% and 34.944% respectively. New Income tax regime as per The Taxation Laws (Amendment) Act, 2019 is opted by the Company from Financial Year 2022-23 onwards.

The provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempt incomes and

any tax liabilities arising overseas on income sourced from those countries as per Indian Income Tax Act, 1961.

The details of income tax assets and income tax liabilities as of March 31, 2023 and March 31, 2022 are as follows:

Particulars	(In ₹ crore)	
	As at March 31, 2023	2022
Income tax assets	165	191
Current Income tax liabilities	(143)	(74)
Net income tax assets at the end	22	117

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2023 and March 31, 2022 is as follows:

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Net income tax asset/ (liability) at the beginning	117	65
Translation differences	34	7
Income tax paid, net of refunds	163	292
Income tax expense	(293)	(252)
Income tax on other comprehensive income	1	5
Net income tax asset at the end	22	117

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2023 is as follows:

Particulars	(In ₹ crore)				
	Carrying Value as on April 01,2022	Changes through Profit & Loss	Changes through OCI	Translation difference	Carrying Value as on March 31,2023
Deferred income tax assets					
Property, plant and equipment	21	2	-	-	23
Lease liabilities	18	7	-	-	25
Compensated absences	37	2	-	-	39
Trade receivables	4	2	-	-	6
Derivative Financial Instruments	(1)	1	-	-	-
Others	(7)	3	-	-	(4)
Total deferred tax assets and liabilities	72	17	-	-	89

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2022 is as follows:

Particulars	(In ₹ crore)				
	Carrying Value as on April 01,2021	Changes through Profit & Loss	Changes through OCI	Translation difference	Carrying Value as on March 31,2022
Deferred income tax assets					
Property, plant and equipment	33	(12)	-	-	21
Lease liabilities	17	1	-	-	18
Compensated absences	33	4	-	-	37
Trade receivables	5	(1)	-	-	4
Derivative Financial Instruments	(3)	2	-	-	(1)
Others	10	(17)	-	-	(7)
Total deferred tax assets and liabilities	95	(23)	-	-	72

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



The credits relating to temporary differences during the year ended March 31, 2023 and March 31, 2022 are primarily on account of property, plant and equipment, compensated absences, lease liability and others partially offset by reversal of credits pertaining to derivative financial instruments.

## 2.17 Revenue from operations

### Accounting Policy

The Company derives revenues primarily from business process management services. Arrangements with customers for business process management services are either on a fixed-timeframe, unit of work or on a time-and-material basis.

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

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

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

Revenue on time-and-material contracts and unit of work-based contracts are recognized as the related services are performed. Fixed-price business process management services revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive.

Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended have been used to determine progress towards completion as there is a direct relationship between

input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the lives of the contracts and are recognized in profit or loss in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

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

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

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Company expects to recover them. Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

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

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

Revenue from operations for the year ended March 31, 2023 and March 31, 2022 is as follows:

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
Income from business process management services	7,529	6,684
	7,529	6,684

### Disaggregate revenue information

The disaggregated revenues from contracts with customers for the year ended March 31, 2023 and March 31, 2022 by offerings are as follows. 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.

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
Revenue by offerings		
Digital	1,982	1,156
Core	5,547	5,528
Total	7,529	6,684

### 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 (ex: Mortgage, Claim processing etc) and Enterprise Services (ex: Finance and accounting, HR, Supply services etc.)

### Trade receivables and Contract Balances

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

Receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed-price business

process management services are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

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

Invoicing in excess of earnings are classified as unearned revenue.

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

During the year ended March 31, 2023 and March 31, 2022, the Company recognized revenue of ₹ 182 crore and ₹ 221 crore arising from opening unearned revenue as of April 1, 2022 and April 1, 2021 respectively.

During the year ended March 31, 2023 and March 31, 2022, ₹ 44 crore and ₹ 26 crore of unbilled revenue pertaining to fixed-price development contracts as of April 1, 2022 and April 1, 2021 respectively has been reclassified to Trade receivables upon billing to customers on completion of milestones.

### 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 2023, other than those meeting the exclusion criteria mentioned above is INR 2,199.1 crore. Out of this, the Group expects to recognize revenue of around 50.7% 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.

## 2.18 Other Income, Net

### Accounting Policy

#### 2.18.1 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 foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

## 2.18.2 Foreign Currency

### a. Functional currency

The functional currency of the Company is the Indian rupee. These 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 the Statement of Profit and Loss and reported within exchange gains/(losses) on translation of assets and liabilities, net. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a

foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. The related revenue and expense are recognized using the same exchange rate.

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

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

Other income for the year ended March 31, 2023 and March 31, 2022 is as follows:

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
Interest income on financial assets carried at amortized cost		
Government bonds	1	-
Deposit with banks and others	48	88
Interest income on financial assets carried at fair value through other comprehensive income		
Non-convertible debentures	27	30
Certificates of deposit	31	1
Government Securities	43	32
Commercial Paper	4	-
Income on investments carried at fair value through profit or loss		
Gains on liquid mutual funds units	16	6
Profit/(loss) on sale of property, plant and equipment	1	1
Rental income from holding company	3	3
Dividend received from subsidiary	-	102
Interest income on Income tax refund	2	11
Exchange gains/(losses) on foreign currency forward contracts	(42)	(9)
Exchange gains/(losses) on translation of other assets and liabilities	53	24
Miscellaneous income, net	2	3
	<b>189</b>	<b>292</b>

## 2.19 Expenses

(In ₹ crore)

Particulars	Years ended March 31,	
	2023	2022
Employee benefit expenses		
Salaries including bonus	4,832	4,273
Contribution to provident and other funds	134	116
Staff welfare	54	52
	5,020	4,441
Cost of technical sub-contractors and Professional charges		
Cost of technical sub-contractors	518	486
Legal and professional	66	50
Recruitment and training	80	57
	664	593
Other expenses		
Consumables	12	13
Brand building and advertisement	3	3
Short-term leases	30	25
Marketing expenses	24	7
Rates and taxes	9	4
Contribution towards Corporate Social Responsibility	18	16
Communication expenses	109	98
Power and fuel	25	19
Repairs and maintenance	128	98
Bank charges and commission	4	4
Postage and courier	3	4
Impairment loss recognized/(reversed) under expected credit loss model	9	2
Professional membership and seminar participation fees	1	2
Provision for doubtful loans and advances	8	3
Provision for post sales client support and others	-	-
Cost of software packages	157	161
Insurance	12	12
Auditor's remuneration		
Statutory audit fees	1	1
Tax matters	-	-
Reimbursement of expenses	-	-
Others	6	2
	559	474

## 2.20 Employee benefits

### Accounting Policy

#### 2.20.1 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 BPM 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 is recognized in net profits in the Statement of Profit and Loss.

The Company provides for Minimum mandated retirement benefit scheme under Republic Act 7641 (R.A. 7641) covering eligible employees in Philippines. The R.A. 7641 scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on retirement. During the year ended March 31, 2023 and March 31, 2022, the Company recognized net defined liability of ₹ 1 crore and ₹ 1 crore respectively (Refer to Note 2.14).

#### 2.20.2 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 BPM Limited Employees' Superannuation Fund Trust, the corpus of which is invested with the Life Insurance Corporation of India.

#### 2.20.3 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.

#### 2.20.4 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.

#### 2.20.5 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.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

#### (a) Gratuity

The funded status of the gratuity plan and the amounts recognized in the Company's financial statements as of March 31, 2023 and March 31, 2022 are as follows:

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
Change in benefit obligations		
Benefit obligations at the beginning	150	129
Service cost	17	15
Interest expense	9	7
Transfer of obligation	(5)	(2)
Remeasurements - Actuarial losses	3	18
Benefits paid	(20)	(17)
Benefit obligations at the end	154	150
Change in plan assets		
Fair value of plan assets at the beginning	154	134
Interest income	9	8
Transfer of employees	(5)	(4)
Remeasurements - Return on plan assets excluding amounts included in interest income	2	2
Contributions	20	31
Benefits paid	(20)	(17)
Fair value of plan assets at the end	160	154
Funded status	6	4
Prepaid gratuity asset	6	4

The amount for the year ended March 31, 2023 and March 31, 2022 recognized in the Statement of Profit and Loss under employee benefit expenses are as follows:

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
Service cost	17	15
Net interest on the net defined benefit liability/(asset)	-	(1)
Net gratuity cost	17	14

The amount for the year ended March 31, 2023 and March 31, 2022 recognized in the Statement of Other Comprehensive Income are as follows:

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial losses	3	18
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(2)	(2)
	1	16

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(2)	(1)
(Gain)/loss from change in experience assumptions	6	20
	4	19

The weighted-average assumptions used to determine benefit obligations as of March 31, 2023 and March 31, 2022 are as follows:

Particulars	As at March 31,	
	2023	2022
Discount rate	7.1%	6.5%
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 years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Years ended March 31,	
	2023	2022
Discount rate	6.5%	6.1%
Weighted average rate of increase in compensation levels	7.5%	7.5%
Weighted average duration of defined benefit obligation	5.9 years	5.9 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

Impact of percentage point increase/decrease in	(In ₹ crore)	
	As at March 31,	
	2023	2022
Discount rate	4	4
Weighted average rate of increase in compensation level	3	3

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, 2023 and March 31, 2022, the plan assets have been primarily invested in insurer managed funds.

Actual return on assets for the year ended March 31, 2023 and March 31, 2022 were ₹ 11 crore and ₹ 10 crore respectively.

The Company expects to contribute ₹24 crore to the gratuity trusts during the fiscal 2024.

Maturity profile of defined benefit obligation:

	(In ₹ crore)
Within 1 year	50
1-2 year	42
2-3 year	34
3-4 year	30
4-5 year	29
5-10 years	76

#### (b) Superannuation

The Company contributed ₹ 11 crore to the Superannuation Trust for the year ended March 31, 2023 (₹ 9 crore for the year ended March 31, 2022).

#### (c) Provident fund

The Company contributed ₹ 110 crore towards Provident Fund for the year ended March 31, 2023 (₹ 90 crore for the year ended March 31, 2022).

#### (d) Pension Fund

The Company contributed ₹ 13 crore to pension funds for the year ended March 31, 2023 (₹ 13 crore for the year ended March 31, 2022).



## 2.21 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, reverse share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

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

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
Basic earnings per equity share - weighted average number of equity shares outstanding	33,828	33,828
Effect of dilutive common equivalent shares	-	-
Diluted earnings per equity share - weighted average number of equity shares and common equivalent shares outstanding	33,828	33,828

## 2.22 Contingent liabilities and commitments (to the extent not provided for)

### Accounting Policy

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

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
Contingent liabilities :		
Claims against the Company, not acknowledged as debts <sup>(1)</sup>	266	265
[Amount paid to statutory authorities ₹ 111 crore (₹ 84 crore)]		
Commitments :		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits) <sup>(2)</sup>	53	87

<sup>(1)</sup> As at March 31, 2023 and March 31, 2022, claims against the Company not acknowledged as debts in respect of income tax matters amounted to ₹38 crore and ₹46 crore, respectively.

The claims against the Company majorly represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of multiple issues of disallowances such as disallowance of expenditure towards software being held as capital in nature, disallowance under section 80G, disallowance on account of denial of certain foreign tax credit among others.

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.

Amount paid to statutory authorities against the tax claims amounted to ₹111 crore and ₹84 crore as at March 31, 2023 and March 31, 2022, respectively.

<sup>(2)</sup> Capital contracts primarily comprises of commitments for infrastructure, facilities and computer equipment.



## Legal Proceedings

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

## 2.23 Related party transactions

### List of related parties:

Name of related parties	Country	Holding as at March 31,	
		2023	2022
<b>Holding Company</b>			
Infosys Limited	India	<b>Holding Company</b>	Holding Company
<b>Subsidiaries</b>			
Infosys (Czech Republic) Limited s.r.o. <sup>(1)</sup>	Czech Republic	<b>100%</b>	100%
Infosys Poland Sp z.o.o. <sup>(1)</sup>	Poland	<b>100%</b>	100%
Infosys BPO Americas LLC. <sup>(1)</sup>	U.S.	<b>100%</b>	100%
Infosys McCamish Systems LLC <sup>(1)</sup>	U.S.	<b>100%</b>	100%
Portland Group Pty Ltd <sup>(1)</sup>	Australia	<b>100%</b>	100%
Infosys BPM UK Limited <sup>(1)</sup>	U.K.	<b>100%</b>	–
<b>Fellow subsidiaries</b>		<b>Country</b>	
Infosys Technologies (China) Co. Limited (Infosys China) <sup>(2)</sup>		China	
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico) <sup>(2)</sup>		Mexico	
Infosys Technologies (Sweden) AB (Infosys Sweden) <sup>(2)</sup>		Sweden	
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai) <sup>(2)</sup>		China	
Infosys Nova Holdings LLC. (Infosys Nova) <sup>(2)</sup>		U.S.	
EdgeVerve Systems Limited (EdgeVerve) <sup>(2)</sup>		India	
Infosys Austria GmbH <sup>(2)</sup>		Austria	
Skava Systems Private Limited (Skava Systems) <sup>(2)(26)</sup>		India	
Infosys Chile SpA <sup>(2)</sup>		Chile	
Infosys Arabia Limited <sup>(3)(26)</sup>		Saudi Arabia	
Infosys Consulting Ltda. <sup>(2)</sup>		Brazil	
Infosys Luxembourg S.a.r.l. <sup>(2)</sup>		Luxembourg	
Infosys Americas Inc. (Infosys Americas) <sup>(2)(26)</sup>		U.S.	
Infosys Public Services, Inc. USA (Infosys Public Services) <sup>(2)</sup>		U.S.	
Infosys Canada Public Services Inc. <sup>(19)(35)</sup>		Canada	
Infosys Consulting Holding AG (Infosys Lodestone) <sup>(2)</sup>		Switzerland	
Infosys Management Consulting Pty Limited <sup>(4)</sup>		Australia	
Infosys Consulting AG <sup>(4)</sup>		Switzerland	
Infosys Consulting GmbH <sup>(4)</sup>		Germany	
Infosys Consulting S.R.L. <sup>(2)</sup>		Romania	
Infosys Consulting SAS <sup>(4)</sup>		France	
Infosys Consulting s.r.o. v likvidaci (formerly Infosys Consulting s.r.o.) <sup>(4)(34)</sup>		Czech Republic	
Infosys Consulting (Shanghai) Co., Ltd. <sup>(4)(30)</sup>		China	
Infy Consulting Company Ltd <sup>(4)</sup>		U.K.	
Infy Consulting B.V. <sup>(4)</sup>		The Netherlands	
Infosys Consulting S.R.L. <sup>(44)</sup>		Argentina	
Infosys Consulting (Belgium) NV <sup>(4)</sup>		Belgium	

Fellow subsidiaries	Country
Panaya Inc. (Panaya) <sup>(2)</sup>	U.S.
Panaya Ltd. <sup>(6)</sup>	Israel
Infosys Financial Services GmbH. (formerly Panaya GmbH) <sup>(53)</sup>	Germany
Brilliant Basics Holdings Limited (Brilliant Basics) <sup>(2)(26)</sup>	U.K.
Brilliant Basics Limited <sup>(7)(26)</sup>	U.K.
Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.) <sup>(2)</sup>	Singapore
Infosys Middle East FZ LLC <sup>(8)</sup>	Dubai
Fluido Oy <sup>(8)</sup>	Finland
Fluido Sweden AB (Extero) <sup>(11)</sup>	Sweden
Fluido Norway A/S <sup>(11)</sup>	Norway
Fluido Denmark A/S <sup>(11)</sup>	Denmark
Fluido Slovakia s.r.o. <sup>(11)</sup>	Slovakia
Infosys Compaz Pte. Ltd <sup>(9)</sup>	Singapore
Infosys South Africa (Pty) Ltd <sup>(8)</sup>	South Africa
WongDoody Holding Company Inc. (WongDoody) <sup>(2)(36)</sup>	U.S.
WDW Communications, Inc <sup>(10)(37)</sup>	U.S.
WongDoody, Inc <sup>(10)(38)</sup>	U.S.
HIPUS Co., Ltd <sup>(9)</sup>	Japan
Stater N.V. <sup>(9)</sup>	The Netherlands
Stater Nederland B.V. <sup>(12)</sup>	The Netherlands
Stater XXL B.V. <sup>(12)</sup>	The Netherlands
HypoCasso B.V. <sup>(12)</sup>	The Netherlands
Stater Participations B.V. <sup>(12)</sup>	The Netherlands
Stater Belgium N.V./S.A. <sup>(13)</sup>	Belgium
Stater GmbH <sup>(12)(28)</sup>	Germany
Outbox systems Inc. dba Simplus (US) <sup>(15)</sup>	U.S.
Simplus North America Inc. <sup>(16)(27)</sup>	Canada
Simplus ANZ Pty Ltd. <sup>(16)</sup>	Australia
Simplus Australia Pty Ltd <sup>(17)</sup>	Australia
Square Peg Digital Pty Ltd <sup>(18)(31)</sup>	Australia
Simplus Philippines, Inc. <sup>(16)</sup>	Philippines
Simplus Europe, Ltd. <sup>(16)(29)</sup>	U.K.
Infosys Fluido UK, Ltd. (formerly Simplus U.K., Ltd) <sup>(11)</sup>	U.K.
Infosys Fluido Ireland, Ltd.(formerly Simplus Ireland, Ltd) <sup>(20)</sup>	Ireland
Infosys Limited Bulgaria EOOD <sup>(2)</sup>	Bulgaria
Kaleidoscope Animations, Inc. <sup>(15)</sup>	U.S.
Kaleidoscope Prototyping LLC <sup>(22)</sup>	U.S.
GuideVision s.r.o. <sup>(14)</sup>	Czech Republic
GuideVision Deutschland GmbH <sup>(21)</sup>	Germany
GuideVision Suomi Oy <sup>(21)</sup>	Finland
GuideVision Magyarország Kft <sup>(21)</sup>	Hungary
GuideVision Polska Sp. z.o.o. <sup>(21)</sup>	Poland
GuideVision UK Ltd <sup>(21)(26)</sup>	U.K.
Blue Acorn iCi Inc (formerly Beringer Commerce Inc) <sup>(15)</sup>	U.S.
Beringer Capital Digital Group Inc <sup>(15)(41)</sup>	U.S.

Fellow subsidiaries	Country
Mediotype LLC <sup>(23)(41)</sup>	U.S.
Beringer Commerce Holdings LLC <sup>(23)(41)</sup>	U.S.
SureSource LLC <sup>(24)(39)</sup>	U.S.
Blue Acorn LLC <sup>(24)(39)</sup>	U.S.
Simply Commerce LLC <sup>(24)(39)</sup>	U.S.
iCiDIGITAL LLC <sup>(25)(40)</sup>	U.S.
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi <sup>(2)</sup>	Turkey
Infosys Germany Holding GmbH <sup>(2)</sup>	Germany
Infosys Automotive and Mobility GmbH & Co. KG <sup>(2)</sup>	Germany
Infosys Green Forum <sup>(2)(32)</sup>	India
Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.) <sup>(33)</sup>	Malaysia
Infosys Business Solutions LLC <sup>(2)(42)</sup>	Qatar
Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall")) <sup>(43)</sup>	Germany
oddiy GmbH <sup>(45)</sup>	Germany
oddiy (Shanghai) Co., Ltd. <sup>(46)</sup>	China
oddiy Limited (Taipei) <sup>(46)</sup>	Taiwan
oddiy space GmbH <sup>(45)</sup>	Germany
oddiy jungle GmbH <sup>(45)</sup>	Germany
oddiy code GmbH <sup>(45)</sup>	Germany
oddiy code d.o.o. <sup>(47)</sup>	Serbia
oddiy waves GmbH <sup>(45)</sup>	Germany
oddiy group services GmbH <sup>(45)</sup>	Germany
Infosys Public Services Canada Inc. <sup>(19)(5)</sup>	Canada
BASE life science AG <sup>(49)</sup>	Switzerland
BASE life science GmbH <sup>(49)</sup>	Germany
BASE life science A/S <sup>(48)</sup>	Denmark
BASE life science S.A.S. <sup>(49)</sup>	France
BASE life science Ltd. <sup>(49)</sup>	U.K.
BASE life science S.r.l. <sup>(49)</sup>	Italy
Innovisor Inc. <sup>(49)</sup>	U.S.
BASE life science Inc. <sup>(49)</sup>	U.S.
BASE life science S.L. <sup>(49)(50)</sup>	Spain
Panaya Germany GmbH <sup>(6)(51)</sup>	Germany
Infosys Norway <sup>(8)(52)</sup>	Norway

<sup>(1)</sup> Wholly-owned subsidiary of Infosys BPM Limited

<sup>(2)</sup> Wholly-owned subsidiary of Infosys Limited

<sup>(3)</sup> Majority-owned and controlled subsidiary of Infosys Limited

<sup>(4)</sup> Wholly-owned subsidiary of Infosys Consulting Holding AG

<sup>(5)</sup> Incorporated on July 8, 2022

<sup>(6)</sup> Wholly-owned subsidiary of Panaya Inc.

<sup>(7)</sup> Wholly-owned subsidiary of Brilliant Basics Holding Limited.

<sup>(8)</sup> Wholly-owned subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

<sup>(9)</sup> Majority-owned and controlled subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

<sup>(10)</sup> Wholly-owned subsidiary of WongDoody Holding Company Inc. (WongDoody)

<sup>(11)</sup> Wholly-owned subsidiary of Fluidio Oy

<sup>(12)</sup> Wholly-owned subsidiary of Stater N.V

<sup>(13)</sup> Majority-owned and controlled subsidiary of Stater Participations B.V.

<sup>(14)</sup> Wholly-owned subsidiary of Infy Consulting Company Limited

- <sup>(15)</sup> Wholly-owned subsidiary of Infosys Nova Holdings LLC
- <sup>(16)</sup> Wholly-owned subsidiary of Outbox Systems Inc.
- <sup>(17)</sup> Wholly-owned subsidiary of Simplus ANZ Pty Ltd
- <sup>(18)</sup> Wholly-owned subsidiary of Simplus Australia Pty Ltd
- <sup>(19)</sup> Wholly-owned subsidiary of Infosys Public Services, Inc.
- <sup>(20)</sup> Wholly-owned subsidiary of Infosys Fluido UK, Ltd. (formerly Simplus U.K., Ltd)
- <sup>(21)</sup> Wholly-owned subsidiary of GuideVision s.r.o.
- <sup>(22)</sup> Wholly-owned subsidiary of Kaleidoscope Animations, Inc.
- <sup>(23)</sup> Wholly-owned subsidiary of Blue Acorn iCi Inc
- <sup>(24)</sup> Wholly-owned subsidiary of Beringer Commerce Holdings LLC
- <sup>(25)</sup> Wholly-owned subsidiary of Beringer Capital Digital Group Inc.
- <sup>(26)</sup> Under liquidation
- <sup>(27)</sup> Liquidated effective April 27,2021
- <sup>(28)</sup> Incorporated on August 4, 2021
- <sup>(29)</sup> Liquidated effective July 20, 2021
- <sup>(30)</sup> Liquidated effective September 1, 2021
- <sup>(31)</sup> Liquidated effective September 2, 2021
- <sup>(32)</sup> Incorporated on August 31, 2021
- <sup>(33)</sup> On December 14, 2021, Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.), a wholly-owned subsidiary of Infosys Limited acquired 100% of voting interests in Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.)
- <sup>(34)</sup> Liquidated effective December 16, 2021
- <sup>(35)</sup> Liquidated effective November 23, 2021
- <sup>(36)</sup> Wholly-owned subsidiary of Infosys Limited, merged with WongDoody Inc, effective December 31, 2021
- <sup>(37)</sup> Wholly-owned subsidiary of WongDoody Holding Company Inc. (WongDoody), merged with WongDoody Inc, effective December 31, 2021
- <sup>(38)</sup> Wholly-owned subsidiary of Infosys Limited, effective December 31, 2021
- <sup>(39)</sup> Merged with Beringer Commerce Holdings LLC, effective January 1, 2022
- <sup>(40)</sup> Merged with Beringer Capital Digital Group Inc, effective January 1, 2022
- <sup>(41)</sup> Merged with Blue Acorn iCi Inc, effective January 1, 2022
- <sup>(42)</sup> Incorporated on February 20, 2022
- <sup>(43)</sup> On March 22, 2022, Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.), a wholly-owned subsidiary of Infosys Limited acquired 100% of voting interests in Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall") ).
- <sup>(44)</sup> Infosys Consulting S.R.L. (Argentina) (formerly a Wholly-owned subsidiary of Infosys Consulting Holding AG) became the majority owned and controlled subsidiary of Infosys Limited with effect from April 1, 2022
- <sup>(45)</sup> On April 20, 2022, Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall")) (a wholly owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.)) acquired 100% of voting interests in oddity space GmbH, oddity jungle GmbH, oddity waves GmbH, oddity group services GmbH, oddity code GmbH and oddity GmbH.
- <sup>(46)</sup> Wholly-owned subsidiary of oddity GmbH
- <sup>(47)</sup> Wholly-owned subsidiary of oddity code GmbH.
- <sup>(48)</sup> On September 1, 2022, Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.) (a Wholly-owned subsidiary of Infosys Limited) acquired 100% of voting interests in BASE life science A/S.
- <sup>(49)</sup> Wholly-owned subsidiary of BASE life science A/S
- <sup>(50)</sup> Incorporated on September 6, 2022
- <sup>(51)</sup> Incorporated effective December 15, 2022
- <sup>(52)</sup> Incorporated effective February 7, 2023.
- <sup>(53)</sup> Infosys Financial Services GmbH. (formerly Panaya GmbH) became a wholly-owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.) with effect from February 23, 2023.

## List of other related parties

Name of Trust	Country	Nature of relationship
Infosys BPM Limited Employees' Superannuation Fund Trust (formerly Infosys BPO Limited Employees Superannuation Fund Trust)	India	Post-employment benefit plan of Infosys BPM (Formerly known as Infosys BPO)
Infosys BPM Limited Employees' Gratuity Fund Trust (formerly Infosys BPO Limited Employees' Gratuity Fund Trust)	India	Post-employment benefit plan of Infosys BPM (Formerly known as Infosys BPO)
Infosys Foundation <sup>(1)</sup>	India	Trust jointly controlled by KMPs of Infosys Limited

<sup>(1)</sup> Effective January 1, 2022, Infosys Foundation a trust jointly controlled by the KMP's of Infosys Limited

The details of amounts due to or due from related parties as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	(In ₹ crore)	
	As at March 31, 2023	2022
Capital transactions:		
Equity		
Infosys BPO Americas	-	72
Infosys BPM UK Limited	1	-
	<b>1</b>	72
Trade receivables		
Infosys Limited	165	183
Infosys McCamish Systems LLC	3	3
Infosys Automotive and Mobility GmbH & Co. KG	19	5
Infosys BPO Americas LLC	-	12
EdgeVerve	-	1
Infosys Public Services	1	1
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	1	-
Portland Group Pty Ltd	1	1
Infosys Luxembourg S.a.r.l	1	-
Infosys Compaz PTE Ltd	2	-
Infosys China	1	-
Stater Nederland B.V.	-	-
Infosys Mexico	-	-
Infosys Poland Sp. Z.o.o	-	-
Infosys (Czech Republic) Limited s.r.o.	-	-
Infosys Austria GMBH	1	-
Infosys Consulting S.R.L. (Romania)	-	-
Infosys Sweden	-	-
Infosys Consulting S.R.L. (Argentina)	-	-
Infosys Consulting Ltda	1	-
Infosys Singapore Pte. Ltd	1	-
Infosys Middle East FZ LLC	-	-
Infy Consulting Company Limited	1	-
	<b>198</b>	206
Other financial assets		
Infosys Limited	32	2
Infosys McCamish Systems LLC	-	-

Particulars	As at March 31,	
	2023	2022
Infosys BPO Americas LLC	1	-
EdgeVerve	2	-
Infosys Poland Sp. Z.o.o	-	-
Infosys (Czech Republic) Limited s.r.o.	-	-
Infosys China	-	-
Infosys Consulting S.R.L. (Romania)	-	-
	<b>35</b>	<b>2</b>
<b>Unbilled revenue</b>		
Infosys Limited	-	6
Infy Consulting Company Limited	1	1
Infosys Automotive and Mobility GmbH & Co. KG	-	-
Infosys Austria GMBH	-	-
Infosys Consulting S.R.L. (Romania)	-	-
Infosys Sweden	-	-
	<b>1</b>	<b>7</b>
<b>Trade payables</b>		
Infosys Limited	12	9
Infosys McCamish Systems LLC	10	9
Infosys Poland Sp. Z.o.o	2	1
Portland Group Pty Ltd	1	1
Infosys China	-	1
Infosys Mexico	-	1
Infosys Consulting Ltda	2	-
EdgeVerve	-	-
Infosys (Czech Republic) Limited s.r.o.	-	-
	<b>27</b>	<b>22</b>
<b>Other financial liabilities</b>		
Infosys Limited	11	5
Infosys McCamish Systems LLC	1	1
EdgeVerve	-	-
Stater N.V.	1	-
Infosys Poland Sp. Z.o.o	1	-
	<b>14</b>	<b>6</b>
<b>Accrued Expense</b>		
Infosys Limited	-	-
Infosys BPO Americas	-	-
	<b>-</b>	<b>-</b>

The details of the related parties transactions entered into by the Company for year ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	(In ₹ crore)	
	Years ended March 31,	
	2023	2022
<b>Capital transactions:</b>		
<b>Equity</b>		
Infosys BPO Americas LLC	-	72
Infosys BPM UK Limited	1	-
	<b>1</b>	<b>72</b>
<b>Revenue transactions:</b>		
<b>Purchase of services</b>		
Infosys Limited	113	95
Infosys McCamish Systems LLC	132	101
Infosys Poland Sp. Z.o.o	19	22
Portland Group Pty Ltd	7	13
EdgeVerve	(1)	3
Infosys (Czech Republic) Limited s.r.o.	1	2
Infosys China	6	4
Infosys Consulting Ltda	10	1
Infosys Mexico	1	1
	<b>288</b>	<b>242</b>
<b>Purchase of shared services including facilities and personnel</b>		
Infosys Limited	86	51
Infosys McCamish Systems LLC	4	3
Infosys BPO Americas LLC	-	-
Infosys Poland Sp. Z.o.o	-	-
Stater N.V.	4	-
	<b>94</b>	<b>54</b>
<b>Sale of services</b>		
Infosys Limited	2,101	2,001
Infosys McCamish Systems LLC	34	32
Infosys Public Services	20	12
Infosys BPO Americas LLC	3	15
Portland Group Pty Ltd	6	3
EdgeVerve	6	5
Infosys Poland Sp. Z.o.o	2	3
Stater Nederland B.V.	1	2
Infosys Automotive and Mobility GmbH & Co. KG	35	5
Infosys China	2	1
Infy Consulting Company Limited	3	1
Infosys Luxembourg S.a.r.l	1	1
Infosys Compaz PTE Ltd	4	1
HIPUS Co., Ltd	-	-
Infosys Mexico	-	-
Infosys (Czech Republic) Limited s.r.o.	1	-
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	3	-



Particulars	Years ended March 31,	
	2023	2022
Infosys Austria GMBH	2	-
Infosys Consulting S.R.L. (Romania)	-	-
Infosys Sweden	1	-
Infosys Consulting S.R.L. (Argentina)	-	-
Infosys Consulting Ltda	1	-
Infosys Singapore Pte. Ltd	1	-
Infosys Middle East FZ LLC	1	-
	<b>2,228</b>	2,082
Sale of shared services including facilities and personnel		
Infosys Limited	36	3
Infosys BPO Americas LLC	-	-
	<b>36</b>	3
Dividend received		
Portland Group Pty Ltd	-	102
	-	102
Dividend paid		
Infosys Limited	1,187	1,150
	<b>1,187</b>	1,150
Other Transaction		
Infosys Foundation	17	1
	<b>17</b>	1

The Company's material related party transactions during the year ended March 31, 2023 and March 31, 2022 and outstanding balances as at March 31, 2023 and March 31, 2022 are with its holding Company, subsidiaries and fellow subsidiaries with whom the Company generally enters into transactions which are at arm's length and in the ordinary course of business.

### List of key management personnel

Name of the related party	Designation
Anantharaman Radhakrishnan	Chief Executive Officer and Managing Director
Ravikumar Singiseti <sup>(1)</sup>	Chairman and Director
Inderpreet Sawhney	Director
Martha King	Director
Prem Pereira <sup>(2)</sup>	Chief Financial Officer
Vasudeva Maipady <sup>(3)</sup>	Chief Financial Officer
Bindu Raghavan <sup>(4)</sup>	Company Secretary
Sudhir Gaonkar <sup>(5)</sup>	Company Secretary
Gopal Devanahalli <sup>(6)</sup>	Independent Director
Michael Nelson Gibbs <sup>(6)</sup>	Independent Director

<sup>(1)</sup> Resigned as Chairman & Director effective October 11, 2022.

<sup>(2)</sup> Resigned as Chief Financial Officer effective April 14, 2022.

<sup>(3)</sup> Appointed as Chief Financial Officer effective April 15, 2022.

<sup>(4)</sup> Resigned as Company Secretary effective September 30, 2022.

<sup>(5)</sup> Appointed as Company Secretary effective October 01, 2022.

<sup>(6)</sup> Resigned as independent director effective August 16, 2022.

## Transaction with key management personnel

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

(In ₹ crore)

Particulars	Years ended March 31,	
	2023	2022
Salaries and other employee benefits to whole-time directors and executive officers <sup>(1)</sup>	7	7
Commission and other benefits to non-executive/independent directors	-	-
Total	7	7

<sup>(1)</sup> Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.

## 2.24 Segment reporting

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

## 2.25 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 and healthcare 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.

(In ₹ crore)

S.No	Particula	As at March 31,	
		2023	2022
i)	Amount required to be spent by the company during the year	18	16
ii)	Amount of expenditure incurred	18	16
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous years shortfall	-	-
v)	Reason for shortfall	Not applicable	Not applicable
vi)	Nature of CSR activities	Promoting healthcare including preventive healthcare, Eradicating hunger, poverty and sanitation programs, promoting education, enhancing vocational skills, Rural development.	
vii)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard <sup>(1)</sup>	17	1
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

<sup>(1)</sup> Effective January 1, 2022, Infosys Foundation a trust jointly controlled by the KMP of Infosys Limited is a related party. For the year ending March 31, 2023, the Company has made contributions to Infosys foundation to fulfil its corporate social responsibilities. Infosys Foundation supports programs in the areas of education, rural development, healthcare, arts and culture, and destitute care.

## 2.26 Analytical ratios

The analytical ratios for the year ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Numerator	Denominator	Years ended March 31,		% of Variance
			2023	2022	
Current Ratio	Current assets	Current liability	2.4	2.8	(14.3%)
Debt – Equity Ratio	Total Debt <sup>(1)</sup>	Shareholder's Equity	0.1	0.1	0.0%
Debt Service Coverage Ratio	Earnings available for debt service <sup>(2)</sup>	Debt Service <sup>(3)</sup>	10.4	11.8	(11.9%)
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	18.3%	19.5%	(6.2%)
Trade receivables turnover ratio	Net Credit Revenue	Average Accounts Receivable	7.2	6.8	5.9%
Trade payables turnover ratio	Net Credit Purchase of services/consumables	Average Trade Payables	17.9	16.9	5.9%
Net capital turnover ratio	Net Sales	Working Capital	3.2	2.7	18.5%
Net profit ratio	Net Profit	Net Sales	11.2%	14.4%	(22.2%)
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed <sup>(4)</sup>	22.8%	23.8%	(4.2%)
Return on Investment					
Unquoted	Income from investments	Time weighted average investments	6.1%	3.8%	60.5%
Quoted	Income from investments	Time weighted average investments	4.0%	4.7%	(14.9%)

<sup>(1)</sup> Debt represents lease liabilities

<sup>(2)</sup> Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

<sup>(3)</sup> Lease payments for the current year

<sup>(4)</sup> Tangible net worth + Deferred tax liabilities + Lease liabilities

During the year ended March 31, 2023, there is a variance of more than 25% compared to previous year in Unquoted Return on Investment (ROI) due to change in investment mix.

## 2.27 Relationship with struck off companies

During the year ended March 31, 2023, there are no transactions and balance outstanding at March 31, 2023 is Nil with struck off companies.

The below table provides details regarding relationship with struck off companies for the year ended 31<sup>st</sup> March 2022 :

(In ₹ crore)

Name of Struck off Company	Nature of transactions with Struck off Company	Balance Outstanding as at March 31, 2022	Transactions during the year March'2022	Relationship with Struck off company
Mysodet Private Limited	Payables	–	–	Vendor
Evineon Technologies Private Limited	Payables	–	–*	Vendor

\*Less than ₹ 1 crore

## 2.28 Function-wise classification of statement of profit and loss

(In ₹ crore)

Particulars	Note No.	Years ended March 31,	
		2023	2022
Revenue from operations	2.17	7,529	6,684
Cost of sales		5,800	5,137
Gross Profit		1,729	1,547
Operating expenses			
Selling and marketing expenses		266	204
General and administration expenses		497	371
Total operating expenses		763	575
Operating profit		966	972
Other income	2.18	189	292
Finance cost	2.2	(32)	(29)
Profit before tax		1,123	1,235
Tax expense:			
Current tax	2.16	293	252
Deferred tax	2.16	(16)	23
Profit for the year		846	960
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset, net of tax	2.20	(1)	(12)
		(1)	(12)
Items that will be reclassified to profit or loss			
Fair value changes on investments, net of tax	2.4	(19)	(10)
		(19)	(10)
Total other comprehensive income, net of tax		(20)	(22)
Total comprehensive income for the year		826	938

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

**Martha King**  
Chairperson and Director

**Anantharaman Radhakrishnan**  
Chief Executive Officer and Managing Director

Bengaluru  
April 11, 2023

**Vasudeva Maipady**  
Chief Financial Officer

**Sudhir Gaonkar**  
Company Secretary

# Consolidated Financial Statements under Indian Accounting Standards (Ind AS) for the year ended Marc 31, 2023

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# Independent Auditor's Report

To The Members Of Infosys BPM Limited

## 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, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of 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 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 consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### 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 the Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

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

### Responsibilities of Management & Those Charged with Governance for the Consolidated Financial Statements

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

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

The respective Boards of Directors of the 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 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, Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company none of the directors of the Company is disqualified as on March 31, 2023 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" which is based on the auditors' reports of the Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 2.22 to the consolidated Financial Statements.
  - ii) The Group has made provision as required under applicable law or accounting standards for material foreseeable losses. Refer Note 2.16 to the consolidated financial statements. The Group did not have any long-term derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
  - iv)
    - (a) The respective Managements of the Company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management of the Company, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v) As stated in Note 2.12 to the consolidated financial statements
    - a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act as applicable.
    - b. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
    - c. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
  - vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(1 1) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

**Gurvinder Singh**  
*Partner*

(Membership No.110128)  
UDIN: 23110128BGRDEE5155

Place: Bengaluru  
Date: April 11, 2023

## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph I(t) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members Infosys BPM Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of INFOSYS BPM LIMITED (hereinafter referred to as “the Company”).

### Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal

Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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 with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the , internal financial controls with reference to Consolidated Financial Statements of the Company.

### Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company’s internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements, to future periods are subject to the risk that the internal financial control 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 with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI

For DELOITTE HASKINS & SELLS LLP

*Chartered Accountants*

(Firm's Registration No. 117366W/W-100018)

**Gurvinder Singh**

*Partner*

(Membership No.110128)

UDIN: 23110128BGRDEE5155

Place: Bengaluru

Date: April 11, 2023

# Consolidated Balance Sheet as at

(In ₹ crore)

Particulars	Note No.	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	2.1	365	348
Right of use assets	2.2	1,336	853
Capital work-in-progress	2.3	12	4
Goodwill	2.4	453	436
Other intangible assets		9	11
Financial assets:			
Investments	2.5	790	1,160
Loans	2.6	165	385
Other financial assets	2.7	617	571
Deferred tax assets (net)	2.17	219	107
Income tax assets (net)	2.17	162	137
Other non-current assets	2.10	217	277
Total non-current assets		4,345	4,289
Current assets			
Financial assets:			
Investments	2.5	1,916	660
Trade receivables	2.8	2,213	2,031
Cash and cash equivalents	2.9	1,761	2,089
Loans	2.6	315	182
Other financial assets	2.7	1,651	1,299
Income tax assets (net)	2.17	6	54
Other current assets	2.10	1,148	931
Total current assets		9,010	7,246
Total assets		13,355	11,535
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity share capital	2.12	34	34
Other equity		6,264	6,128
Total equity		6,298	6,162
Liabilities			
Non-current liabilities			
Financial liabilities:			
Lease liabilities	2.2	1,293	828
Other financial liabilities	2.13	545	614
Deferred tax liabilities (net)	2.17	–	8
Other non-current liabilities	2.15	1	1
Total non-current liabilities		1,839	1,451
Current liabilities			
Financial liabilities:			
Lease liabilities	2.2	323	159
Trade payables	2.14	311	337

Particulars	Note No.	March 31, 2023	March 31, 2022
Other financial liabilities	2.13	3,374	2,532
Other current liabilities	2.15	944	747
Provisions	2.16	27	19
Income tax liabilities (net)	2.17	239	128
Total current liabilities		5,218	3,922
Total equity and liabilities		13,355	11,535

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

As per our report of even date attached for and on behalf of the Board of Directors of Infosys BPM Limited

for Deloitte Haskins & Sells LLP

*Chartered Accountants*

Firm's Registration Number:117366W/ W-100018

**Gurvinder Singh**

*Partner*

Membership No. 110128

**Martha King**

*Chairperson and Director*

**Anantharaman Radhakrishnan**

*Managing Director and Chief Executive Officer*

Bengaluru

April 11, 2023

**Vasudeva Maipady**

*Chief Financial Officer*

**Sudhir Gaonkar**

*Company Secretary*

# Consolidated Statement of Profit and Loss for the

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

Particulars	Note No.	Year ended March 31,	
		2023	2022
Revenue from operations	2.18	12,997	11,004
Other income, net	2.19	223	238
<b>Total income</b>		<b>13,220</b>	<b>11,242</b>
<b>Expenses</b>			
Employee benefit expenses	2.20	6,506	5,703
Cost of technical sub-contractors and professional charges	2.20	1,202	1,138
Travel expenses		112	20
Cost of software packages and others		2,772	1,983
Finance cost	2.2	65	45
Depreciation and amortisation expense	2.1 ,2.2 and 2.4	402	300
Other expenses	2.20	566	481
<b>Total expenses</b>		<b>11,625</b>	<b>9,670</b>
<b>Profit before tax</b>		<b>1,595</b>	<b>1,572</b>
<b>Tax expense:</b>			
Current tax	2.17	484	385
Deferred tax	2.17	(115)	12
		369	397
<b>Profit for the period</b>		<b>1,226</b>	<b>1,175</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of the net defined benefit (liability)/asset, net of tax		(1)	(12)
Equity instruments through other comprehensive income, net of tax	2.5	(3)	(1)
		(4)	(13)
<b>Items that will be reclassified subsequently to profit or loss</b>			
Exchange differences on translation of foreign operations, net		138	34
Fair value changes on investments, net of tax	2.5	(19)	(10)
		119	24
<b>Total other comprehensive income, net of tax</b>		<b>115</b>	<b>11</b>
<b>Total comprehensive income for the period</b>		<b>1,341</b>	<b>1,186</b>
<b>Profit attributable to:</b>			
Owners of the Company		1,226	1,175
Non-controlling interests		-	-
		1,226	1,175
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		1,341	1,186
Non-controlling interests		-	-
		1,341	1,186
<b>Earnings per equity share</b>			
Equity shares of par value ₹10,000/- each			
Basic and Diluted (₹)		362,339.46	347,316.97
<b>Weighted average equity shares used in computing earnings per equity share</b>			
Basic and Diluted		33,828	33,828

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



As per our report of even date attached for and on behalf of the Board of Directors of Infosys BPM Limited

for Deloitte Haskins & Sells LLP

*Chartered Accountants*

Firm's Registration Number:117366W/ W-100018

**Gurvinder Singh**

*Partner*

Membership No. 110128

Bengaluru

April 11, 2023

**Martha King**

*Chairperson and Director*

**Vasudeva Maipady**

*Chief Financial Officer*

**Anantharaman Radhakrishnan**

*Chief Executive Officer and Managing Director*

**Sudhir Gaonkar**

*Company Secretary*

## Consolidated Statement of Changes in Equity

(In ₹ crore)

Particulars	Other equity							Total equity attributable to equity holders of the company		
	Equity share capital	Reserves & surplus	Capital reserve	Other comprehensive income	Capital reserve	Other comprehensive income	Other comprehensive income			
	Capital reserve	Securities premium <sup>(2)</sup>	General reserve	Special economic zone re-investment reserve <sup>(1)</sup>	Retained earnings	Other reserves <sup>(3)</sup>	Equity Instruments through other comprehensive income	Other items of other comprehensive income		
Balance as at April 1, 2021	34	1	25	1,004	241	4,787	(111)	157	6,126	
Changes in equity for the year ended March 31, 2022										
Dividends	-	-	-	-	-	(1,150)	-	-	(1,150)	
Profit for the period	-	-	-	-	-	1,175	-	-	1,175	
Exchange differences on translation foreign operations	-	-	-	-	-	-	-	-	34	
Fair value changes on investments, net of tax	-	-	-	-	-	-	-	-	(10)	
Remeasurement of the net defined benefit liability/asset, net of tax	-	-	-	-	-	-	-	-	(12)	
Equity instruments through other comprehensive income, net of tax	-	-	-	-	-	-	-	(1)	(1)	
Total Comprehensive income for the period	-	-	-	-	-	25	-	(1)	12	36
Transferred to Special Economic Zone Re-investment Reserve	-	-	-	-	262	(262)	-	-	-	-
Utilisation of Special Economic Zone Re-investment Reserve	-	-	-	-	(88)	88	-	-	-	-
Balance as at March 31, 2022	34	1	25	1,004	415	4,638	(111)	(13)	169	6,162
Balance as at April 01, 2022	34	1	25	1,004	415	4,638	(111)	(13)	169	6,162
Changes in equity for the year ended March 31, 2023										
Profit for the period	-	-	-	-	-	1,226	-	-	-	1,226
Exchange differences on translation foreign operations	-	-	-	-	-	-	-	-	138	138
Fair value changes on investments, net of tax	-	-	-	-	-	-	-	-	(19)	(19)

Particulars	Other equity							Total equity attributable to equity holders of the company	
	Equity share capital	Reserves & surplus			Capital reserve		Other comprehensive income		
	Capital reserve	Securities premium <sup>(2)</sup>	General reserve	Special economic zone re-investment reserve <sup>(1)</sup>	Retained earnings	Other reserves <sup>(3)</sup>	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Remeasurement of the net defined benefit (liability)/asset, net of tax	-	-	-	-	-	-	-	(1)	(1)
Equity instruments through other comprehensive income, net of tax	-	-	-	-	-	-	(3)	-	(3)
Total Comprehensive income for the period	-	-	-	-	1,226	-	(3)	118	1,341
Dividends	-	-	-	-	(1,187)	-	-	-	(1,187)
Transfer to Special Economic Zone Re-investment Reserve <sup>(1)</sup>	-	-	-	13	(13)	-	-	-	-
Transfer from Special Economic Zone Re-investment Reserve on utilization <sup>(1)</sup>	-	-	-	(67)	67	-	-	-	-
Reserves recorded upon business transfer under common control (refer note 2.24)	-	-	-	-	-	(18)	-	-	(18)
Balance as at March 31, 2023	34	1	25	1,004	361	4,731	(129)	287	6,298

<sup>(1)</sup>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<sup>(1)(ii)</sup> 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<sup>(2)</sup> of the Income Tax Act, 1961.

<sup>(2)</sup>Securities premium - refer note 2.12

<sup>(3)</sup> Profit/loss on transfer of business between entities under common control taken to reserve

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

As per our report of even date attached for and on behalf of the Board of Directors of Infosys BPM Limited

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

**Gurvinder Singh**  
Partner  
Membership No. 110128

**Martha King**  
Chairperson and Director

**Anantharaman Radhakrishnan**  
Chief Executive Officer and Managing Director

Bengaluru  
April 11, 2023

**Vasudeva Maipady**  
Chief Financial Officer

**Sudhir Gaonkar**  
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	Note No.	Year ended March 31,	
		2023	2022
Cash flows from operating activities:			
Profit for the period		1,226	1,175
Adjustments to reconcile net profit to net cash provided by operating activities:			
Income tax expense	2.17	369	397
Depreciation and amortization	2.1 ,2.2 and 2.4	402	300
Finance cost		65	45
Interest on bank deposits and others		(98)	(103)
Income on other financial assets		(38)	(73)
Impairment loss recognised/(reversed) under expected credit loss model		20	25
Other Adjustments		-	(201)
Profit/Loss/fair value change on Investments		37	(35)
Profit on sale of property, plant and equipment		(1)	(1)
Exchange difference on translation of assets and liabilities		(95)	(56)
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(463)	(991)
Loans, other financial assets and other assets		(335)	(142)
Trade payables		(26)	129
Other financial liabilities, other liabilities and provisions		1,316	882
Cash generated from operations		2,379	1,351
Income taxes paid, net of refunds		(354)	(417)
Net cash generated by operating activities		2,025	934
Cash flows from investing activities:			
Expenditure on property, plant and equipment and intangible assets		(196)	(178)
Deposits placed with corporations		(3)	(10)
Financial asset under financial arrangement		-	(23)
Interest received on bank deposits and others		174	158
Receipt towards Financial asset under revenue deals		34	18
Loan (given)/ repaid by fellow subsidiary		109	(503)
Payment towards business transfer for entities under common control	2.24	(19)	-
Payments to acquire financial assets			
Preference and other securities		(16)	(19)
Liquid mutual fund units and fixed maturity plan securities		(4,885)	(4,192)
Government bonds		(13)	-
Certificate of deposits		(1,439)	(287)
Non-convertible debentures		(247)	(150)
Government Securities		(198)	(791)
Commercial Papers		(518)	-

Particulars	Note No.	Year ended March 31,	
		2023	2022
Proceeds on sale of financial assets			
Non-convertible debentures		75	256
Government Securities		350	–
Certificates of deposit		950	–
Liquid mutual fund units and fixed maturity plan securities		4,831	4,115
Commercial Papers		200	–
Government bonds		8	–
Net cash used in investing activities		(803)	(1,606)
Cash flow from financing activities:			
Payment of dividends		(1,187)	(1,150)
Financial liability under financial arrangement		–	52
Repayment towards Financial liability under revenue deals		(126)	(31)
Payment of lease liability		(241)	(185)
Net cash used in financing activities		(1,554)	(1,314)
Effect of exchange rate on translation of foreign currency cash and cash equivalents		4	(5)
Net decrease in cash and cash equivalents		(332)	(1,986)
Cash and cash equivalents at the beginning	2.9	2,089	4,080
Cash and cash equivalents at the end	2.9	1,761	2,089
Supplementary information:			
Restricted cash balance	2.9	–	–

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

As per our report of even date attached for and on behalf of the Board of Directors of Infosys BPM Limited

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

**Gurvinder Singh**  
Partner  
Membership No. 110128

**Martha King**  
Chairperson and Director

**Anantharaman Radhakrishnan**  
Chief Executive Officer and Managing Director

Bengaluru  
April 11, 2023

**Vasudeva Maipady**  
Chief Financial Officer

**Sudhir Gaonkar**  
Company Secretary

# Notes to the consolidated financial statements

## 1. Overview

### 1.1 Company overview

Infosys BPM Limited (“Infosys BPM” or “the Company”) along with its wholly owned subsidiaries, Infosys (Czech Republic) Limited s.r.o., Infosys Poland Sp.z.o.o, Infosys McCamish Systems LLC, Portland Group Pty Ltd ,Infosys BPO Americas LLC & Infosys BPM UK Limited , 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 wholly owned 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 11, 2023.

### 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 thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

### 1.3 Basis of consolidation

Infosys 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 consolidated 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 period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates 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 and judgements

#### a. Revenue recognition

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

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

The Group uses the percentage-of-completion method in accounting for its other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred.

Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. Also refer note no. 2.18.

#### **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. 2.17.

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 note no. 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 (CGUs) 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 represent 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 its 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.

#### **e. Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Infosys BPM's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts. Also refer note no. 2.2.

#### **f. Allowance for credit losses on receivables and unbilled revenue**

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

### **1.6 Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Group's financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements



Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.

## 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 <sup>(1)</sup>	22-25 years
Plant and machinery <sup>(1)</sup>	5 years
Computer equipment <sup>(1)</sup>	3-5 years
Furniture and fixtures <sup>(1)</sup>	5 years
Office equipment <sup>(1)</sup>	5 years
Leasehold improvements	Over lease term or 5 years which ever is lower

<sup>(1)</sup> 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.

### 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.

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

Particulars	(In ₹ crore)						
	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as at April 1, 2022	155	205	67	127	667	95	1,316
Additions	6	38	5	6	115	7	177
Additions through Business transfer	-	-	-	-	2	-	2
Deletions*	-	(11)	(2)	(25)	(118)	(50)	(206)
Translation difference	-	5	-	1	13	1	20
Gross carrying value as at March 31, 2023	161	237	70	109	679	53	1,309
Accumulated depreciation as at April 1, 2022	85	171	62	117	448	85	968
Depreciation	6	18	2	4	131	5	166
Accumulated depreciation on deletions*	-	(11)	(2)	(25)	(118)	(50)	(206)
Translation difference	-	3	-	1	11	1	16
Accumulated depreciation as at March 31, 2023	91	181	62	97	472	41	944
Carrying value as of March 31, 2023	70	56	8	12	207	12	365
Carrying value as at April 1, 2022	70	34	5	10	219	10	348

\* During the year ended March 31, 2023, certain assets which were old and not in use having gross book value of ₹ 157 crore (net book value : Nil) respectively, were retired.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 were as follows:

(In ₹ crore)							
Particulars	Buildings	Leasehold improvements	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as at April 1, 2021	155	202	65	127	558	93	1,200
Additions	–	3	2	3	162	2	172
Deletions	–	–	–	(3)	(56)	(1)	(60)
Translation difference	–	–	–	–	3	1	4
Gross carrying value as at March 31, 2022	155	205	67	127	667	95	1,316
Accumulated depreciation as of April 1, 2021	79	156	58	115	400	81	889
Depreciation	6	15	4	5	101	5	136
Accumulated depreciation on deletions	–	–	–	(3)	(56)	(1)	(60)
Translation difference	–	–	–	–	3	–	3
Accumulated depreciation as at March 31, 2022	85	171	62	117	448	85	968
Carrying value as at March 31, 2022	70	34	5	10	219	10	348
Carrying value as of April 1, 2021	76	46	7	12	158	12	311

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

## 2.2 Leases

### Accounting Policy

#### The Group as a lessee

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

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

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes

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

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

Lease liability and Right-of-use assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

#### The Group as a lessor

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

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

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

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

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as of April 1, 2022	10	735	108	853
Additions/Adjustments <sup>(1)</sup>	–	184	578	762
Deletions/Adjustments	–	(2)	(69)	(71)
Depreciation	–	(140)	(101)	(241)
Translation difference	–	23	10	33
Balance as of March 31, 2023	10	800	526	1,336

(In ₹ crore)

<sup>(1)</sup> Net of adjustments on account of modifications

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as of April 1, 2021	10	843	43	896
Additions/Adjustments <sup>(1)</sup>	–	31	90	121
Deletions/Adjustments	–	(10)	–	(10)
Depreciation	–	(133)	(26)	(159)
Translation difference	–	4	1	5
Balance as of March 31, 2022	10	735	108	853

(In ₹ crore)

<sup>(1)</sup> Net of adjustments on account of modifications

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

The following is the break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022:

Particulars	(In ₹ crore)	
	As At March 31, 2023	2022
Non-current lease liabilities	1,293	828
Current lease liabilities	323	159
Total	1,616	987

The following is the movement in lease liabilities during the year ended March 31, 2023 and March 31, 2022

Particulars	(In ₹ crore)	
	As At March 31, 2023	2022
Balance at the beginning	987	1,018
Additions/Adjustments <sup>(1)</sup>	774	125
Deletions/Adjustments	(15)	(12)
Finance cost accrued during the year	58	39
Payment of lease liabilities	(241)	(174)
Translation difference	53	(9)
Balance at the end	1,616	987

<sup>(1)</sup> Net of adjustments on account of modifications

Rental expense recorded for short-term leases was ₹33 crore and ₹27 crore for the year ended March 31, 2023 and March 31, 2022.

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	(In ₹ crore)	
	As At March 31, 2023	2022
Less than one year	339	184
One to five years	1,154	647
More than five years	313	295
Total	1,806	1,126

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

The following is the movement in the net investment in sublease of ROU assets during the year ended March 31, 2023 and March 31, 2022

Particulars	(In ₹ crore)	
	As At March 31, 2023	2022
Balance at the beginning	7	3
Additions	6	5
Interest income accrued during the year	-	-
Lease receipts	(2)	(1)
Balance at the end	11	7

The table below provides details regarding the contractual maturities of net investment in sublease of ROU asset as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	(In ₹ crore)	
	As At March 31, 2023	2022
Less than one year	3	2

Capital work-in-progress ageing schedule for the year ending March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	12	-	-	-	12
Total Capital work-in-progress	12	-	-	-	12

Capital work-in-progress ageing schedule for the year ending March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4	-	-	-	4
Total Capital work-in-progress	4	-	-	-	4

During the year ended March 31, 2023 and March 31, 2022, in capital-work-in progress there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

## 2.4 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

Particulars	As At March 31,	
	2023	2022
One to five years	6	4
More than five years	-	-
Total	9	6

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

Leases not yet commenced to which Group is committed amounts to less than ₹1 crore for a lease term 5 years.

## 2.3 CAPITAL WORK-IN-PROGRESS

Particulars	(In ₹ crore)	
	As At March 31, 2023	2022
Capital work-in-progress	12	4
Total Capital work-in-progress	12	4

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:

Particulars	(In ₹ crore)	
	As At March 31,	
	2023	2022
Carrying value at the beginning	436	426
Translation differences	17	10
Carrying value at the end	453	436

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.

The allocation of goodwill to operating segments are as follows as at March 31, 2023 are as follows

Segment	(In ₹ crore)	
	As at March 31,	
	2023	
Finance & Accounts	47	
Sourcing & Procurement	154	
McCamish	252	
Total	453	

The allocation of goodwill to operating segments are as follows as at March 31, 2022 are as follows

Segment	(In ₹ crore)	
	As at March 31,	
	2022	
Finance & Accounts	45	
Sourcing & Procurement	159	
McCamish	232	
Total	436	

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, 2023 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 at March 31,	
	2023	2022
Long term growth rate	6-8	9-11
Operating margins	10-11	10-11
Discount rate	13	11.9

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, 2023:

(In ₹ crore)			
Particulars	Software	Customer related	Total
Gross carrying value as of April 1, 2022	25	122	147
Additions during the year	-	-	-
Deletions during the year	-	-	-
Translation difference	2	5	7
Gross carrying value as of March 31, 2023	27	127	154
Accumulated amortization as of April 1, 2022	(14)	(122)	(136)
Amortization expense	(3)	-	(3)
Deletion during the year	-	-	-
Translation differences	(1)	(5)	(6)
Accumulated amortization as of March 31, 2023	(18)	(127)	(145)
Carrying value as of March 31, 2023	9	-	9
Carrying value as of April 1, 2022	11	-	11
Estimated Useful Life (in years)	5	10	
Estimated Remaining Useful Life (in years)	3	-	

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2022:

(In ₹ crore)			
Particulars	Software	Customer related	Total
Gross carrying value as of April 1, 2021	24	118	142
Additions during the year	-	-	-
Deletions during the year	-	-	-
Translation difference	1	4	5
Gross carrying value as of March 31, 2022	25	122	147
Accumulated amortization as of April 1, 2021	(10)	(116)	(126)
Amortization expense	(3)	(2)	(5)
Deletion during the year	-	-	-
Translation differences	(1)	(4)	(5)
Accumulated amortization as of March 31, 2022	(14)	(122)	(136)
Carrying value as of March 31, 2022	11	-	11
Carrying value as of April 1, 2021	14	2	16
Estimated Useful Life (in years)	5	10	
Estimated Remaining Useful Life (in years)	4	-	

The amortization expense has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

## 2.5 Investments

Particulars	(In ₹ crore)	
	As At March 31,	
	2023	2022
Non-current investments		
Preference securities	-	23
Other securities	87	77
Non-convertible debentures	222	259
Government bonds	14	-
Government Securities	467	801
Total non-current investments	790	1,160
Current investments		
Liquid mutual fund units	199	128
Non-convertible debentures	279	81
Government Securities	308	154
Certificates of deposit	809	289
Commercial Paper	321	-
Government bonds	-	8
Total current investments	1,916	660
Total carrying value	2,706	1,820

Particulars	(In ₹ crore)	
	As At March 31,	
	2023	2022
Non-current		
Quoted investments- carried at amortized cost		
Investments in government bonds	14	-
Quoted investments- carried at fair value through other comprehensive income		
Non-Convertible debentures	222	259
Government securities	467	801
Unquoted investments- carried at fair value through profit or loss		
Tidal Scale Inc. - Preference & other securities (refer note 2.17)	-	23

Particulars	As At March 31,	
	2023	2022
The House Fund II, L.P.- other securities	87	77
Total non-current investments	790	1,160
Current		
Quoted investments- carried at fair value through other comprehensive income		
Non-Convertible debentures	279	81
Government securities	308	154
Quoted investments- carried at amortised cost		
Government bonds	-	8
Unquoted investments- carried at fair value through other comprehensive income		
Certificates of deposit	809	289
Commercial Paper	321	-
Unquoted investments- carried at fair value through profit or loss		
Liquid mutual fund units	199	128
Total current investments	1,916	660
Total investments	2,706	1,820
Aggregate amount of quoted investments	1,290	1,303
Market value of quoted investments (Including interest thereon) - Non current	705	1,060
Market value of quoted investments (Including interest thereon)- Current	587	243
Aggregate amount of unquoted investments	1,416	517
Investments carried at fair value through other comprehensive income	2,406	1,584
Investment carried at amortised cost	14	8
Investment carried at fair value through Profit or Loss	286	228

Refer to note 2.11 for accounting policies on financial instruments.

Details of amounts recorded in Other Comprehensive income:

	(In ₹ crore)					
	Year ended March 31,					
	2023			2022		
	Gross	Tax	Net	Gross	Tax	Net
Net Gain/(loss) on						
Non-convertible debentures	(8)	-	(8)	(7)	1	(6)
Government securities	(12)	-	(12)	(4)	-	(4)
Certificates of deposit	1	-	1	-	-	-
Equity /Preference/others	-	-	-	-	-	-



## Method of fair valuation:

Class of investment	Method	Fair Value as at March 31,	
		2023	2022
Non-convertible debentures	Quoted price and market observable inputs	501	340
Liquid mutual fund units	Quoted price	199	128
Certificates of deposit	Market observable inputs	809	289
Government Securities	Quoted price and market observable inputs	775	955
Commercial Paper	Market observable inputs	321	–
Preference securities	Discounted cash flows method, Market multiple method	–	23
Other securities	Discounted cash flows method, Market multiple method	87	77

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

## 2.6 Loans

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
<b>Non-current</b>		
Unsecured, considered doubtful		
Loans to employees	–	–
Less: Allowance for doubtful loans to employees	–	–
	–	–
Unsecured, considered good		
Loans to employees	2	2
Loans to fellow subsidiary	163	383
<b>Total non current loans</b>	<b>165</b>	<b>385</b>
<b>Current</b>		
Unsecured, considered good		
Loans to employees	27	18
Loans to fellow subsidiary	288	164
<b>Total current loans</b>	<b>315</b>	<b>182</b>
<b>Total Loans</b>	<b>480</b>	<b>567</b>

## 2.7 Other Financial Assets

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
<b>Non-current</b>		
Security deposits <sup>(1)</sup>	3	3
Rental deposits <sup>(1)</sup>	51	48
Unbilled revenues <sup>(1)#</sup>	460	480
Financial Asset under revenue deals <sup>(1)</sup>	7	33
Investment in Sub-Lease <sup>(1)</sup>	96	7
<b>Total non-current other financial assets</b>	<b>617</b>	<b>571</b>
<b>Current</b>		
Security deposits <sup>(1)</sup>	–	–

Rental deposits <sup>(1)</sup>	–	–
Restricted deposits <sup>(1)*</sup>	171	157
Unbilled revenues <sup>(1)(3)#</sup>	1,383	1,068
Interest accrued but not due <sup>(1)</sup>	16	26
Foreign currency forward contracts <sup>(2)</sup>	19	8
Financial Asset under revenue deals <sup>(1)</sup>	15	17
Investment in Sub-Lease <sup>(1)</sup>	5	4
Others <sup>(1)(4)</sup>	42	19
<b>Total current other financial assets</b>	<b>1,651</b>	<b>1,299</b>
<b>Total financial assets</b>	<b>2,268</b>	<b>1,870</b>
<sup>(1)</sup> Financial assets carried at amortised cost.	2,249	1,862
<sup>(2)</sup> Financial assets carried at fair value through Profit or Loss.	19	8
<sup>(3)</sup> Includes dues from holding company and other group companies (refer note 2.23)	20	7
<sup>(4)</sup> Includes dues from holding company and other group companies (refer note 2.23)	40	4

\* Restricted deposits represent deposit with financial institutions to settle employees 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 and is due only after passage of time.

## 2.8 Trade Receivables

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
<b>Current</b>		
Trade Receivable considered good - Unsecured <sup>(2)</sup>	2,246	2,083
Less: Allowance for expected credit loss	33	52
Trade Receivable considered good - Unsecured	2,213	2,031
Trade Receivable - credit impaired - Unsecured	25	-
Less: Allowance for credit impairment	25	-
Trade Receivable - credit impaired - Unsecured	-	-
<b>Total trade receivables<sup>(1)</sup></b>	<b>2,213</b>	<b>2,031</b>
<sup>(1)</sup> Includes dues from companies where directors are interested.		
<sup>(2)</sup> Includes dues from holding company and group companies (refer note 2.23)	304	185

The table below provides details regarding the ageing of Trade receivables as at March 31, 2023

(In ₹ crore)

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	1,573	640	21	5	1	-	2,240
Undisputed Trade receivables - credit impaired	6	-	-	-	20	-	26
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	5	5
Less: Allowance for credit loss	-	-	-	-	-	-	58
<b>Total trade receivables</b>	<b>1,579</b>	<b>640</b>	<b>21</b>	<b>5</b>	<b>21</b>	<b>5</b>	<b>2,213</b>

The table below provides details regarding the ageing of Trade receivables as at March 31, 2022

(In ₹ crore)

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	1,581	450	22	6	1	-	2,060
Undisputed Trade receivables - credit impaired	-	-	-	18	-	-	18
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	5	5
Less: Allowance for credit loss	-	-	-	-	-	-	52
<b>Total trade receivables</b>	<b>1,581</b>	<b>450</b>	<b>22</b>	<b>24</b>	<b>1</b>	<b>5</b>	<b>2,031</b>

## 2.9 Cash And Cash Equivalents

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
Balances with banks		
In current and deposit accounts	1,761	1,864
Cash on hand	-	-
Others		
Deposits with financial institution	-	225
	1,761	2,089
Balances with banks in unpaid dividend accounts	-	-
Deposit with more than 12 months maturity	-	365

Cash and cash equivalents as at March 31, 2023 and March 31, 2022 includes restricted 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 Group with banks and financial institutions comprise of time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

## 2.10 Other Assets

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
Non-current		
Capital advances	-	1
Advances other than capital advance		
Others		
Prepaid expenses	89	14
Deferred contract cost <sup>(3)</sup>	61	151
Withholding taxes and others <sup>(1)</sup>	17	17
Unbilled revenues <sup>(2)</sup>	44	90
Defined benefit assets	6	4
Total Non-Current other assets	217	277
Current		
Advances other than capital advance		
Payment to vendors for supply of goods and services	4	3
Others		
Withholding taxes and others <sup>(1)</sup>	154	117
Prepaid expenses	638	484
Unbilled revenues <sup>(2)</sup>	204	183
Deferred contract cost <sup>(3)</sup>	132	134
Others	16	10
Total Current other assets	1,148	931
Total other assets	1,365	1,208

<sup>(1)</sup> Withholding taxes and others primarily consist of input tax credits.

<sup>(2)</sup> Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

<sup>(3)</sup> 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

## 2.11 Financial Instruments

### Accounting Policy

#### 2.11.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are 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.

#### 2.11.2 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.

##### 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.

**2.11.3 Derecognition of financial instruments**

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

**2.11.4 Fair value of financial instruments**

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, 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.

**2.11.5 Impairment**

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenue 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, 2023 are as follows:

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			
				Equity instruments designated upon initial recognition	Mandatory		
(In ₹ crore)							
<b>Assets:</b>							
Cash and cash equivalents (Refer Note 2.9)	1,761	-	-	-	-	1,761	1,761
Investments (Refer Note 2.5)							
Preference and other securities	-	-	87	-	-	87	87
Non-convertible debentures <sup>(1)</sup>	-	-	-	-	501	501	501
Certificates of deposit	-	-	-	-	809	809	809
Commercial Paper	-	-	-	-	321	321	321
Government bonds <sup>(3)</sup>	14	-	-	-	-	14	14
Liquid mutual fund units	-	-	199	-	-	199	199
Government Securities	-	-	-	-	775	775	775
Trade receivables (Refer Note 2.8)	2,213	-	-	-	-	2,213	2,213

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		
Loans (Refer Note 2.6)	480	-	-	-	-	480	480
Other financial assets (Refer Note 2.7) <sup>(2)(4)</sup>	2,097	-	171	-	-	2,268	2,268
<b>Total</b>	<b>6,565</b>	<b>-</b>	<b>457</b>	<b>-</b>	<b>2,406</b>	<b>9,428</b>	<b>9,428</b>
<b>Liabilities:</b>							
Trade payables (Refer Note 2.14)	311	-	-	-	-	311	311
Lease Liabilities ( Refer Note 2.2)	1,616	-	-	-	-	1,616	1,616
Other financial liabilities (Refer Note 2.13)	3,691	-	4	-	-	3,695	3,695
<b>Total</b>	<b>5,618</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>5,622</b>	<b>5,622</b>

<sup>(1)</sup> The carrying value of debentures approximates fair value as the instruments are at prevailing market rates.

<sup>(2)</sup> Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones.

<sup>(3)</sup> On account of fair value changes including interest accrued

<sup>(4)</sup> Excludes interest accrued on government bonds carried at amortised cost of less than ₹1 crore.

The carrying value and fair value of financial instruments by categories as at March 31, 2022 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		
<b>Assets:</b>							
Cash and cash equivalents (Refer Note 2.9)	2,089	-	-	-	-	2,089	2,089
Investments (Refer Note 2.5)							
Preference and other securities	-	-	100	-	-	100	100
Non-convertible debentures <sup>(1)</sup>	-	-	-	-	340	340	340
Certificates of deposit	-	-	-	-	289	289	289
Government bonds <sup>(3)</sup>	8	-	-	-	-	8	8
Liquid mutual fund units	-	-	128	-	-	128	128
Government Securities	-	-	-	-	955	955	955
Trade receivables (Refer Note 2.8)	2,031	-	-	-	-	2,031	2,031
Loans (Refer Note 2.6)	567	-	-	-	-	567	567
Other financial assets (Refer Note 2.7) <sup>(2)(4)</sup>	1,862	-	8	-	-	1,870	1,870
<b>Total</b>	<b>6,557</b>	<b>-</b>	<b>236</b>	<b>-</b>	<b>1,584</b>	<b>8,377</b>	<b>8,377</b>
<b>Liabilities:</b>							

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		
Trade payables (Refer Note 2.14)	337	-	-	-	-	337	337
Lease Liabilities ( Refer Note 2.2)	987	-	-	-	-	987	987
Other financial liabilities (Refer Note 2.13)	2,942	-	9	-	-	2,951	2,951
<b>Total</b>	<b>4,266</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>4,275</b>	<b>4,275</b>

<sup>(1)</sup>The carrying value of debentures approximates fair value as the instruments are at prevailing market rates.

<sup>(2)</sup> Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones.

<sup>(3)</sup> On account of fair value changes including interest accrued

<sup>(4)</sup> Excludes interest accrued on government bonds carried at amortized cost of less than ₹1 crore.

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.

### 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, 2023:

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
		(In ₹ crore)		
<b>Assets</b>				
Investments in preference securities (Refer Note 2.5)	-	-	-	-
Investments in other securities (Refer Note 2.5)	87	-	-	87
Investments in non-convertible debentures (Refer Note 2.5)	501	428	73	-
Investments in certificate of deposits (Refer Note 2.5)	809	-	809	-
Investments in commercial paper (Refer Note 2.5)	321	-	321	-
Investments in liquid mutual fund units (Refer Note 2.5)	199	199	-	-
Investments in government securities (Refer note 2.5)	775	692	83	-
Derivative financial instruments - gain on outstanding foreign currency forward and option contracts (Refer Note 2.7)	19	-	19	-
<b>Liabilities</b>				
Derivative financial instruments - fair value loss on outstanding foreign exchange forward contracts (Refer Note 2.13)	4	-	4	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value as at March 31, 2022:

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
		(In ₹ crore)		
<b>Assets</b>				
Investments in preference securities (Refer Note 2.5)	23	-	-	23
Investments in other securities (Refer Note 2.5)	77	-	-	77

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Investments in non-convertible debentures (Refer Note 2.5)	340	265	75	-
Investments in certificate of deposits (Refer Note 2.5)	289	-	289	-
Investments in liquid mutual fund units (Refer Note 2.5)	128	128	-	-
Investments in government securities (Refer note 2.5)	955	868	87	-
Derivative financial instruments - gain on outstanding foreign currency forward and option contracts (Refer Note 2.7)	8	-	8	-
<b>Liabilities</b>				
Derivative financial instruments - fair value loss on outstanding foreign exchange forward contracts (Refer Note 2.13)	9	-	9	-

<sup>(1)</sup> During the year ended March 31, 2022, the non-convertible debentures of ₹75 crore were transferred from Level 1 to Level 2, since they were valued based on Observable market inputs other than quoted prices.

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 assets and liabilities as at March 31, 2023:

Particulars	(In ₹ crore)					
	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Net Financial Assets	1,540	385	90	28	79	2,122
Net Financial Liabilities	(546)	(777)	(38)	(16)	(364)	(1,741)
<b>Total</b>	<b>994</b>	<b>(392)</b>	<b>52</b>	<b>12</b>	<b>(285)</b>	<b>381</b>

The following table analyzes foreign currency risk from financial assets and liabilities as at March 31, 2022:

Particulars	In ₹ crore					
	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Cash and cash equivalents	1,262	513	68	21	37	1,901
Trade receivables	(411)	(503)	(36)	(17)	(205)	(1,172)
<b>Total</b>	<b>851</b>	<b>10</b>	<b>32</b>	<b>4</b>	<b>(168)</b>	<b>729</b>

### Sensitivity analysis between Indian rupee and USD

Particulars	Year ended March 31,	
	2023	2022
Impact on the Company's incremental Operating Margins	0.20%	0.20%



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,		As at March 31,	
	2022		2022	
	In million	In ₹ crore	In million	In ₹ crore
Forward contracts				
In U.S. dollars	178	1,467	148	1,120
In Euro	11	98	25	211
In United Kingdom Pound Sterling	3	30	3	30
In Czech koruna	364	134	296	102
Total forwards		1,729		1,463

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:

Particulars	As at March 31,	
	2023	2022
Not later than one month	1,030	556
Later than one month and not later than three months	700	427
Later than three months and not later than one year	–	480
	1,730	1,463

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:

Particulars	As of March 31,		As of March 31,	
	2023		2023	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognized financial asset/liability	21	(6)	9	(9)
Amount set off	(2)	2	–	–
Net amount presented in balance sheet	19	(4)	9	(9)

### 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 ₹ 2,213 crore and ₹ 2,031 crore as of March 31, 2023 and March 31, 2022, respectively and unbilled revenue amounting to ₹ 2,091 crore and ₹ 1,821 crore as of March 31, 2023 and March 31, 2022, 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:

Particulars	(In %)	
	Year ended March 31,	
	2023	2022
Revenue from top customer	9%	12%
Revenue from top ten customers	40%	40%

### Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2023 was ₹ 12 crore. The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2022 was ₹ 21 crore.

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Balance at the beginning	52	39
Provisions recognized	12	21
Write-offs	(10)	(4)
Translation differences	4	(4)
Balance at the end	58	52

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, 2023, the group had a working capital of ₹ 3,792 crore including cash and cash equivalents of ₹ 1,761 crore and current investments of ₹ 1,916 crore. As of March 31, 2022, the group had a working capital of ₹ 3,324 crore including cash and cash equivalents of ₹ 2,089 crore and current investments of ₹ 660 crore.

As of March 31, 2023 and March 31, 2022, the outstanding compensated absences were ₹ 224 crore and ₹ 195 crore, respectively, which have been substantially funded. Further, as of March 31, 2023 and March 31, 2022, 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, 2023:

Particulars	(In ₹ crore)				
	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	311	-	-	-	311
Other financial liabilities (Refer Note 2.13)	3,696	-	-	-	3696

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2022:

Particulars	(In ₹ crore)				
	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	337	-	-	-	337
Other financial liabilities (Refer Note 2.13)	2,951	-	-	-	2,951

## 2.12 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.

#### Description of Reserves

##### Retained earnings

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

##### Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium.

##### Special Economic Zone re-investment reserve

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

##### Other components of equity

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

### EQUITY SHARE CAPITAL

(in ₹ crore, except as otherwise stated)

Particulars	As at March 31,	
	2023	2022
Authorized Equity shares, ₹10,000/- par value 1,23,375 (1,23,375) equity shares	123	123
Issued, subscribed and paid-up Equity shares, ₹10,000/- par value 33,828 (33,828) equity shares fully paid up	34	34
	34	34

The Company has only one class of shares referred to as equity shares having a par value of ₹10,000/-. Each holder of equity shares is entitled to one vote per share.

The Board of Directors, in their meeting held on January 08, 2020, considered and approved the scheme of consolidation of authorized, issued, subscribed and paid-up equity shares by increasing the par value of the equity shares from ₹10/- each to ₹10,000/- each such that every 1,000 equity shares with par value of ₹10/- each held by a member are consolidated and re-designated into 1 equity share with par value of ₹ 10,000/-

The scheme was approved by share holders in Annual General Meeting held on July 09, 2020. The National Company Law Tribunal, Bangalore Bench, vide its order dated December 08,

2021, approved the consolidation of the authorized, issued, subscribed and paid-up equity share capital of the company. The Company has approved January 03, 2022 as the effective date for consolidation of share capital. On consolidation, the Issued, subscribed and paid-up equity shares will be 33,828 shares with par value of ₹10,000/- each.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

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

Name of the shareholder	As at March 31,			
	2023		2022	
	Number of shares	% held	Number of shares	% held
Infosys Limited (the holding company)	33,828	100.00	33,828	100.00

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,			
	2023		2022	
	Number of shares	Amount	Number of shares	Amount
Number of shares at the beginning of the year	33,828	34	3,38,27,751	34
Add: Shares issued during the period	-	-	-	-
Less: Consolidation of par value from ₹10/- to ₹10,000/-	-	-	(3,37,93,923)	-
Number of shares at the end of the period	33,828	34	33,828	34

### 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.

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

The amount of per share ₹ 10,000/- par value ( ₹ 10/- par value) dividend recognized as distribution to equity shareholders is as follows:

Particulars	(In ₹)	
	Year ended March 31,	
	2023	2022
Interim Dividend for fiscal 2023	146,000	-
Final Dividend for fiscal 2022	205,000	-
Interim Dividend for fiscal 2022	-	165
Final Dividend for fiscal 2021	-	175

The Board of Directors in their meeting on April 11, 2023 recommended a final dividend of ₹ 234,000/- per equity share for the financial year ended March 31, 2023. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting (AGM) of the company and if approved, would result in a cash outflow of approximately ₹792 crore.

During the year ended March 31, 2023 on account of the final dividend for fiscal 2022 and interim dividend for fiscal 2023, the company has incurred a net cash outflow of ₹1,187 crore

### 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, reverse share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### 2.14 Trade Payables

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
<b>Current</b>		
Trade payables <sup>(1)</sup>	311	337
Total Trade payables	311	337
<sup>(1)</sup> Includes dues to holding company and other Group Companies (refer note 2.23)	81	99

As at March 31, 2023 and March 31, 2022, there are no outstanding dues to Micro, Small and Medium Enterprises. There is no interest due or outstanding on the same. During the year ended March 31, 2023 and March 31, 2022, an amount of ₹1 crore (including interest) and ₹3 crore (including interest) was paid beyond the appointed day as defined in the Micro, Small and Medium Enterprises Development Act 2006.

### 2.13 Other Financial Liabilities

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
<b>Non-current</b>		
<b>Others</b>		
Compensated absences	5	5
Financial Liability under revenue deals <sup>(1)</sup>	97	166
Accrued expenses <sup>(1)(3)</sup>	443	443
<b>Total non-current other financial liabilities</b>	<b>545</b>	<b>614</b>
<b>Current</b>		
<b>Others</b>		
Accrued compensation to employees <sup>(1)</sup>	541	526
Capital creditors <sup>(1)</sup>	10	23
Accrued expenses <sup>(1)(3)</sup>	2,034	1,648
Financial Liability under revenue deals <sup>(1)</sup>	109	110
Other payables <sup>(1)(4)</sup>	457	26
Compensated absences	219	190
Foreign currency forward contracts <sup>(2)</sup>	4	9
<b>Total current other financial liabilities</b>	<b>3,374</b>	<b>2,532</b>
<b>Total other financial liabilities</b>	<b>3,919</b>	<b>3,146</b>
<sup>(1)</sup> Financial liability carried at amortized cost	3,691	2,942
<sup>(2)</sup> Financial liability carried at fair value through Profit or loss	4	9
<sup>(3)</sup> Includes dues to holding Company and other Group Companies (refer note 2.23)	147	122
<sup>(4)</sup> Includes dues to holding company and other Group Companies (refer note 2.23)	305	13

The table below provides details regarding the ageing of Trade payables as at March 31, 2023

(In ₹ crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	222	89	-	-	-	311
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
<b>Total trade payables</b>	<b>222</b>	<b>89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>311</b>

The table below provides details regarding the ageing of Trade payables as at March 31, 2022

(In ₹ crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	255	82	-	-	-	337
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
<b>Total trade payables</b>	<b>255</b>	<b>82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>337</b>

## 2.15 Other Liabilities

(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
<b>Non-current</b>		
Others		
Accrued defined benefit plan liability	1	1
<b>Total non-current other liabilities</b>	<b>1</b>	<b>1</b>
<b>Current</b>		
Unearned revenue	718	502
Client deposits	71	82
Others		
Withholding taxes and other payables	155	163
<b>Total current other liabilities</b>	<b>944</b>	<b>747</b>
<b>Total other liabilities</b>	<b>945</b>	<b>748</b>

## 2.16 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 on 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,	
	2023	2022
<b>Current</b>		
Others		
Post sales client support and Other provisions	27	19
<b>Total provisions</b>	<b>27</b>	<b>19</b>

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

## 2.17 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 equity.

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

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Current taxes	484	385
Deferred taxes	(115)	12
Income tax expense	369	397

Income tax expense for the year ended March 31, 2023 and March 31, 2022 includes provision (net of reversals) of ₹ 2 crore and reversal (net of additional provisions) of ₹ 33 crore respectively, pertaining to earlier periods on completion of assessments.

Deferred income tax for the year ended March 31, 2023 and March 31, 2022, substantially 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 below:

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Profit before income taxes	1,595	1,572
Enacted tax rates in India	25.17%	34.94%
Computed expected tax expense	401	549
Tax effect due to non-taxable income for tax purposes	(104)	(97)
Tax effect of non-deductible losses of 10AA units	-	-
Overseas taxes	17	14
Base erosion and anti abuse (BEAT) tax liability	-	-
Tax provision (reversals), overseas and domestic	(2)	(23)
Effect of exempt non-operating income	-	(36)
Effect of differential overseas tax rates	43	(3)
Effect of non-deductible expenses	7	19
Impact of change in tax rate	-	9
Others	7	(35)
Income tax expense	369	397

The applicable Indian statutory tax rates for fiscal 2023 and fiscal 2022 is 25.17% and 34.94% respectively.

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 April 1, 2005 are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for further five years. 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

Particulars	(In ₹ crore)	
	As at March 31,	
	2023	2022
Income tax assets	168	191
Current Income tax liabilities	(239)	(128)
Net income tax assets at the end	(71)	63

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2023 and March 31, 2022 is as follows:

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Net income tax asset at the beginning	63	26
Translation differences	(4)	2
Income tax paid, net of tax	354	417
Income tax expense	(484)	(385)
Income tax on other comprehensive income	-	3
Net income tax asset at the end	(71)	63

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2023 is as follows:

Particulars	(In ₹ crore)				
	Carrying Value as on April 1, 2022	Changes through Profit & Loss	Changes through OCI	Translation difference	Carrying Value as on March 31, 2023
Deferred income tax assets					
Property, plant and equipment	20	3	-	-	23
Lease Liabilities	18	7	-	-	25
Compensated absences	46	5	-	-	51
Accrued compensation to employees	9	-	-	1	10
Intangible Assets	6	(2)	-	-	4
Minimum alternative tax carry forwards	-	-	-	-	-
Trade receivables	33	(7)	-	1	27
Post sales client support	8	46	-	1	55
Derivative Financial Instruments	(1)	1	-	-	-
Others	25	80	-	7	112
<b>Total deferred tax assets</b>	<b>164</b>	<b>133</b>	<b>-</b>	<b>10</b>	<b>307</b>
Deferred income tax liabilities					
Property, plant and equipment	(5)	4	-	(1)	(2)
Others	(26)	(22)	-	(1)	(49)
Intangibles	(34)	-	-	(3)	(37)
<b>Total deferred tax liabilities</b>	<b>(65)</b>	<b>(18)</b>	<b>-</b>	<b>(5)</b>	<b>(88)</b>

The movement in gross deferred income tax assets and liabilities (before set off) for the year ended March 31, 2022 is as follows:

Particulars	(In ₹ crore)				
	Carrying Value as on April 1, 2021	Changes through Profit and Loss	Changes through OCI	Translation difference	Carrying Value as on March 31, 2022
Deferred income tax assets					
Property, plant and equipment	33	(13)	-	-	20
Lease Liabilities	17	1	-	-	18
Compensated absences	42	4	-	-	46
Accrued compensation to employees	8	1	-	-	9
Intangible Assets	8	(2)	-	-	6
Minimum alternative tax carry forwards	-	-	-	-	-
Trade receivables	14	19	-	-	33
Post sales client support	2	6	-	-	8
Derivative Financial Instruments	(3)	2	-	-	(1)
Others	43	(20)	1	1	25
<b>Total deferred tax assets</b>	<b>164</b>	<b>(2)</b>	<b>1</b>	<b>1</b>	<b>164</b>



Particulars	Carrying Value as on April 1,2021	Changes through Profit and Loss	Changes through OCI	Translation difference	Carrying Value as on March 31,2022
Deferred income tax liabilities					
Property, plant and equipment	(2)	(3)	-	-	(5)
Others	(19)	(6)	-	(1)	(26)
Intangibles	(31)	-	-	(3)	(34)
<b>Total deferred tax liabilities</b>	<b>(52)</b>	<b>(9)</b>	<b>-</b>	<b>(4)</b>	<b>(65)</b>

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

Particulars	Year ended March 31,	
	2023	2022
Deferred income tax assets after set off	219	107
Deferred income tax liabilities after set off	-	(8)

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 charge relating to temporary differences during the year ended March 31, 2023 and March 31, 2022 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, lease liability, trade receivable and intangibles.

## 2.16 Revenue from Operations

### Accounting Policy

The Group derives revenues primarily from business process management services. Arrangements with customers for business process management services are either on a fixed-timeframe, unit of work or on a time-and-material basis.

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

or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

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

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

Revenue on time-and-material contracts and unit of work based contracts are recognized as the related services are performed. Fixed price business process management services revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or using a percentage of completion method when the pattern of benefits from the services rendered to the customer and Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive.

Revenue from other fixed price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended have been used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the lives of the contracts and are recognized in profit or loss in the period when these estimates change or when

the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

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

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

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

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it controls the good or service before it is transferred to the customer. The Group considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the goods or service and therefore is acting as a principal or an agent.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Company expects to recover them. Certain eligible, nonrecurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered.

Such Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to expenses over the respective contract life

on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

The Group presents revenues net of indirect taxes in its consolidated statement of profit and loss.

Revenues from operations for the year ended March 31, 2023 and March 31, 2022 are follows:

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Income from business process management services	12,997	11,004
	12,997	11,004

### Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2023 and March 31, 2022 by offerings. The Group 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.

Particulars	Year ended March 31,	
	2023	2022
Revenue by offerings		
Digital	3,753	2,242
Core	9,244	8,762
Total	12,997	11,004
Revenues by Geography		
North America	8,552	7,715
Europe	3,390	2,427
India	398	304
Rest of the world	657	558
Total	12,997	11,004

### 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 (ex: Mortgage, Claim processing

etc) and Enterprise Services (ex: Finance and accounting, HR, Supply services etc.)

### Trade receivables and Contract Balances

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

Receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed price business process management services are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

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

Invoicing in excess of earnings are classified as unearned revenue.

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

During the year ended March 31, 2023 and March 31, 2022, the Group recognized revenue of ₹ 486 crore and ₹ 419 crore arising from opening unearned revenue as of April 1, 2022 and April 1, 2021 respectively.

During the year ended March 31, 2023 and March 31, 2022, ₹ 230 crore and ₹ 97 crore of unbilled revenue pertaining to fixed price development contracts as of April 1, 2022 and April 1, 2021 respectively has been reclassified to Trade receivables upon billing to customers on completion of milestones.

### 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, 2023 other than those meeting the exclusion criteria mentioned above is ₹5,282 crore. Out of this, the Group expects to recognize revenue of around 44.6% 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.

## 2.19 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 foreign currency assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

### Foreign currency

#### 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 Consulting Sp.z.o.o, Infosys McCamish Systems LLC, Portland Group Pty Ltd, Infosys BPO Americas LLC and Infosys BPM UK Ltd 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 the consolidated Statement of Profit and Loss and reported within exchange gains/(losses) on translation of assets and liabilities, net. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. The related revenue and expense are recognised using the same exchange rate.

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

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for revenue, expense and cash flow items using the average exchange rate for the respective periods. The Gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to 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.

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.

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.

Other income for the year ended March 31, 2023 and March 31, 2022 is as follows:

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Interest income on financial assets at carried at amortised cost:		
Deposit with banks and others	96	92
Interest income on financial assets at fair value through other comprehensive income:		
Non convertible debentures	28	30
Certificates of deposit	31	1
Government Securities	43	32
Commercial Papers	4	-
Income on investments carried at fair value through profit or loss:		
Gains on liquid mutual funds units	16	6
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)	(24)
Exchange gains/(losses) on translation of other assets and liabilities	33	37
Interest income on Income tax refund	2	11
Interest income on prepaid contract cost	8	5
Fair Valuation gains/ (losses) on Investments *	(37)	35
Other Miscellaneous income,net	7	9
	<b>223</b>	<b>238</b>

\* Includes Fair valuation loss of ₹ 25 Crore on Tidal Scale investments in Infosys Poland sp. z.o.o

## 2.20 Expenses

### 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 based on regulatory requirements 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.

Particulars	(In ₹ crore)	
	Year ended March 31,	
	2023	2022
Employee benefit expenses		
Salaries and bonus including overseas staff expenses	6,296	5,516
Staff welfare	67	66
Contribution to provident and other funds	143	121
	<b>6,506</b>	<b>5,703</b>
Cost of technical sub-contractors and professional charges		
Cost of technical sub-contractors	1,005	999
Legal and professional	97	67
Recruitment and training	100	72
	<b>1,202</b>	<b>1,138</b>
Other expenses		
Computer maintenance	16	12
Printing and stationery	7	3



Particulars	Year ended March 31,	
	2023	2022
Short-term leases	33	27
Office maintenance	141	109
Consumables	14	14
Brand building and advertisement	3	19
Marketing expenses	25	6
Power and fuel	30	22
Insurance charges	15	14
Communication	129	117
Rates and taxes	26	19
Contribution to Corporate Social Responsibility	18	16
Donations	32	29
Bank charges and commission	6	7
Postage and courier	38	35
Allowances for credit losses on financial assets	12	21
Provision for doubtful loans and advances	7	4
Professional membership and seminar participation fees	2	2
Provision for post sale customer support and others	-	-
Other miscellaneous expenses	12	5
	<b>566</b>	<b>481</b>

## 2.21 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 BPM Limited Employees' Gratuity Fund Trust (formerly Infosys BPO Limited Employees' Gratuity Fund 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 and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in the condensed consolidated Statement of Profit and Loss.

The Company provides for Minimum mandated retirement benefit scheme under Republic Act 7641 (R.A. 7641) covering eligible employees in Philippines. The R.A. 7641 scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on retirement. During the year ended March 31, 2022, the company recognised net defined liability of ₹ 1 Crore (Refer note 2.15).

### 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.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

#### (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, 2023 and March 31, 2022:

Particulars	As of March 31,	
	2023	2022
(In ₹ crore)		
<b>Change in benefit obligations</b>		
Benefit obligations at the beginning	150	129
Service cost	17	15
Interest expense	9	7
Transfer of obligation	(5)	(2)
Remeasurements - Actuarial losses	3	18
Benefits paid	(20)	(17)
<b>Benefit obligations at the end</b>	<b>154</b>	<b>150</b>
<b>Change in plan assets</b>		
Fair value of plan assets at the beginning	154	134
Interest income	9	8

Particulars	As of March 31,	
	2023	2022
Transfer of employees	(5)	(4)
Remeasurements - Return on plan assets excluding amounts included in interest income	2	2
Contributions	20	31
Benefits paid	(19)	(17)
<b>Fair value of plan assets at the end</b>	<b>160</b>	154
Funded status	6	4
Prepaid gratuity	6	4

Amounts for the year ended March 31, 2023 and March 31, 2022 recognized in the Statement of Profit and Loss under employee benefit expenses.

(In ₹ crore)

Particulars	Year ended March 31,	
	2023	2022
Service cost	17	15
Net interest on the net defined benefit liability/asset	-	(1)
<b>Net gratuity cost</b>	<b>17</b>	14

Amounts for the year ended March 31, 2023 and March 31, 2022 recognized in the Statement of Other Comprehensive Income:

(In ₹ crore)

Particulars	Year ended March 31,	
	2023	2022
Remeasurements of the net defined benefit liability/ (asset)		
Actuarial losses	3	18
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(2)	(2)
	<b>1</b>	16

(In ₹ crore)

Particulars	Year ended March 31,	
	2023	2022
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(2)	(1)
(Gain)/loss from change in experience assumptions	6	20
	<b>4</b>	19

The weighted-average assumptions used to determine benefit obligations as of March 31, 2023 and March 31, 2022 are set out below:

Particulars	As at March 31,	
	2023	2022
Discount rate	7.1%	6.5%
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, 2023 and March 31, 2022 are set out below:

Particulars	Year ended March 31,	
	2023	2022
Discount rate	6.5%	6.1%
Weighted average rate of increase in compensation levels	7.5%	7.5%
Weighted average duration of defined benefit obligation	5.9 years	5.9 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,	
	2023	2022
Discount rate	4	4
Weighted average rate of increase in compensation level	3	3

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, 2023 and March 31, 2022, the plan assets have been primarily invested in insurer managed funds.

Actual return on assets for the year ended March 31, 2023 and March 31, 2022 were ₹ 11 crore and ₹ 10 crore respectively.

The Group expects to contribute ₹ ₹ 24 crore to gratuity trust during Fiscal 2024.

Maturity profile of defined benefit obligation:

	(In ₹ crore)
Within 1 year	50
1-2 year	42
2-3 year	34
3-4 year	30
4-5 year	29
5-10 years	76

#### (b) Superannuation

The Company contributed ₹ 19 crore to the Superannuation Trust for the year ended March 31, 2023 (₹ 14 crore for the year ended March 31, 2022).

#### (c) Provident fund

The Company contributed ₹ 110 crore towards Provident Fund for year ended March 31, 2023 (₹ ₹ 90 crore for the year ended March 31, 2022).

#### (d) Pension Fund

The Company contributed ₹ 13 crore to pension funds for year ended March 31, 2023 (₹ 13 crore for the year ended March 31, 2022).

## 2.22 Contingent Liabilities and Commitments (to the Extent not Provided for)

### Accounting Policy

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

## 2.23 Related Party Transactions

List of related parties:

Name of subsidiaries	Country	Holding as at March 31, 2023
Holding Company		
Infosys Limited	India	Holding Company 100%

### Fellow subsidiaries

Infosys Technologies (China) Co. Limited (Infosys China) <sup>(1)</sup>	China
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico) <sup>(1)</sup>	Mexico
Infosys Technologies (Sweden) AB (Infosys Sweden) <sup>(1)</sup>	Sweden
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai) <sup>(1)</sup>	China

(In ₹ crore)

Particulars	As at	
	2023	2022
<b>Contingent liabilities :</b>		
Claims against the group, not acknowledged as debts <sup>(1)</sup>	266	265
[Amount paid to statutory authorities ₹ ₹ 111 crore (₹84 crore)]		
<b>Commitments :</b>		
Estimated amount of unexecuted capital contracts <sup>(2)</sup>	70	103
(net of advances and deposits)		
Other commitments <sup>(3)</sup>	84	17

<sup>(1)</sup> As at March 31, 2023 and March 31, 2022, claims against the Company not acknowledged as debts in respect of income tax matters amounted to ₹38 crore and ₹46 crore, respectively.

The claims against the Company majorly represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of multiple issues of disallowances such as disallowance of expenditure towards software being held as capital in nature, disallowance under section 80G, disallowance on account of denial of certain foreign tax credit among others.

The Group 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.

Amount paid to statutory authorities against the tax claims amounted to ₹111 crore and ₹84 crore as at March 31, 2023 and March 31, 2022, respectively.

<sup>(2)</sup> Capital contracts primarily comprises of commitments for infrastructure, facilities and computer equipments.

<sup>(3)</sup> Other commitments relate to investment committed by Infosys Poland Sp.z.o.o in the House Fund II, L.P. during the current year.

### Legal Proceedings

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.



Infosys Nova Holdings LLC. (Infosys Nova) <sup>(1)</sup>	U.S.
EdgeVerve Systems Limited (EdgeVerve) <sup>(1)</sup>	India
Infosys Austria GmbH <sup>(1)</sup>	Austria
Skava Systems Private Limited (Skava Systems) <sup>(1)(25)</sup>	India
Infosys Chile SpA <sup>(1)</sup>	Chile
Infosys Arabia Limited <sup>(2)(25)</sup>	Saudi Arabia
Infosys Consulting Ltda. <sup>(1)</sup>	Brazil
Infosys Luxembourg S.a.r.l. <sup>(1)</sup>	Luxembourg
Infosys Americas Inc. (Infosys Americas) <sup>(1)(25)</sup>	U.S.
Infosys Public Services, Inc. USA (Infosys Public Services) <sup>(1)</sup>	U.S.
Infosys Canada Public Services Inc <sup>(18)(34)</sup>	Canada
Infosys Consulting Holding AG (Infosys Lodestone) <sup>(1)</sup>	Switzerland
Infosys Management Consulting Pty Limited <sup>(3)</sup>	Australia
Infosys Consulting AG <sup>(3)</sup>	Switzerland
Infosys Consulting GmbH <sup>(3)</sup>	Germany
Infosys Consulting S.R.L. <sup>(1)</sup>	Romania
Infosys Consulting SAS <sup>(3)</sup>	France
Infosys Consulting s.r.o. v likvidaci (formerly Infosys Consulting s.r.o.) <sup>(3)(33)</sup>	Czech Republic
Infosys Consulting (Shanghai) Co., Ltd. <sup>(3)(29)</sup>	China
Infy Consulting Company Ltd <sup>(3)</sup>	U.K.
Infy Consulting B.V. <sup>(3)</sup>	The Netherlands
Infosys Consulting S.R.L. <sup>(43)</sup>	Argentina
Infosys Consulting (Belgium) NV <sup>(3)</sup>	Belgium
Panaya Inc. (Panaya) <sup>(1)</sup>	U.S.
Panaya Ltd. <sup>(5)</sup>	Israel
Infosys Financial Services GmbH. (formerly Panaya GmbH) <sup>(52)</sup>	Germany
Brilliant Basics Holdings Limited (Brilliant Basics) <sup>(1)(25)</sup>	U.K.
Brilliant Basics Limited <sup>(6)(25)</sup>	U.K.
Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.) <sup>(1)</sup>	Singapore
Infosys Middle East FZ LLC <sup>(7)</sup>	Dubai
Fluido Oy <sup>(7)</sup>	Finland
Fluido Sweden AB (Extero) <sup>(10)</sup>	Sweden
Fluido Norway A/S <sup>(10)</sup>	Norway
Fluido Denmark A/S <sup>(10)</sup>	Denmark
Fluido Slovakia s.r.o. <sup>(10)</sup>	Slovakia
Infosys Compaz Pte. Ltd <sup>(8)</sup>	Singapore
Infosys South Africa (Pty) Ltd <sup>(7)</sup>	South Africa
WongDoody Holding Company Inc. (WongDoody) <sup>(1)(35)</sup>	U.S.
WDW Communications, Inc <sup>(9)(36)</sup>	U.S.
WongDoody, Inc <sup>(9)(37)</sup>	U.S.
HIPUS Co., Ltd <sup>(8)</sup>	Japan
Stater N.V. <sup>(8)</sup>	The Netherlands
Stater Nederland B.V. <sup>(11)</sup>	The Netherlands
Stater XXL B.V. <sup>(11)</sup>	The Netherlands
HypoCasso B.V. <sup>(11)</sup>	The Netherlands
Stater Participations B.V. <sup>(11)</sup>	The Netherlands
Stater Belgium N.V./S.A. <sup>(12)</sup>	Belgium

Stater GmbH <sup>(11)(27)</sup>	Germany
Outbox systems Inc. dba Simplus (US) <sup>(14)</sup>	U.S.
Simplus North America Inc. <sup>(15)(26)</sup>	Canada
Simplus ANZ Pty Ltd. <sup>(15)</sup>	Australia
Simplus Australia Pty Ltd <sup>(16)</sup>	Australia
Square Peg Digital Pty Ltd <sup>(17)(30)</sup>	Australia
Simplus Philippines, Inc. <sup>(15)</sup>	Philippines
Simplus Europe, Ltd. <sup>(15)(28)</sup>	U.K.
Infosys Fluido UK, Ltd. (formerly Simplus U.K., Ltd) <sup>(10)</sup>	U.K.
Infosys Fluido Ireland, Ltd.(formerly Simplus Ireland, Ltd) <sup>(19)</sup>	Ireland
Infosys Limited Bulgaria EOOD <sup>(1)</sup>	Bulgaria
Kaleidoscope Animations, Inc. <sup>(14)</sup>	U.S.
Kaleidoscope Prototyping LLC <sup>(21)</sup>	U.S.
GuideVision s.r.o. <sup>(13)</sup>	Czech Republic
GuideVision Deutschland GmbH <sup>(20)</sup>	Germany
GuideVision Suomi Oy <sup>(20)</sup>	Finland
GuideVision Magyarország Kft <sup>(20)</sup>	Hungary
GuideVision Polska Sp. z.o.o <sup>(20)</sup>	Poland
GuideVision UK Ltd <sup>(20)(25)</sup>	U.K.
Blue Acorn iCi Inc (formerly Beringer Commerce Inc) <sup>(14)</sup>	U.S.
Beringer Capital Digital Group Inc <sup>(14)(40)</sup>	U.S.
Mediotype LLC <sup>(22)(40)</sup>	U.S.
Beringer Commerce Holdings LLC <sup>(22)(40)</sup>	U.S.
SureSource LLC <sup>(23)(38)</sup>	U.S.
Blue Acorn LLC <sup>(23)(38)</sup>	U.S.
Simply Commerce LLC <sup>(23)(38)</sup>	U.S.
iCiDIGITAL LLC <sup>(24)(39)</sup>	U.S.
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi <sup>(1)</sup>	Turkey
Infosys Germany Holding GmbH <sup>(1)</sup>	Germany
Infosys Automotive and Mobility GmbH & Co. KG <sup>(1)</sup>	Germany
Infosys Green Forum <sup>(1)(31)</sup>	India
Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.) <sup>(32)</sup>	Malaysia
Infosys Business Solutions LLC <sup>(1)(41)</sup>	Qatar
Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall") <sup>(42)</sup>	Germany
oddiy GmbH <sup>(44)</sup>	Germany
oddiy (Shanghai) Co., Ltd. <sup>(45)</sup>	China
oddiy Limited (Taipei) <sup>(45)</sup>	Taiwan
oddiy space GmbH <sup>(44)</sup>	Germany
oddiy jungle GmbH <sup>(44)</sup>	Germany
oddiy code GmbH <sup>(44)</sup>	Germany
oddiy code d.o.o <sup>(46)</sup>	Serbia
oddiy waves GmbH <sup>(44)</sup>	Germany
oddiy group services GmbH <sup>(44)</sup>	Germany
Infosys Public Services Canada Inc. <sup>(18)(4)</sup>	Canda
BASE life science AG <sup>(48)</sup>	Switzerland
BASE life science GmbH <sup>(48)</sup>	Germany
BASE life science A/S <sup>(47)</sup>	Denmark

BASE life science S.A.S <sup>(48)</sup>	France
BASE life science Ltd. <sup>(48)</sup>	U.K.
BASE life science S.r.l. <sup>(48)</sup>	Italy
Innovisor Inc. <sup>(48)</sup>	U.S.
BASE life science Inc. <sup>(48)</sup>	U.S.
BASE life science S.L. <sup>(48)(49)</sup>	Spain
Panaya Germany GmbH <sup>(5)(50)</sup>	Germany
Infosys Norway <sup>(7)(51)</sup>	Norway

<sup>(1)</sup> Wholly-owned subsidiary of Infosys Limited

<sup>(2)</sup> Majority owned and controlled subsidiary of Infosys Limited

<sup>(3)</sup> Wholly-owned subsidiary of Infosys Consulting Holding AG

<sup>(4)</sup> Incorporated on July 8, 2022

<sup>(5)</sup> Wholly-owned subsidiary of Panaya Inc.

<sup>(6)</sup> Wholly-owned subsidiary of Brilliant Basics Holding Limited.

<sup>(7)</sup> Wholly-owned subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

<sup>(8)</sup> Majority owned and controlled subsidiary of Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.)

<sup>(9)</sup> Wholly-owned subsidiary of WongDoody Holding Company Inc. (WongDoody)

<sup>(10)</sup> Wholly-owned subsidiary of Fluido Oy

<sup>(11)</sup> Wholly-owned subsidiary of Stater N.V

<sup>(12)</sup> Majority owned and controlled subsidiary of Stater Participations B.V.

<sup>(13)</sup> Wholly-owned subsidiary of Infy Consulting Company Limited

<sup>(14)</sup> Wholly-owned subsidiary of Infosys Nova Holdings LLC

<sup>(15)</sup> Wholly-owned subsidiary of Outbox Systems Inc.

<sup>(16)</sup> Wholly-owned subsidiary of Simplus ANZ Pty Ltd

<sup>(17)</sup> Wholly-owned subsidiary of Simplus Australia Pty Ltd

<sup>(18)</sup> Wholly-owned subsidiary of Infosys Public Services, Inc.

<sup>(19)</sup> Wholly-owned subsidiary of Infosys Fluido UK, Ltd. (formerly Simplus U.K., Ltd)

<sup>(20)</sup> Wholly-owned subsidiary of GuideVision s.r.o.

<sup>(21)</sup> Wholly-owned subsidiary of Kaleidoscope Animations, Inc.

<sup>(22)</sup> Wholly-owned subsidiary of Blue Acorn iCi Inc

<sup>(23)</sup> Wholly-owned subsidiary of Beringer Commerce Holdings LLC

<sup>(24)</sup> Wholly-owned subsidiary of Beringer Capital Digital Group Inc.

<sup>(25)</sup> Under liquidation

<sup>(26)</sup> Liquidated effective April 27, 2021

<sup>(27)</sup> Incorporated on August 4, 2021

<sup>(28)</sup> Liquidated effective July 20, 2021

<sup>(29)</sup> Liquidated effective September 1, 2021

<sup>(30)</sup> Liquidated effective September 2, 2021

<sup>(31)</sup> Incorporated on August 31, 2021

<sup>(32)</sup> On December 14, 2021, Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.), a wholly-owned subsidiary of Infosys Limited acquired 100% of voting interests in Infosys (Malaysia) SDN. BHD. (formerly Global Enterprise International (Malaysia) Sdn. Bhd.).

<sup>(33)</sup> Liquidated effective December 16, 2021

<sup>(34)</sup> Liquidated effective November 23, 2021

<sup>(35)</sup> Wholly-owned subsidiary of Infosys Limited, merged with WongDoody Inc, effective December 31, 2021

<sup>(36)</sup> Wholly-owned subsidiary of WongDoody Holding Company Inc. (WongDoody), merged with WongDoody Inc, effective December 31, 2021

<sup>(37)</sup> Wholly-owned subsidiary of Infosys Limited, effective December 31, 2021

<sup>(38)</sup> Merged with Beringer Commerce Holdings LLC, effective January 1, 2022

<sup>(39)</sup> Merged with Beringer Capital Digital Group Inc, effective January 1, 2022

<sup>(40)</sup> Merged with Blue Acorn iCi Inc, effective January 1, 2022

<sup>(41)</sup> Incorporated on February 20, 2022

<sup>(42)</sup> On March 22, 2022, Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.), a wholly-owned subsidiary of Infosys Limited acquired 100% of voting interests in Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall")).

<sup>(43)</sup> Infosys Consulting S.R.L. (Argentina) (formerly a Wholly-owned subsidiary of Infosys Consulting Holding AG) became the majority owned and controlled subsidiary of Infosys Limite<sup>(43)</sup> Infosys Consulting S.R.L. (Argentina) (formerly a Wholly-owned subsidiary of Infosys Consulting Holding AG) became the majority owned and controlled subsidiary of Infosys Limited with effect from April 1, 2022d with effect from April 1, 2022

<sup>(44)</sup> On April 20, 2022, Infosys Germany GmbH (formerly Kristall 247. GmbH ("Kristall")) (a wholly owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.)) acquired 100% of voting interests in oddity space GmbH, oddity jungle GmbH, oddity waves GmbH, oddity group services GmbH, oddity code GmbH and oddity GmbH

<sup>(45)</sup> Wholly-owned subsidiary of oddity GmbH

<sup>(46)</sup> Wholly-owned subsidiary of oddity code GmbH.

<sup>(47)</sup> On September 1, 2022, Infosys Singapore Pte. Ltd. (formerly Infosys Consulting Pte. Ltd.) (a Wholly-owned subsidiary of Infosys Limited) acquired 100% of voting interests in BASE life science A/S.

<sup>(48)</sup> Wholly-owned subsidiary of BASE life science A/S

<sup>(49)</sup> Incorporated on September 6, 2022

<sup>(50)</sup> Incorporated effective December 15, 2022

<sup>(51)</sup> Incorporated effective February 7, 2023.

<sup>(52)</sup> Infosys Financial Services GmbH. (formerly Panaya GmbH) became a wholly-owned subsidiary of Infosys Singapore Pte. Ltd (formerly Infosys Consulting Pte. Ltd.) with effect from February 23, 2023.

Infosys BPM Limited has provided guarantee for performance of certain contracts entered into by its subsidiary.

## List of other related parties

Particulars	Country	Nature of relationship
Infosys BPM Limited Employees' Superannuation Fund Trust (formerly Infosys BPO Limited Employees Superannuation Fund Trust)	India	Post-employment benefit plan of Infosys BPM (Formerly known as Infosys BPO)
Infosys BPM Limited Employees' Gratuity Fund Trust (formerly Infosys BPO Limited Employees' Gratuity Fund Trust)	India	Post-employment benefit plan of Infosys BPM (Formerly known as Infosys BPO)
Infosys Foundation <sup>(1)</sup>	India	Trust jointly Controlled by KMPs of Infosys Limited

<sup>(1)</sup>Effective January 1, 2022, Infosys Foundation a trust jointly controlled by the KMP of Infosys Limited

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

The details of amounts due to or due from related parties as at March 31, 2023, March 31, 2022 are as follows:(In ₹ crore)

Particulars	As at March 31,	
	2023	2022
<b>Trade receivables</b>		
Infosys Limited	243	216
Infosys Mexico	-	-
Infosys Public Services	1	1
Infosys China	2	1
Infosys Consulting (Belgium) NV	-	-
Infosys Consulting AG	6	-
Infy Consulting Company Limited	1	1
Infosys Consulting GmbH	1	1
EdgeVerve	-	1
Stater Nederland B.V.	-	-
Infosys Luxembourg S.a.r.l	-	1
Infosys Consulting Pte. Ltd	1	-
Infosys Sweden	-	-
Infosys Compaz PTE Ltd	2	-
Infosys Automotive and Mobility GmbH & Co. KG	39	12
Infosys Austria GMBH	2	-
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	4	-
Infosys Middle East FZ LLC	-	-
Infosys Consulting S.R.L. (Romania)	1	-
Infosys Consulting Ltda	1	-
Infosys Consulting S.R.L. (Argentina)	-	-
	<b>304</b>	<b>234</b>
<b>Other financial assets</b>		
Infosys Limited	38	18
EdgeVerve	2	-

Particulars	As at March 31,	
	2023	2022
	40	18
<b>Other assets</b>		
Infosys Automotive and Mobility GmbH & Co. KG	-	10
	-	10
<b>Unbilled revenues</b>		
Infosys Limited	-	6
Infy Consulting Company Limited	1	1
Infosys Automotive and Mobility GmbH & Co. KG	19	-
	20	7
<b>Loans given</b>		
Infosys China	43	38
Infosys Consulting Pte. Ltd	224	165
Infosys Automotive and Mobility GmbH & Co. KG	133	299
Infosys Shanghai	51	45
	451	547
<b>Trade payables</b>		
Infosys Limited	78	97
EdgeVerve	-	-
Infy Consulting Company Limited	-	-
Infosys China	1	1
Infosys Mexico	-	1
Infosys Consulting S.R.L. (Romania)	-	-
Infosys Consulting Ltda	2	-
	81	99
<b>Other financial liabilities</b>		
Infosys Limited	47	13
EdgeVerve	-	-
Outbox systems Inc. dba Simplus (US)	2	-
Blue Acorn iCi Inc	1	-
Infosys Automotive and Mobility GmbH & Co. KG	254	-
Stater N.V.	1	-
	305	13
<b>Accrued expenses</b>		
Infosys Limited	147	121
Infosys China	-	-
Blue Acorn iCi Inc	-	1
	147	122

Details of related party transactions entered into by the group (In ₹ crore)

Particulars	Year ended March 31,	
	2023	2022
<b>Revenue transactions:</b>		
<b>Purchase of services</b>		
Infosys Limited	564	614
EdgeVerve	(1)	3

Particulars	Year ended March 31,	
	2023	2022
Infy Consulting Company Limited	1	1
Infosys China	6	4
Outbox systems Inc. dba Simplus (US)	17	-
Infosys Consulting S.R.L. (Romania)	1	1
GuideVision, s.r.o..	2	-
Infosys Consulting Ltda	10	1
Infosys Mexico	2	1
Blue Acorn iCi Inc	3	1
oddity code d.o.o	2	-
Simplus Philippines	2	-
	<b>609</b>	<b>626</b>
<b>Purchase of shared services including facilities and personnel</b>		
Infosys Limited	114	51
Infosys Automotive and Mobility GmbH & Co. KG	246	-
Stater N.V.	4	-
	<b>364</b>	<b>51</b>
<b>Sale of services</b>		
Infosys Limited	2,705	2,315
Infosys Consulting AG	20	2
EdgeVerve	6	5
Infosys China	3	1
Infosys Public Services	20	12
Infosys Mexico	-	-
Infy Consulting Company Limited	4	1
Infosys Consulting Pte. Ltd	1	-
Infosys Consulting GmbH	9	10
Stater Nederland B.V.	1	2
Infosys Middle East FZ LLC	1	-
HIPUS Co., Ltd	-	-
Infosys Consulting (Belgium) NV	1	-
Infosys Luxembourg S.a.r.l	3	2
Infosys Consulting S.R.L. (Romania)	1	-
Infosys Sweden	2	1
Infosys Compaz PTE Ltd	4	1
Infosys Automotive and Mobility GmbH & Co. KG	65	12
Infosys Austria GMBH	3	-
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi	6	-
Infosys Consulting S.R.L. (Argentina)	-	-
Infosys Consulting Ltda	2	60
	<b>2,857</b>	<b>2,424</b>
<b>Sale of shared services including facilities and personnel</b>		
Infosys Limited	42	3
	<b>42</b>	<b>3</b>
<b>Interest income</b>		
Infosys Shanghai	2	1

Particulars	Year ended March 31,	
	2023	2022
Infosys China	2	–
Infosys Automotive and Mobility GmbH & Co. KG	20	3
Infosys Consulting Pte. Ltd	9	1
	33	5
<b>Dividend Paid</b>		
Infosys Limited	1,187	1,150
	1,187	1,150
<b>Other Transaction</b>		
Infosys Foundation	17	1
	17	1

### Changes in key management personnel

Name of the related party	Designation
Anantharaman Radhakrishnan	Chief Executive Officer and Managing Director
Ravikumar Singiseti <sup>(1)</sup>	Chairman and Director
Inderpreet Sawhney	Director
Martha King	Director
Prem Pereira <sup>(2)</sup>	Chief Financial Officer
Vasudeva Maipady <sup>(3)</sup>	Chief Financial Officer
Bindu Raghavan <sup>(4)</sup>	Company Secretary
Sudhir Gaonkar <sup>(5)</sup>	Company Secretary
Gopal Devanahalli <sup>(6)</sup>	Independent Director
Michael Nelson Gibbs <sup>(6)</sup>	Independent Director

<sup>(1)</sup> Resigned as Chairman & Director effective October 11, 2022.

<sup>(2)</sup> Resigned as Chief Financial Officer effective April 14, 2022.

<sup>(3)</sup> Appointed as Chief Financial Officer effective April 15, 2022.

<sup>(4)</sup> Resigned as Company Secretary effective September 30, 2022.

<sup>(5)</sup> Appointed as Company Secretary effective October 01, 2022.

<sup>(6)</sup> Resigned as independent director effective August 16, 2022.

### Transaction with key management personnel

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

Particulars	Year ended March 31,	
	2023	2022
Salaries and other employee benefits to whole-time directors and executive officers <sup>(1)</sup>	7	7
Commission and other benefits to non-executive/independent directors	–	–
<b>Total</b>	<b>7</b>	<b>7</b>

<sup>(1)</sup> Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.

### 2.24 Business Combinations

Business combinations between entities under common control is accounted for at carrying value of the assets and liabilities in the financial statements.

On January 09, 2023, the Board of Directors of the Company authorized to execute a Business Transfer Agreement and related documents with its holding company, Infosys Limited, to transfer the German IBPM business of Infosys Limited to the company for a consideration based on an independent valuation.

Subsequently on February 22, 2023, the company entered into a business transfer agreement to acquire the Germany IBPM business of Infosys Limited with effective date as February 01, 2023 for a consideration of ₹19 crore resulting in recognition of a business transfer reserve of ₹18 crore.

The details of the assets and liabilities taken over upon business transfer are as follows:

Particulars	Total
Property, plant and equipment	2
Other Financial liabilities (Employee obligations)	(1)
Net assets/(liabilities)	1
Less : Consideration paid in cash	19
Business transfer reserve	(18)

### 2.25 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 "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 & Fulfillment (S&F), Sourcing & Procurement (S&P), Digital business (DB), McCamish (MCM) and Others. McCamish segment includes revenue from platform and other services.

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.

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

## Business segments

Year ended March 31, 2023 and March 31, 2022

	(In ₹ crore)								
Particulars	FA	IS*	CS	S&F*	S&P*	DB	MCM	Others*	Total
Revenue from operation	1661	2147	1368	1200	353	813	3803	1652	12,997
	1394	2131	1100	979	329	681	3090	1300	11,004
Identifiable operating expenses	774	1104	957	638	217	476	3028	1010	8,204
	664	1252	843	572	175	428	2400	764	7,098
Allocated expenses	578	450	468	232	104	205	410	507	2,954
	443	375	300	182	88	146	301	392	2,227
Operating income	309	593	(57)	330	32	132	365	135	1,839
	287	504	(43)	225	66	107	389	144	1,679
Unallocable expenses									402
									300
Operating profit									1,437
									1,379
Other income, net									223
									238
Finance Cost									65
									45
Profit before tax									1,595
									1,572
Tax expense									369
									397
Net profit									1,226
									1,175
Depreciation and amortization									402
									300
Non-cash expenses other than depreciation and amortization									–
									–

\*During the year ended March 31, 2023 in order to broad base our growth, the Group has reorganized and created an additional segment – MDDM [Master Data Management and Data Management services] which is reported under others and for the year ended March 31, 2022 segment information has been re-stated to give effect of new methodology.

## 2.26 Relationship With Struck Off Companies

During the year ended March 31, 2023, there are no transactions and balance outstanding at March 31, 2023 is Nil with struck off companies.

The below table provides details regarding relationship with struck off companies for the year ended March 31, 2023 :

(In ₹ crore)					
Name of Struck off Company	Nature of transactions with Struck off Company	Balance Outstanding as at March 31, 2023	Balance Outstanding as at March 31, 2022	Transactions during the year	Relationship with Struck off company
People Smart Consultants Ltd	Payables	–	–	–	Vendor
Mysodet Private Limited	Payables	–	–	–	Vendor
Evineon Technologies Private Limited	Payables	–	–	–*	Vendor

\* less than ₹ 1 crore

## 2.27 Function wise classification of Consolidated Statement of Profit and Loss

(In ₹ crore)			
Particulars	Note No.	Year ended March 31,	
		2023	2022
Revenue from operations	2.18	12,997	11,004
Cost of sales		10,535	8,798
Gross profit		2,462	2,206
Operating expenses:			
Selling and marketing expenses		286	235
Administrative expenses		739	592
Total operating expenses		1,025	827
Operating profit		1,437	1,379
Other income, net	2.19	223	238
Finance cost	2.2	65	45
Profit before tax		1,595	1,572
Tax expense:			
Current tax	2.17	484	385
Deferred tax	2.17	(115)	12
Profit for the year		1,226	1,175
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit (liability)/asset, net of tax		(1)	(12)
Equity instruments through other comprehensive income, net of tax	2.5	(3)	(1)
		(4)	(13)
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations, net of tax		138	34
Fair value changes on investments, net of tax	2.5	(19)	(10)
		119	24
Total other comprehensive income, net of tax		115	11
Total comprehensive income for the year		1,341	1,186

Particulars	Note No.	Year ended March 31,	
		2023	2022
Profit attributable to:			
Owners of the Company		1,226	1,175
		<b>1,226</b>	<b>1,175</b>
Total comprehensive income attributable to:			
Owners of the Company		1,341	1,186
		<b>1,341</b>	<b>1,186</b>

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

**Martha King**  
Chairperson and Director

**Anantharaman Radhakrishnan**  
Chief Executive Officer and Managing Director

Bengaluru  
April 11, 2023

**Vasudeva Maipady**  
Chief Financial Officer

**Sudhir Gaonkar**  
Company Secretary

# 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](http://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, 4<sup>th</sup> Floor, No. 39  
(P) 41 (P) and 42 (P)  
Electronic City  
Phase I, Hosur Road,  
Bengaluru 560 100  
Tel. : 91 80 4067 0035  
Fax : 91 80 4067 0034

Bharatiya Center of  
Information Technology  
Block 1, 3<sup>rd</sup> floor and portion  
of 4<sup>th</sup> floor, Thanisandra, Main  
Road, Chokkanahalli  
Bengaluru 560 064  
Tel : 080 46154600

Axis Sai Jyoti,  
No.785, Ground Floor,  
15<sup>th</sup> Cross, 100 Feet road,  
Sarakki, 1<sup>st</sup> Phase, JP  
Nagar, Bengaluru 560 078

#### Chennai

4<sup>th</sup> & 12<sup>th</sup> 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,  
3<sup>rd</sup> & 4<sup>th</sup> Floor,

TRIL infopark ltd,  
Taramani,  
Rajiv Gandhi Salai  
(OMR) Chennai 600113  
Tel. : 044-66855111  
Fax : 044-66855107

2<sup>nd</sup> Floor, Core 1C & Core 2B  
Wing, 6<sup>th</sup> Floor, Core 1A Wing,  
Pacifica Tech park, Survey  
No.76, No.23, Rajiv Gandhi Salai  
(OMR), Navalur, Chennai 600130

#### Gurugram

7<sup>th</sup> Floor, Tower 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  
10<sup>th</sup> & 11<sup>th</sup> Floor,  
Mantri Cosmos, 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

#### Bhubaneswar

2<sup>nd</sup> & 3<sup>rd</sup> Floor, Software  
Development CCC, Infocity,  
Chandaka Industrial  
Estate, Bhubaneswar 751024

#### Coimbatore

6<sup>th</sup> Floor, SVB Techpark,  
Kurumbapalayam  
Road, Kalapatti West  
Village, Coimbatore  
District, Tamilnadu 641048

#### Hubballi

Ground Floor, Building no.3-  
SDB1 South block, Hubli SEZ  
Unit 1, Gokul Hobli, Dharwad  
District, Hubballi 580030

#### Pune

Unit of Infosys  
Limited –SEZ, (UNIT-I)  
Plot No 24/3, Rajiv  
Gandhi InfoTech Park,  
Hinjawadi, Phase II,  
Village – Man, Taluka – Mulshi,  
Pune – 411057 India  
Tel: 91 20 4023 2000  
Fax: 91 20 3982 8000

(UNIT-II) Plot No 24/3, Rajiv  
Gandhi InfoTech Park,  
Hinjawadi, Phase II,  
Village – Man, Taluka – Mulshi,  
Pune – 411057 India  
Tel: 91 20 4023 2000  
Fax: 91 20 3982 8000

Plot No. 24, Phase II, (SDB-4),  
Village Mann, Tal- M Pune,

Maharashtra-411057 ,India  
Tel: 91 20 4023 2000  
Fax: 91 20 3982 8000  
SEZ Unit, Embassy Tech  
Zone, Rhine Building,  
LG, G & 1<sup>st</sup> Floor, Wing-A,  
G & 1<sup>st</sup> Floor Wing-B,  
Plot No. 3, Rajiv Gandhi  
Infotech Park, Hinjawadi,  
Phase - II, Pune – 411  
057, Maharashtra, India  
Tel: 91 20 67719099

Ascendas Services India Pvt  
Ltd Ground floor, Juniper  
International Tech Park  
Plot No. 18, MIDC Phase III  
Rajiv Gandhi Infotech Park,  
Hinjawadi (one line)  
Pune 411 057  
Tel: 91 20 4023 2000

Kapil Towers, Wing B  
Ground Floor  
Dr Ambedkar Road  
Near Sangam Bridge  
Pune 411 001

#### Mangaluru

3<sup>rd</sup> Floor(Building  
10&11),Software Development  
Block 3, Kamblapadav,  
Kurnad post, Pajir  
Village, Mangalore 574153

#### Noida

12<sup>th</sup> Floor, Tower 2, ACE  
Capitol, Plot No 37, 37A,  
Sector 132, Noida 201304

#### Philippines

##### Taguig City

11<sup>th</sup> & 16<sup>th</sup>, 19<sup>th</sup> -23<sup>rd</sup> Floor,  
BGC Corporate Center,  
11<sup>th</sup> Avenue Cor,  
30<sup>th</sup> Street, Bonifacio Global  
City, Fort Bonifacio 1630  
Taguig City NCR, Fourth  
District Philippines  
Tel. : 6329449999  
Fax : 632944-9980

## **Muntinlupa City**

5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup> 12<sup>th</sup> and Ground Floor, Site 3, Vector 2 Building, Northgate Cyberzone, Filinvest Corporate City, Alabang, Muntinlupa City, Metro Manila, Philippines 1781  
Tel. : 632 823 0000

11<sup>th</sup>, 12<sup>th</sup>, 14<sup>th</sup> Floor Unit 01, One Giffinstone Building, 3Spectrum, Midway Extension Alabang, Muntinlupa City, Metro Manila, Philippines

## **SM City Clark**

6<sup>th</sup> & 7<sup>th</sup> Floor, Tech Hub 9 SM City Clark-Mabalacat-Angeles Road DAU 2010 Mabalacat Pampanga Philippines

## **Europe**

### **United Kingdom**

#### **London**

14<sup>th</sup> Floor,  
10 Upper Bank Street  
Canary Wharf,  
Tel.: 44 20 7715 3388  
Fax: 44 20 7715 3301

#### **Armagh**

Infosys BMP Craigavon,  
Unit 9, Silverwood  
Business Park,  
Lurgan, Northern Ireland,  
BT66 6SY  
Tel:+353 51 337 800

## **Birmingham**

Parklands court  
24 Parklands, Birmingham  
Greak park  
Rubery,  
Birmingham  
B45 9PZ  
United Kingdom

## **Romania**

### **Bucharest**

37, Aleea Capidava St.  
Bucharest, 022936, Romania

## **The Netherlands**

### **Eindhoven**

Flight Forum 40,  
Floor 0,5657,  
DB Eindhoven,  
Tel : 31402321100

### **Amersfoort**

Podium 1,  
3826 PA Amersfoort,  
The Netherlands

## **Germany**

### **Dusseldorf**

Zweigniederlassung  
Deutschland,  
Friedrichstrasse 56,40217  
Dusseldorf, Germany.

## **Ireland**

### **Dublin**

3046-3050 Lakedrive,  
Citywest,  
Dublin 24.  
Tel: 00353 1 467 7200  
Ground Floor, 20 Riverwalk,  
Block  
15,National Digital Park,City,  
West Business Campus,  
Naas Rd, Dublin24

### **Waterford**

Infosys BPM Waterford,  
Unit 2, Cleaboy Business Park,  
Old Kilmeaden Road,  
Waterford, X91 W2WH  
Tel:+353 51 337 800  
Causeway  
Capital Railway Square  
Block B Ground Floor  
Waterford, X91  
Ireland

### **Tipperary**

Infosys BPM Clonmel,  
Ard Gaoithe  
Business Park, Clonmel, Co.  
Tipperary, E91 V2N8  
Tel :+353 51 337 800

### **Wexford**

Infosys BPM Wexford,  
Knockenjoy Office Centre,  
Sinnottstown Lane,  
Drinagh, Wexford, Y35 K124  
Tel :+353 51 337 800

## **North America**

### **United States**

#### **Atlanta**

3225, Cumberland Boulevard,  
Suite 700, Atlanta, GA 30339  
Tel : 1 770 799 1958  
Fax : 1 770 799 1861

#### **Phoenix**

15 10835 North 25 Avenue  
Suite 300Phoenix, Arizona-  
USA-85029

### **Puerto Rico**

#### **Aguadilla**

Road No. 2,  
West of KM 126,  
BO Camital Bajo,  
Aguadilla, 00603  
Tel : 1 787 658 3400

San Carlos Avenue,  
Betances corner  
Aguadilla PR 00603  
Borinquen Town  
Plaza, Corp. 3<sup>rd</sup> Floor  
Apartado 3861Aguadilla,  
Puerto Rico 00605

### **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

Building Npiso2, FORUM2,  
Lindora Santa Ana San Jose,  
10901 COSTA RICA

## Subsidiaries of Infosys BPM Limited

### Infosys BPO Americas LLC

#### United States

##### Atlanta

3225, Cumberland Boulevard,  
Suite 700, Atlanta, GA 30339  
Tel : 1 770 799 1958  
Fax : 1 770 799 1861

##### India

Building #24, 2<sup>nd</sup> Floor,  
Plot #26/3, 26/4 and 26/6  
Electronics City,  
Hosur Road,  
Bangalore -560100

### Portland Group Pty Ltd

#### Australia

##### Brisbane

Suite 401, Level  
4, 40 Creek Street,  
Brisbane, QLD 4000  
Tel : 61 7 3009 8100

##### Melbourne

Two Melbourne Quarter,  
Level 7, 697 Collins Street,  
(Level 4 for deliveries)  
Docklands Melbourne  
VIC 3008

##### Perth

Level 29, 221 St  
Georges Terrace  
Perth WA 6000 Australia  
Tel : 61 8 9254 9313  
Fax : 61 8 9254 9388

##### Sydney

Suite 9.01,  
Level 9, 130 Pitt Street  
Sydney NSW 2000  
Tel : 61 2 9210 4399

### Infosys Poland Sp. z o. o.

#### Poland

##### Łódź

Ul. Pomorska 106A, 91-402  
Łódź Polska, Poland  
Tel : 48 42 278 15 00  
Fax : 48 42 278 15 01

##### Wrocław

Ul. Sucha 3, 50-086 Wrocław  
Polska, Poland  
Tel: +48 71 71 43 458  
Fax: +48 71 71 43 458

Ul. Muchoborska 8 lok.  
Bud. 1, 54-424 Wrocław  
Polska, Poland  
Tel: +48 71 72 76 550  
Fax: +48 71 72 76 599

##### Poznań

Pl. Władysława  
Andersa 7, 61-894 Poznań  
Polska, Poland

##### Kraków

Ul. Opolska 100, 31-323  
Kraków Polska, Poland

##### Elbląg

Ul. Kowalska 15-18  
lok. B-11, 82-300 Elbląg  
Polska, Poland

### Infosys McCamish Systems LLC

#### United States

##### Atlanta

3225, Cumberland Boulevard  
Suite 700, Atlanta, GA 30339  
Tel : 1 770 690 1500  
Fax : 1 770 690 1800

##### Des Moines

500 SW 7<sup>th</sup> 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

Vlněna 526/1, Trnitá, 602 00  
Brno, Czech Republic  
tel: +420 515 914 600

Trnitá 491/5, Brno 602 00  
Brno, Czech Republic

### Infosys BPM UK Limited

#### London

14<sup>th</sup> Floor,  
10 Upper Bank Street  
Canary Wharf,  
London - E14 5NP, England  
Tel.: 44 20 7715 3388  
Fax: 44 20 7715 3301

July 13, 2023

Dear Member,

You are cordially invited to attend the 21<sup>st</sup> Annual General Meeting of the members of Infosys BPM Limited ("the Company") to be held on July 17, 2023 at 5:30 p.m. IST through video conference and other audio visual means ("VC").

The Notice of the meeting, containing the business to be transacted, is enclosed herewith.

Very truly yours,

Sd/-

**Anantharaman Radhakrishnan**  
*Chief Executive Officer & Managing Director*

*Enclosures:*

1. Notice to the 21<sup>st</sup> Annual General Meeting
2. Instructions for participation through VC

**INFOSYS BPM LIMITED**

CIN: U72200KA2002PLC030310  
Plot Nos. 26/3, 26/4 and 26/6  
Hosur Road , Electronics City  
Bengaluru - 560 100, India  
Telephone: 91 80 2852 2405 /  
4187 9999 Fax: 91 80 2852 2411

[www.infosysbpm.com](http://www.infosysbpm.com)



# Notice of 21<sup>st</sup> Annual General Meeting

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting (AGM) of the Members of Infosys BPM Limited ("the Company") will be held on Monday, July 17, 2023 at 5:30 p.m. IST through video conference and other audio-visual means ("VC") 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, 2023 and the reports of the Board of Directors ("the Board") and auditors thereon.

### Item No. 2 – Declaration of dividend

To declare a final dividend of ₹ 2,34,000/- per equity share for the year ended March 31, 2023.

### Item No. 3 – Appointment of Martha King, as a director liable to retire by rotation

To appoint a director in place of Martha King (DIN: 09166670), who retires by rotation and, being eligible, seeks reappointment.

Members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

**RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Martha Geiger King (DIN: 09166670), who retires by rotation, be and is hereby reappointed as a director liable to retire by rotation.

By order of the Board of Directors  
For Infosys BPM Limited

Sd/-

**Sudhir Shridhar Gaonkar**  
Company Secretary

July 13, 2023  
Bengaluru

## Notes

1. Pursuant to the General Circular numbers 10/2022 dated December 28, 2022, 2/2022 and 19/2021, other circulars issued by the Ministry of Corporate Affairs (MCA) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the circulars, the AGM of the Company is being held through VC.
2. A member, who is entitled to attend and vote at the AGM, is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company.

Since this AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.

3. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company.
4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 ("the Act").
5. The Register of Directors and their shareholding, 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 available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to: [cosecretarybpm@infosys.com](mailto:cosecretarybpm@infosys.com).
6. In compliance with Section 107 of the Act, the Company will provide to vote through show of hands at the meeting for each of the resolutions.
7. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
8. Details of the VC are provided below: Instructions to join  
Recommended browser: Google Chrome  
Meeting access code: 2519 875 5527  
URL: <https://infymeet.webex.com/infymeet/j.php?MTID=mbeea0d554eb5edd2932d2ae38a751279>  
Meeting password: The password will be shared before the AGM

## Additional information on director recommended for appointment / reappointment / as required under the applicable Secretarial Standards:



**Martha King**

Martha King is the Chief Client Officer at Infosys, as well as the Executive Vice President and head of Infosys' Retirement Services Center of Excellence. She is responsible for navigating the next client-centric technology frontier in the financial services industry in order to enable better outcomes for millions of retirement savers. At the Retirement Services Center of Excellence, the current focus is on revolutionizing the retirement plan experience by developing the industry's first cloud-

native recordkeeping system, delivering greater insights and unprecedented personalization to plan sponsors and retirement savers, and maintaining an unwavering commitment to world-class client service.

Core to the Retirement Services Center of Excellence is a strategic relationship between Infosys and Vanguard, where Martha King most recently served as the Managing Director of the firm's institutional investor group, which serves nearly five million participants and 1,500 sponsors – all of whom will benefit from this relationship. Prior to that, she served as the Managing Director and founder of Vanguard's financial advisor services division, which now oversees more than US\$ 2 trillion in assets.

Martha King joined Vanguard in 1985 and earned a B.S. from Bloomsburg University of Pennsylvania. She has completed the Advanced Management Program at the Wharton School of the University of Pennsylvania.

**Age:** 59 years

**Nature of expertise in specific functional areas:** Financial Services, Investment Management and Retirement

**Disclosure of inter-se relationships between directors and key managerial personnel:** Nil

**Companies (other than Infosys BPM Limited) in which Martha King holds directorship and committee membership**  
**Directorship:** EdgeVerve Systems Limited

**Shareholding in the Company:** Nil

**Remuneration proposed to be paid:** Nil

**Date of first appointment on Board, last drawn remuneration and number of Board meetings attended:** Martha was first appointed to the Board on May 11, 2021. The details pertaining to her appointment, remuneration, and number of meetings attended are provided in the *Corporate governance report* section of the Annual Report 2022-23.

#### Safe Harbor

This Annual Report contains 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and are based on our current expectations, assumptions, estimates and projections about the Company, our industry, economic conditions in the markets in which we operate, and certain other matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'project', 'seek', 'should' and similar expressions. Those statements include, among other things, risks and uncertainties regarding COVID-19 and the effects of government and other measures seeking to contain its spread, the discussions of our business strategy, including the localization of our workforce and investments to reskill our employees and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, global increase in wages including India and the US, change in the Indian regulations governing wages, restrictions on immigration in the US, and corporate actions.

These statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements include, but are not limited to, those discussed in the "Outlook, risks and concerns" section in this Annual Report, and are discussed in more detail in our Form 20-F filed with the US Securities and Exchange Commission. In the light of these and other uncertainties, you should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this Annual Report are based on information and estimates available to us on the date hereof, and we do not undertake any obligation to update these forward-looking statements unless required to do so by law.

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