

Statutory reports

Board's report

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "Infosys"), along with the audited financial statements, for the financial year ended March 31, 2024. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. Results of our operations and state of affairs

(In ₹ crore, except per equity share data)

Particulars	Standalone			Consolidated		
	For the year ended March 31,		YoY growth (%)	For the year ended March 31,		YoY growth (%)
	2024	2023		2024	2023	
Revenue from operations	1,28,933	1,24,014	4.0	1,53,670	1,46,767	4.7
Other income, net*	7,417	3,859	92.2	4,711	2,701	74.4
Total income	1,36,350	1,27,873	6.6	1,58,381	1,49,468	6.0
Expenses						
Cost of sales	89,032	85,762	3.8	1,07,413	1,02,353	4.9
Selling and marketing expenses	5,668	5,018	13.0	6,973	6,249	11.6
General and administration expenses	5,420	5,293	2.4	7,537	7,260	3.8
Total expenses	1,00,120	96,073	4.2	1,21,923	1,15,862	5.2
Profit / loss before finance cost and tax expenses	36,230	31,800	13.9	36,458	33,606	8.5
Finance cost	277	157	76.4	470	284	65.5
Profit before tax	35,953	31,643	13.6	35,988	33,322	8.0
Profit before tax (% of revenue)	27.9	25.5		23.4	22.7	
Tax expense*	8,719	8,375	4.1	9,740	9,214	5.7
Profit after tax	27,234	23,268	17.0	26,248	24,108	8.9
Profit after tax (% of revenue)	21.1	18.8		17.1	16.4	
Total other comprehensive income / (loss), net of tax	287	(268)		520	514	
Total comprehensive income for the year attributable to the owners of the Company	27,521	23,000		26,754	24,598	
Profit attributable to owners of the Company	27,234	23,268		26,233	24,095	
Non-controlling interests	–	–		15	13	
Earnings per share (EPS)*						
Basic	65.62	55.48	18.3	63.39	57.63	10.0
Diluted	65.56	55.42	18.3	63.29	57.54	10.0

1 crore = 10 million

Notes:

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

Equity shares are at par value of ₹5 per share.

* Includes interest income (pre-tax) of ₹1,933 crore and reversal of net tax provisions amounting to ₹38 crore on account of orders received under Sections 250 and 254 of the Income-tax Act, 1961, from the Income Tax authorities in India for certain assessment years. This has resulted a positive impact on the Basic and Diluted EPS by ₹4.76 and ₹4.75 on consolidated and standalone basis, respectively, for the year ended March 31, 2024.

Financial position

(In ₹ crore, except equity share data)

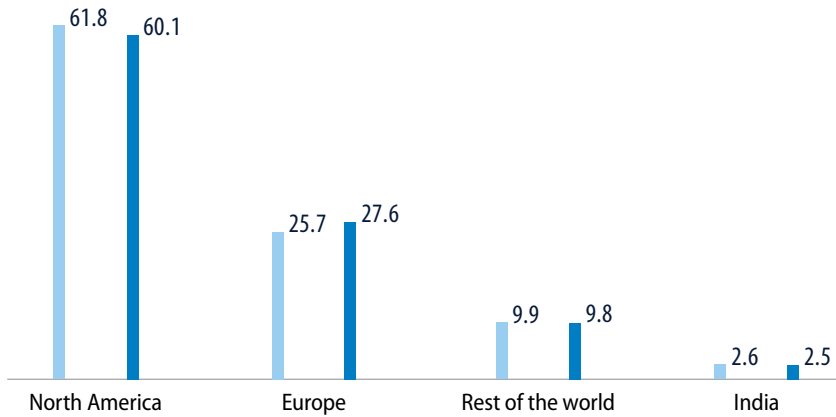
Particulars	Standalone		Consolidated	
	As at March 31,		As at March 31,	
	2024	2023	2024	2023
Net current assets	43,866	24,640	50,638	31,695
Property, plant and equipment (including capital work-in-progress)	11,090	11,931	12,663	13,634
Right-of-use assets	3,303	3,561	6,552	6,882
Goodwill and other intangible assets	211	214	8,700	8,997
Other non-current assets	29,394	33,549	20,467	25,422
Total assets	1,14,950	1,01,337	1,37,814	1,25,816
Non-current lease liabilities	3,088	3,553	6,400	7,057
Other non-current liabilities	3,600	2,597	4,159	3,778
Retained earnings – Opening balance	52,183	55,449	58,957	61,313
<i>Add:</i>				
Profit for the year	27,234	23,268	26,233	24,095
Transfer from Special Economic Zone Re-investment Reserve on utilization	824	1,397	867	1,464
<i>Less:</i>				
Impact on adoption of amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets	-	(9)	-	(19)
Dividends	(14,733)	(13,675)	(14,692)	(13,632)
Buyback of equity shares (including tax on buyback)	-	(11,096)	-	(11,096)
Transaction cost relating to buyback (net of tax)	-	(5)	-	(5)
Transfer to legal reserve	-	-	(3)	(3)
Amount transferred to capital redemption reserve upon buyback	-	(21)	-	(21)
Transfer to Special Economic Zone Re-investment Reserve	(2,957)	(3,125)	(2,957)	(3,139)
Retained earnings – Closing balance	62,551	52,183	68,405	58,957
Equity share capital	2,075	2,074	2,071	2,069
Other reserves and surplus ⁽¹⁾	16,527	13,752	15,092	12,354
Other comprehensive income	23	(264)	2,548	2,027
Non-controlling interest	-	-	345	388
Total equity	81,176	67,745	88,461	75,795
Total equity and liabilities	1,14,950	1,01,337	1,37,814	1,25,816

⁽¹⁾ Excluding retained earnings

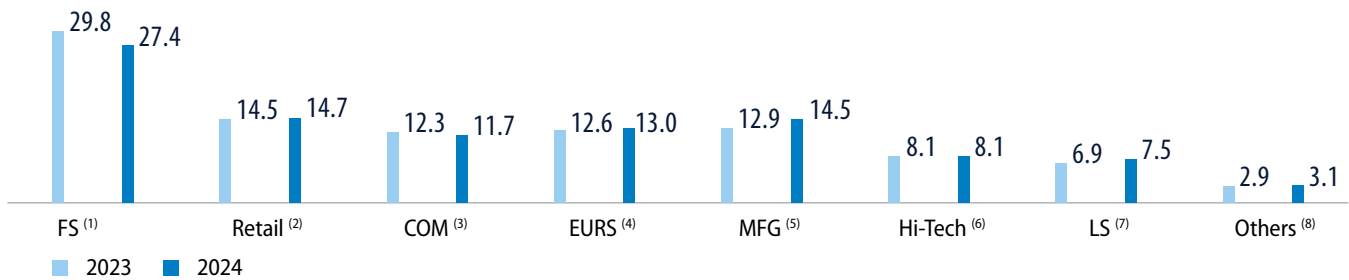
Board's report

Based on consolidated financial statements

Revenue distribution by geographical segments (in %)



Revenue distribution by business segments (in %)



(1) FS – Includes enterprises in Financial Services and Insurance

(2) Retail – Includes enterprises in Retail, Consumer Packaged Goods and Logistics

(3) COM – Includes enterprises in Communication, Telecom OEM and Media

(4) EURS – Includes enterprises in Energy, Utilities, Resources and Services

(5) MFG – Includes enterprises in Manufacturing

(6) Hi-Tech – Includes enterprises in Hi-Tech

(7) LS – Includes enterprises in Life Sciences and Healthcare

(8) Others – Includes segments of businesses in India, Japan, China, Infosys Public Services and other enterprises in public services

Capital Allocation Policy

Effective from financial year 2025, the Company expects to continue its policy of returning approximately 85% of the free cash flow cumulatively over a five-year period through a combination of semi-annual dividends and / or share buyback/ special dividends subject to applicable laws and requisite approvals, if any. Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any). Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the Consolidated Statement of Cash Flows prepared under IFRS. Dividend and buyback include applicable taxes.

During the year ended March 31, 2024, the Company paid an interim dividend of ₹18 per share and announced a final dividend of ₹20 per share and special dividend of ₹8 per share, subject to shareholders' approval in the ensuing Annual General Meeting (AGM). Including the final and special dividend declared above, the Company has returned approximately ₹88,400 crore, which is 85% of the cumulative free cash flow for fiscals 2020-2024 through dividends and buybacks, in line with the Capital Allocation Policy.

The Capital Allocation Policy is available on our website, at <https://www.infosys.com/investors/corporate-governance/documents/capital-allocation-policy.pdf>.

Liquidity

Our principal sources of liquidity are cash and cash equivalents, investments 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 and opportunities.

As of March 31, 2024, we had ₹43,866 crore in working capital on a standalone basis, and ₹50,638 crore on a consolidated basis.

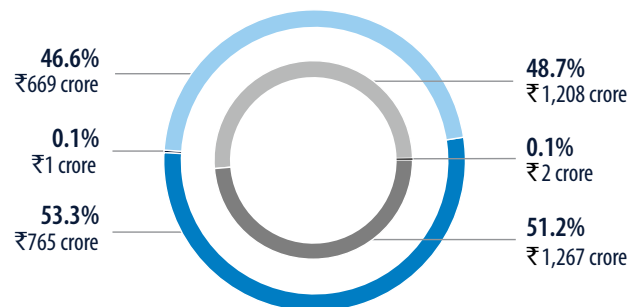
Consolidated cash and investments stand at ₹30,579 crore on a standalone basis and ₹39,005 crore on a consolidated basis as on March 31, 2024, as against ₹22,509 crore on a standalone basis, and ₹31,286 crore on a consolidated basis as on March 31, 2023.

Consolidated cash and investments, on both standalone and consolidated basis, include deposits with banks with high credit ratings by international and domestic credit rating agencies. As a result, liquidity risk of cash and cash equivalents is limited. Ratings are monitored periodically. Liquid assets also include investments in liquid mutual fund units, target maturity funds units, certificates of deposit (CDs), commercial paper (CP), quoted bonds and securities issued by government and quasi-government organizations, and non-convertible debentures. CDs and CPs represent marketable securities of banks, NBFCs and eligible financial institutions for a specified time period with high credit rating given by domestic credit rating agencies. G-secs are highly liquid and marketable instruments issued across tenure, backed by the Government of India carrying a sovereign credit. Investments made in non-convertible debentures are issued by government-owned institutions and financial institutions with high credit rating. We invest after considering counterparty risks based on multiple criteria including Tier-I capital, capital adequacy ratio, credit rating, profitability, NPA levels and deposit base of banks and financial institutions.

The details of these investments are disclosed under the 'non-current and current investments' section in the *Standalone and Consolidated financial statements* in this Integrated Annual Report.

Capital expenditure on tangible assets

Standalone



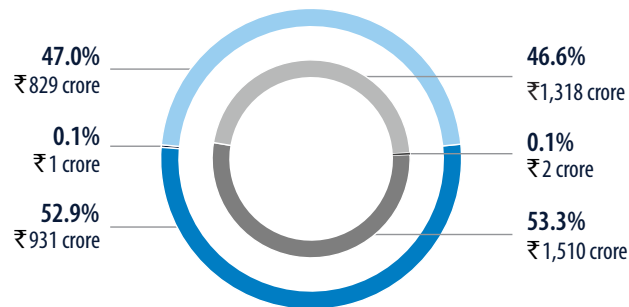
2024 Total - ₹1,435 crore

- Infrastructure
- Computer equipment
- Vehicles

2023 Total - ₹2,477 crore

- Infrastructure
- Computer equipment
- Vehicles

Consolidated



2024 Total - ₹1,761 crore

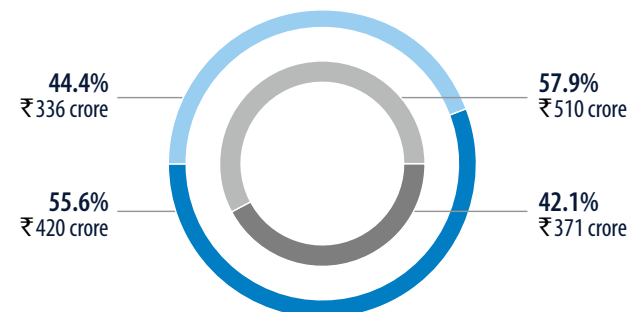
- Infrastructure
- Computer equipment
- Vehicles

2023 Total - ₹2,830 crore

- Infrastructure
- Computer equipment
- Vehicles

Leases

Standalone



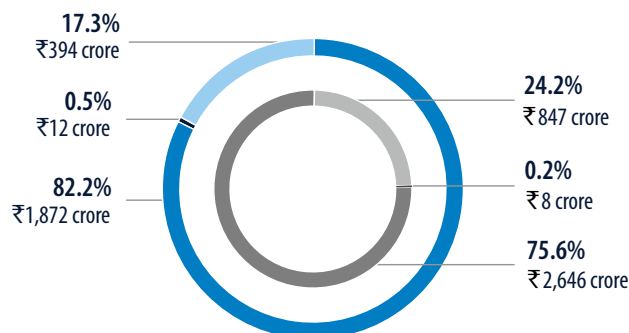
2024 Total - ₹756 crore

- Buildings
- Computer equipment

2023 Total - ₹881 crore

- Buildings
- Computer equipment

Consolidated



2024 Total - ₹2,278 crore

- Buildings
- Computer equipment
- Vehicles

2023 Total - ₹3,501 crore

- Buildings
- Computer equipment
- Vehicles