

**TO ALL STOCK EXCHANGES**

**BSE LIMITED  
NATIONAL STOCK EXCHANGE OF INDIA LIMITED  
NEW YORK STOCK EXCHANGE**

January 14, 2026

Dear Sir/ Madam,

**Sub: Outcome of the Board meeting**

This has reference to our letter dated December 15, 2025, regarding the captioned subject. The Board, at their meeting held on January 13-14, 2026 transacted the following items of business:

**Financial Results:**

1. Approved the audited consolidated financial results of the Company and its subsidiaries as per Indian Accounting Standards ("INDAS") for the quarter and nine months ended December 31, 2025;
2. Approved the audited standalone financial results of the Company as per INDAS for the quarter and nine months ended December 31, 2025;
3. Approved the audited financial statements of the Company and its subsidiaries as per INDAS and International Financial Reporting Standard ("IFRS") for the quarter and nine months ended December 31, 2025;

**Stock grants:**

4. Based on the recommendations of the Nomination and Remuneration Committee, approved the grant of annual time-based stock incentives in the form of Restricted Stock Units ("RSUs") to Salil Parekh, CEO & MD having a market value of ₹3 crore as on the date of grant under the 2015 Stock Incentive Compensation Plan ("2015 Plan") in accordance with the terms of his employment agreement. The RSUs will vest in line with the employment agreement. The RSUs will be granted w.e.f., February 1, 2026 and the number of RSUs will be calculated based on the market price at the close of trading day on a date immediately preceding the grant date. The exercise price of RSUs will be equal to the par value of the share

**Allotment of equity shares:**

5. Allotted 6,914 equity shares of face value of ₹ 5 each, pursuant to exercise of Restricted Stock Units by eligible employees as hereunder:
  - 70 equity shares under the 2015 Incentive Compensation Plan;
  - 6,844 equity shares under the Infosys Expanded Stock Ownership Program 2019.

Consequently, effective from January 14, 2026, the issued and subscribed share capital of the Company stands increased to ₹ 20,27,33,74,065/- divided into 4,05,46,74,813 equity shares of ₹5/- each.

The Board meeting was held on January 13 and 14, 2026. The Board meeting on January 14, 2026 commenced at 12:15 PM IST and concluded at 3:53 PM IST.

We are hereby enclosing herewith the financial results and press release for your information and records. The same will also be made available on the Company's website [www.infosys.com](http://www.infosys.com).

This is for your information and records.

Yours Sincerely,  
For **Infosys Limited**

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

**0.6% QoQ**  
**1.7% YoY**  
CC Growth

**18.4% Reported**  
**21.2% Adjusted**  
Operating Margin

**6.6% Reported**  
**11.5% Adjusted**  
YTD EPS Increase  
(₹ terms)

**\$4.8 Bn**  
Large Deal TCV  
(57% Net New)

**\$0.9 Bn**  
**\$1 Bn Adjusted**  
Free Cash Flow  
(FCF)

## Revenue Growth- Q3 26

	Reported	CC
QoQ growth (%)	0.5%	0.6%
YoY growth (%)	3.2%	1.7%

## Revenues by Business Segments

(in %)

	Quarter ended			YoY Growth	
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Reported	CC
Financial services	28.2	27.7	27.8	4.8	3.9
Manufacturing	16.7	16.5	15.5	10.8	6.6
Energy, Utilities, Resources & Services	13.2	13.4	13.5	1.3	0.5
Retail	12.8	12.7	13.8	(3.8)	(5.5)
Communication	12.1	12.1	11.2	11.6	9.9
Hi-Tech	7.4	8.3	7.9	(2.6)	(2.2)
Life Sciences	7.2	6.4	7.6	(3.1)	(5.4)
Others	2.4	2.9	2.7	(10.4)	(9.3)
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>3.2</b>	<b>1.7</b>

## Revenues by Client Geography

(in %)

	Quarter ended			YoY Growth	
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024	Reported	CC
North America	55.9	56.3	58.4	(1.2)	(1.0)
Europe	32.7	31.7	29.8	13.3	7.2
Rest of the world	8.6	8.9	8.7	2.4	2.5
India	2.8	3.1	3.1	(6.2)	(1.8)
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>3.2</b>	<b>1.7</b>

## Client Data

	Quarter ended		
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024
Number of Clients			
Active	1,949	1,896	1,876
Added during the period (gross)	121	118	101
Number of Million dollar clients <sup>^</sup>			
1 Million dollar +	1,012	1,012	997
10 Million dollar +	326	322	301
50 Million dollar +	84	85	89
100 Million dollar +	41	41	41
Client contribution to revenues			
Top 5 clients	12.8%	13.0%	12.7%
Top 10 clients	20.6%	20.7%	19.9%
Top 25 clients	35.0%	35.2%	34.2%
Days Sales Outstanding <sup>^</sup>	74	71	74

<sup>^</sup>LTM (Last twelve months) Revenues

Adjusted financial measures presented in this fact sheet are non-IFRS financial measures that exclude the impact of the provisions arising from the notifications by Government of India on Labour Codes for quarter and nine months ended December 31, 2025 and are further described in this fact sheet.

## Effort & Utilization – Consolidated IT Services

(in %)

	Quarter ended		
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024
<b>Effort</b>			
Onsite	23.1	23.2	24.0
Offshore	76.9	76.8	76.0
<b>Utilization</b>			
Including trainees	80.0	82.2	83.4
Excluding trainees	84.1	85.1	86.0

## Employee Metrics

(Nos.)

	Quarter ended		
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024
Total employees	337,034	331,991	323,379
S/W professionals	319,364	314,500	306,528
Sales & Support	17,670	17,491	16,851
Voluntary Attrition % (LTM - IT Services)	12.3%	14.3%	13.7%
% of Women Employees	39.5%	39.5%	39.0%

## Cash Metrics

In US \$ million

	Quarter ended		
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024
FCF <sup>(1)</sup>	915	1,101	1,263
Adjustment for Labour Codes	50	-	-
Adjusted FCF	965	1,101	1,263
Consolidated cash and investments <sup>(2)</sup>	3,917	6,173	4,653

In ₹ crore

	Quarter ended		
	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024
FCF <sup>(1)</sup>	8,176	9,677	10,647
Adjustment for Labour Codes	450	-	-
Adjusted FCF	8,626	9,677	10,647
Consolidated cash and investments <sup>(2)</sup>	35,206	54,809	39,836

<sup>(1)</sup> 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 (non-IFRS measure)

<sup>(2)</sup> Consolidated cash and investments comprise of cash and cash equivalents, current and non-current investments excluding investments in equity and preference shares, unquoted compulsorily convertible debentures and others

## Consolidated statement of Comprehensive Income for three months ended, (Extracted from IFRS Financial Statement)

In US \$ million, except per equity share data

Particulars	Dec 31, 2025	Dec 31, 2024	Growth % YoY	Sep 30, 2025	Growth % QoQ
<b>Revenues</b>	<b>5,099</b>	<b>4,939</b>	<b>3.2%</b>	<b>5,076</b>	<b>0.5%</b>
Cost of sales	3,660	3,444	6.3%	3,516	4.1%
<b>Gross Profit</b>	<b>1,439</b>	<b>1,495</b>	<b>-3.7%</b>	<b>1,560</b>	<b>-7.8%</b>
<b>Operating Expenses:</b>					
Selling and marketing expenses	257	218	17.9%	254	1.2%
Administrative expenses	245	224	9.4%	241	1.7%
<b>Total Operating Expenses</b>	<b>502</b>	<b>442</b>	<b>13.6%</b>	<b>495</b>	<b>1.4%</b>
<b>Operating Profit</b>	<b>937</b>	<b>1,053</b>	<b>-11.0%</b>	<b>1,065</b>	<b>-12.0%</b>
<b>Operating Margin %</b>	<b>18.4</b>	<b>21.3</b>	<b>-2.9%</b>	<b>21.0</b>	<b>-2.6%</b>
Other Income, net of finance cost	98	90	8.9%	100	-2.0%
<b>Profit before income taxes</b>	<b>1,035</b>	<b>1,143</b>	<b>-9.4%</b>	<b>1,165</b>	<b>-11.2%</b>
Income tax expense	287	337	-14.8%	325	-11.7%
<b>Net Profit (after non-controlling interests)</b>	<b>747</b>	<b>804</b>	<b>-7.2%</b>	<b>839</b>	<b>-11.0%</b>
<b>Basic EPS (\$)</b>	<b>0.18</b>	<b>0.19</b>	<b>-6.6%</b>	<b>0.20</b>	<b>-10.4%</b>
<b>Diluted EPS (\$)</b>	<b>0.18</b>	<b>0.19</b>	<b>-6.6%</b>	<b>0.20</b>	<b>-10.4%</b>

## Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for three months ended

In US \$ million, except per equity share data

Particulars	Dec 31, 2025			Dec 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>(1)</sup>	Adjusted non-IFRS	Reported IFRS
<b>Operating Profit</b>	<b>937</b>	<b>143</b>	<b>1,080</b>	<b>1,053</b>
<b>Operating Margin %</b>	<b>18.4</b>	<b>2.8</b>	<b>21.2</b>	<b>21.3</b>
<b>Profit before income taxes</b>	<b>1,035</b>	<b>143</b>	<b>1,178</b>	<b>1,143</b>
Income tax expense	287	35	322	337
<b>Net Profit (after non-controlling interests)</b>	<b>747</b>	<b>108</b>	<b>855</b>	<b>804</b>
<b>Basic EPS (\$)</b>	<b>0.18</b>	<b>0.03</b>	<b>0.21</b>	<b>0.19</b>

## Consolidated statement of Comprehensive Income for nine months ended, (Extracted from IFRS Financial Statement)

In US \$ million, except per equity share data

Particulars	Dec 31, 2025	Dec 31, 2024	Growth %
<b>Revenues</b>	<b>15,117</b>	<b>14,547</b>	<b>3.9%</b>
Cost of sales	10,593	10,103	4.9%
<b>Gross Profit</b>	<b>4,524</b>	<b>4,444</b>	<b>1.8%</b>
<b>Operating Expenses:</b>			
Selling and marketing expenses	769	671	14.6%
Administrative expenses	725	693	4.6%
<b>Total Operating Expenses</b>	<b>1,494</b>	<b>1,364</b>	<b>9.5%</b>
<b>Operating Profit</b>	<b>3,030</b>	<b>3,080</b>	<b>-1.6%</b>
<b>Operating Margin %</b>	<b>20.0</b>	<b>21.2</b>	<b>-1.2%</b>
Other Income, net of finance cost	308	249	23.7%
<b>Profit before income taxes</b>	<b>3,338</b>	<b>3,329</b>	<b>0.3%</b>
Income tax expense	942	981	-4.0%
<b>Net Profit (after non-controlling interests)</b>	<b>2,393</b>	<b>2,345</b>	<b>2.1%</b>
<b>Basic EPS (\$)</b>	<b>0.58</b>	<b>0.57</b>	<b>2.3%</b>
<b>Diluted EPS (\$)</b>	<b>0.58</b>	<b>0.56</b>	<b>2.3%</b>

## Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for nine months ended

In US \$ million, except per equity share data

Particulars	Dec 31, 2025			Dec 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>(1)</sup>	Adjusted non-IFRS	Reported IFRS
Operating Profit	3,030	143	3,173	3,080
Operating Margin %	20.0	1.0	21.0	21.2
Profit before income taxes	3,338	143	3,481	3,329
Income tax expense	942	35	977	981
Net Profit (after non-controlling interests)	2,393	108	2,501	2,345
Basic EPS (\$)	0.58	0.02	0.60	0.57

## Consolidated statement of Comprehensive Income for three months ended, (Extracted from IFRS Financial Statement)

In ₹ crore, except per equity share data

Particulars	Dec 31, 2025	Dec 31, 2024	Growth % YoY	Sep 30, 2025	Growth % QoQ
Revenues	45,479	41,764	8.9%	44,490	2.2%
Cost of sales	32,652	29,120	12.1%	30,800	6.0%
Gross Profit	12,827	12,644	1.4%	13,690	-6.3%
Operating Expenses:					
Selling and marketing expenses	2,292	1,839	24.6%	2,224	3.1%
Administrative expenses	2,180	1,893	15.2%	2,113	3.2%
Total Operating Expenses	4,472	3,732	19.8%	4,337	3.1%
Operating Profit	8,355	8,912	-6.3%	9,353	-10.7%
Operating Margin %	18.4	21.3	-2.9%	21.0	-2.6%
Other Income, net of finance cost	874	758	15.3%	876	-0.2%
Profit before income taxes	9,229	9,670	-4.6%	10,229	-9.8%
Income tax expense	2,563	2,848	-10.0%	2,854	-10.2%
Net Profit (after non-controlling interests)	6,654	6,806	-2.2%	7,364	-9.6%
Basic EPS (₹)	16.17	16.43	-1.6%	17.76	-9.0%
Diluted EPS (₹)	16.14	16.39	-1.6%	17.74	-9.0%

## Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for three months ended,

In ₹ crore, except per equity share data

Particulars	Dec 31, 2025			Dec 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>(1)</sup>	Adjusted non-IFRS	Reported IFRS
Operating Profit	8,355	1,289	9,644	8,912
Operating Margin %	18.4	2.8	21.2	21.3
Profit before income taxes	9,229	1,289	10,518	9,670
Income tax expense	2,563	318	2,881	2,848
Net Profit (after non-controlling interests)	6,654	971	7,625	6,806
Basic EPS (₹)	16.17	2.36	18.53	16.43

## Consolidated statement of Comprehensive Income for nine months ended, (Extracted from IFRS Financial Statement)

In ₹ crore, except per equity share data

Particulars	Dec 31, 2025	Dec 31, 2024	Growth %
<b>Revenues</b>	<b>132,248</b>	<b>122,064</b>	<b>8.3%</b>
Cost of sales	92,676	84,771	9.3%
<b>Gross Profit</b>	<b>39,572</b>	<b>37,293</b>	<b>6.1%</b>
<b>Operating Expenses:</b>			
Selling and marketing expenses	6,724	5,631	19.4%
Administrative expenses	6,337	5,813	9.0%
<b>Total Operating Expenses</b>	<b>13,061</b>	<b>11,444</b>	<b>14.1%</b>
<b>Operating Profit</b>	<b>26,511</b>	<b>25,849</b>	<b>2.6%</b>
<b>Operating Margin %</b>	<b>20.0</b>	<b>21.2</b>	<b>-1.2%</b>
Other Income, net of finance cost	2,688	2,096	28.2%
<b>Profit before income taxes</b>	<b>29,199</b>	<b>27,945</b>	<b>4.5%</b>
Income tax expense	8,234	8,233	0.0%
<b>Net Profit (after non-controlling interests)</b>	<b>20,939</b>	<b>19,680</b>	<b>6.4%</b>
<b>Basic EPS (₹)</b>	<b>50.64</b>	<b>47.52</b>	<b>6.6%</b>
<b>Diluted EPS (₹)</b>	<b>50.55</b>	<b>47.40</b>	<b>6.6%</b>

## Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for nine months ended,

In ₹ crore, except per equity share data

Particulars	Dec 31, 2025			Dec 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>(1)</sup>	Adjusted non-IFRS	Reported IFRS
<b>Operating Profit</b>	<b>26,511</b>	<b>1,289</b>	<b>27,800</b>	<b>25,849</b>
<b>Operating Margin %</b>	<b>20.0</b>	<b>1.0</b>	<b>21.0</b>	<b>21.2</b>
<b>Profit before income taxes</b>	<b>29,199</b>	<b>1,289</b>	<b>30,488</b>	<b>27,945</b>
Income tax expense	8,234	318	8,552	8,233
<b>Net Profit (after non-controlling interests)</b>	<b>20,939</b>	<b>971</b>	<b>21,910</b>	<b>19,680</b>
<b>Basic EPS (₹)</b>	<b>50.64</b>	<b>2.35</b>	<b>52.99</b>	<b>47.52</b>

### Notes

- On November 21, 2025 the Government of India notified provisions of The Labour Codes. These Labour Codes consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment and amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The adjustments for Labour Codes represent an increase in gratuity liability arising out of past service cost and increase in leave liability together by \$143 million (₹1,289 crore) which is recognized in the Consolidated Statement of Comprehensive Income.
- Revenue growth in reported currency includes the impact of currency fluctuations. Additionally, we calculate constant currency (CC) growth by comparing current period revenues in respective local currencies converted to US \$ using prior period exchange rates and comparing the same to our prior period reported revenues.
- As the quarter and nine months ended figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the nine months ended figures reported in this statement.

## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF QUARTERLY AND NINE MONTHS ENDED CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

### Opinion

We have audited the accompanying statement of Consolidated Financial Results of **INFOSYS LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") for the quarter and nine months ended December 31, 2025 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "LODR Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) includes the financial results of the subsidiaries as given in the Annexure to this report;
- (ii) is presented in accordance with the requirements of Regulation 33 of the LODR Regulations; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group for the quarter and nine months ended December 31, 2025.

### Basis for Opinion

We conducted our audit 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 Auditor's Responsibilities for audit of the consolidated financial results 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 results for the quarter and nine months ended December 31, 2025 under the provisions of the Act and the Rules 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.

### Management's and Board of Directors' Responsibilities for the Statement

The Statement, which includes the Consolidated Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited interim condensed consolidated financial statements for the three months and nine months ended December 31, 2025. This responsibility includes the preparation and presentation of the Statement that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.



The respective Board 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 the 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 respective financial results 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 this Statement by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board 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 Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

**Auditor's Responsibilities for audit of the Consolidated Financial Results for the quarter and nine months ended December 31, 2025**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the quarter and nine months ended December 31, 2025, 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 Results.

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 Statement, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the LODR Regulations.

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- Conclude on the appropriateness of the Board of Directors' 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the LODR Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Financial Information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement 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 Statement.

We communicate with those charged with governance of the Company and such other entities included in the Statement 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.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Vikas Bagaria

Partner

(Membership No. 060408)

UDIN:

Place: Bengaluru

Date: January 14, 2026

Annexure to Auditor's Report

List of Entities:

1. Infosys Technologies (China) Co. Limited
2. Infosys Technologies S. de R. L. de C. V.
3. Infosys Technologies (Sweden) AB
4. Infosys Technologies (Shanghai) Company Limited
5. Infosys Nova Holdings LLC.
6. EdgeVerve Systems Limited
7. Infosys Austria GmbH
8. Skava Systems Private Limited (liquidated effective November 14, 2024)
9. Infosys Chile SpA
10. Infosys Arabia Limited (under liquidation)
11. Infosys Consulting Ltda.
12. Infosys Luxembourg S.a.r.l
13. Infosys Americas Inc. (liquidated effective July 14, 2023)
14. Infosys Public Services, Inc. USA
15. Infosys BPM Limited
16. Infosys (Czech Republic) Limited s.r.o.
17. Infosys Poland Sp z.o.o
18. Infosys McCamish Systems LLC
19. Portland Group Pty Ltd
20. Infosys BPO Americas LLC.
21. Infosys Consulting Holding AG
22. Infosys Management Consulting Pty Limited
23. Infosys Consulting AG
24. Infosys Consulting GmbH
25. Infosys Consulting S.R.L (Romania) (Renamed as Infosys Romania SRL)
26. Infosys Consulting SAS
27. Infy Consulting Company Ltd.
28. Infy Consulting B.V.
29. Infosys Consulting S.R.L (Argentina)
30. Infosys Consulting (Belgium) NV
31. Panaya Inc.
32. Infosys Financial Services GmbH
33. Panaya Ltd.



34. Brilliant Basics Holdings Limited (under liquidation)
35. Brilliant Basics Limited (under liquidation)
36. Infosys Singapore Pte. Ltd.
37. Infosys Middle East FZ LLC
38. Fluido Oy
39. Fluido Sweden AB
40. Fluido Norway A/S
41. Fluido Denmark A/S
42. Fluido Slovakia s.r.o
43. Infosys Compaz Pte. Ltd.
44. Infosys South Africa (Pty) Ltd
45. WongDoody, Inc, (merged into Infosys Nova Holdings LLC with effect from January 01, 2025)
46. HIPUS Co., Ltd.
47. Stater N.V.
48. Stater Nederland B.V.
49. Stater XXL B.V.
50. HypoCasso B.V.
51. Stater Participations B.V. (wholly owned subsidiary of Stater N.V. merged with Stater N.V. with effect from November 24, 2023)
52. Stater Belgium N.V./S.A. (formerly a wholly owned subsidiary of Stater Participations B.V., became the wholly owned subsidiary of Stater N.V. with effect from November 24, 2023)
53. Outbox systems Inc. dba Simplus (US), (merged into Infosys Nova Holdings LLC with effect from January 01, 2025)
54. Simplus ANZ Pty Ltd.
55. Simplus Australia Pty Ltd
56. Simplus Philippines, Inc.
57. Infosys Fluido UK, Ltd.
58. Infosys Fluido Ireland, Ltd.
59. Infosys Limited Bulgaria EOOD
60. Infosys BPM UK Limited
61. Blue Acorn iCi Inc., (merged into Infosys Nova Holdings LLC with effect from January 01, 2025)
62. Kaleidoscope Animations, Inc., (merged into Infosys Nova Holdings LLC with effect from January 01, 2025)
63. Kaleidoscope Prototyping LLC (liquidated effective November 1, 2023)
64. GuideVision s.r.o
65. GuideVision Deutschland GmbH
66. GuideVision Suomi Oy



67. GuideVision Magyarország Kft
68. GuideVision Polska Sp. z o.o
69. Infosys Business Solutions LLC
70. Infosys Germany GmbH (wholly owned subsidiary of Infosys Singapore Pte Limited merged into Infosys Germany SE (formerly known as Blitz 24-893 SE) effective from September 24, 2025)
71. GuideVision UK Ltd (under liquidation)
72. Infosys Turkey Bilgi Teknolojileri Limited Sirketi
73. Infosys Germany Holding GmbH
74. Infosys Automotive and Mobility GmbH & Co. KG
75. Stater GmbH
76. Infosys Green Forum
77. Infosys (Malaysia) SDN. BHD.
78. oddity space GmbH, merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
79. oddity jungle GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
80. oddity waves GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
81. oddity group Services GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
82. oddity code GmbH merged into WongDoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
83. WongDoody d.o.o. (formerly known as oddity code d.o.o) which was formerly a subsidiary of oddity Code GmbH has become a subsidiary of Wongdoody GmbH (formerly known as oddity GmbH) with effect from September 29, 2023
84. WongDoody GmbH (formerly known as Oddity GmbH)
85. WongDoody (Shanghai) Co. Limited (formerly known as oddity (Shanghai) Co. Ltd.)
86. WongDoody Limited (Taipei) (formerly known as oddity Limited (Taipei))
87. Infosys Public Services Canada Inc.
88. BASE life science A/S
89. BASE life science AG
90. BASE life science GmbH
91. BASE life science Ltd.
92. BASE life science S.A.S
93. BASE life science S.r.l.
94. Innovisor Inc.
95. BASE life science Inc.
96. BASE life science S.L.
97. Panaya Germany GmbH
98. Infosys Norway



99. Infosys BPM Canada Inc. (Wholly-owned subsidiary of Infosys BPM Limited) which was incorporated on August 11, 2023 has been dissolved on March 15, 2024
100. Danske IT and Support Services India Private Limited acquired by Infosys Limited on September 1, 2023 (Renamed as Idunn Information Technology Private Limited with effect from April 1, 2024)
101. InSemi Technology Services Pvt. Ltd. acquired by Infosys limited on May 10, 2024
102. Elbrus Labs Private Limited (a wholly owned subsidiary of InSemi Technology Services Pvt. Ltd.) acquired by Infosys limited on May 10, 2024
103. Infosys Services (Thailand) Limited, a Wholly-owned subsidiary of Infosys Limited was incorporated on July 26, 2024.
104. Infy tech SAS, a Wholly-owned subsidiary of Infosys Singapore Pte Limited was incorporated on July 03, 2024.
105. in-tech Holding GmbH (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024 merged into in-tech GmbH with effect from January 01, 2025).
106. in-tech GmbH (Subsidiary of in-tech Holding GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
107. in-tech Automotive Engineering SL (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
108. ProIT (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
109. in-tech Automotive Engineering de R.L. de C.V (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024) (liquidated effective May 07, 2025)
110. drivetech Fahrversuch GmbH (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
111. Friedrich Wagner Holding Inc (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024) (under liquidation)
112. in-tech Automotive Engineering LLC (Subsidiary of Friedrich Wagner Holding Inc) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024) (liquidated effective November 30, 2024)
113. in-tech Services LLC (Subsidiary of Friedrich Wagner Holding Inc) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024) (liquidated effective November 30, 2024)
114. Friedrich & Wagner Asia Pacific GmbH (Subsidiary of in-tech GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024), (merged into in-tech GmbH with effect from January 01, 2025).
115. in-tech engineering s.r.o (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)



116. in-tech engineering GmbH (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
117. in-tech engineering services S.R.L (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024), (merged into ProIT with effect from November 30, 2025)
118. in-tech Group Ltd (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
119. in-tech Group India Private Limited (Subsidiary of in-tech Group Ltd) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024). On September 01, 2024 in-tech Group India Private Limited became a wholly-owned subsidiary of Infosys limited.
120. In-tech Automotive Engineering Shenyang Co. (Subsidiary of Friedrich & Wagner Asia Pacific GmbH) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
121. In-tech Automotive Engineering Beijing Co., Ltd (Subsidiary of In-tech Automotive Engineering Shenyang Co.) (acquired by Infosys Germany GmbH, a wholly owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on July 17, 2024)
122. Infosys Employees Welfare Trust
123. Infosys Employee Benefits Trust
124. Infosys Science Foundation
125. Infosys Expanded Stock Ownership Trust
126. Infosys Germany SE (formerly known as Blitz 24-893 SE) acquired by Infosys Singapore Pte Ltd on October 17, 2024
127. Infosys Limited SPC, a Wholly-owned subsidiary of Infosys Limited was incorporated on December 12, 2024.
128. Infosys BPM Netherlands B.V., a Wholly-owned subsidiary of Infosys BPM Limited was incorporated on March 20, 2025.
129. Infosys Energy Consulting Services LLC, a Wholly-owned subsidiary of Infosys Nova Holding LLC was incorporated on April 16, 2025.
130. Infosys Saudi Arabia LLC, a Wholly-owned subsidiary of Infosys Limited was incorporated on April 21, 2025.
131. Infosys Australia Technology Services Pty Ltd, a Wholly-owned subsidiary of Infosys Singapore Pte. Limited was incorporated on April 23, 2025.
132. MRE Consulting Ltd (acquired by Infosys Nova Holding LLC (a Wholly-owned subsidiary of Infosys Limited) with 98.21% partnership interest and Infosys Energy Consulting Services LLC (a wholly owned subsidiary of Infosys Nova Holding LLC) with 1.79% partnership interest on April 30, 2025.
133. MRE Technology Services LLC (a Wholly-owned subsidiary of MRE Consulting Ltd) (acquired by Infosys Nova Holding LLC (a Wholly-owned subsidiary of Infosys Limited) with 98.21% partnership interest and Infosys Energy Consulting Services LLC (a wholly owned subsidiary of Infosys Nova Holding LLC) with 1.79% partnership interest on April 30, 2025.

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134. The Missing Link Automation Pty Ltd (acquired by Infosys Australia Technology Services Pty Ltd, a Wholly-owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on April 30, 2025.
135. The Missing Link Network Integration Pty Ltd (acquired by Infosys Australia Technology Services Pty Ltd, a Wholly-owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on April 30, 2025.
136. The Missing Link Security Pty Ltd (acquired by Infosys Australia Technology Services Pty Ltd, a Wholly-owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on April 30, 2025.
137. The Missing Link Security Ltd (a Wholly-owned subsidiary of The Missing Link Security Pty Ltd) (acquired by Infosys Australia Technology Services Pty Ltd, a Wholly-owned subsidiary of Infosys Singapore Pte. Limited (a wholly owned subsidiary of Infosys Limited) on April 30, 2025.
138. Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM UK Limited was incorporated on July 28, 2025.

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**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF QUARTERLY AND NINE MONTHS ENDED STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED**

**Opinion**

We have audited the accompanying statement of Standalone Financial Results of **INFOSYS LIMITED** (the "Company") for the quarter and nine months ended December 31, 2025 (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "LODR Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the LODR Regulations; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and nine months ended December 31, 2025.

**Basis for Opinion**

We conducted our audit of the Statement 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 Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 Results for the quarter and nine months ended December 31, 2025 under the provisions of the Act and the Rules 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.

**Management's and Board of Directors' Responsibilities for the Statement**

The Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited interim condensed standalone financial statements for the three months and nine months ended December 31, 2025. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and nine months ended December 31, 2025 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Ind AS 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the LODR

Regulations. 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 the 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 Statements that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for audit of the Standalone Financial Results for the quarter and nine months ended December 31, 2025**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Results.

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 Statement, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the LODR Regulations.

- Conclude on the appropriateness of the Board of Directors' 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 Company 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Statement to express an opinion on the Statement.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement 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 Statement.

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.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Vikas Bagaria

Partner

(Membership No. 060408)

UDIN:

Place: Bengaluru

Date: January 14, 2026



Infosys Limited  
CIN : L85110KA1981PLC013115  
Regd. Office: Electronics City, Hosur Road, Bengaluru 560 100, India.  
Website: www.infosys.com; Email: investors@infosys.com; Telephone: 91 80 2852 0261; Fax: 91 80 2852 0362

**Statement of Consolidated Audited Results of Infosys Limited and its subsidiaries for the quarter and nine months ended December 31, 2025**  
prepared in compliance with the Indian Accounting Standards (Ind-AS)

(in ₹ crore, except per equity share data)

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,		Year ended March 31,
	2025	2025	2024	2025	2024	2025
	Audited	Audited	Audited	Audited	Audited	Audited
<b>Revenue from operations</b>	45,479	44,490	41,764	132,248	122,064	162,990
Other income, net	1,139	982	859	3,163	2,410	3,600
<b>Total Income</b>	<b>46,618</b>	<b>45,472</b>	<b>42,623</b>	<b>135,411</b>	<b>124,474</b>	<b>166,590</b>
<b>Expenses</b>						
Employee benefit expenses	24,122	23,438	21,436	70,407	63,934	85,950
Cost of technical sub-contractors	4,092	3,879	3,302	11,469	9,661	12,937
Travel expenses	510	539	439	1,564	1,375	1,894
Cost of software packages and others	3,982	4,025	4,607	11,753	12,012	15,911
Communication expenses	159	160	157	462	473	620
Consultancy and professional charges	486	480	459	1,429	1,354	1,655
Depreciation and amortisation expenses	1,155	1,182	1,203	3,478	3,512	4,812
Finance cost	100	106	101	310	314	416
Other expenses	1,494	1,434	1,249	4,051	3,894	4,787
<b>Total expenses</b>	<b>36,100</b>	<b>35,243</b>	<b>32,953</b>	<b>104,923</b>	<b>96,529</b>	<b>128,982</b>
<b>Profit before exceptional item and tax</b>	<b>10,518</b>	<b>10,229</b>	<b>9,670</b>	<b>30,488</b>	<b>27,945</b>	<b>37,608</b>
<b>Exceptional item</b>						
Impact of Labour Codes (Refer to note (c))	1,289	-	-	1,289	-	-
<b>Profit before tax</b>	<b>9,229</b>	<b>10,229</b>	<b>9,670</b>	<b>29,199</b>	<b>27,945</b>	<b>37,608</b>
Tax expense:						
Current tax	2,871	3,178	3,202	9,103	9,346	12,130
Deferred tax	(308)	(324)	(354)	(869)	(1,113)	(1,272)
<b>Profit for the period</b>	<b>6,666</b>	<b>7,375</b>	<b>6,822</b>	<b>20,965</b>	<b>19,712</b>	<b>26,750</b>
<b>Other comprehensive income</b>						
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Remeasurement of the net defined benefit liability/asset, net	56	(38)	(45)	(52)	53	(92)
Equity instruments through other comprehensive income, net	(4)	(8)	(15)	23	(10)	19
<i>Items that will be reclassified subsequently to profit or loss</i>						
Fair value changes on derivatives designated as cash flow hedges, net	4	-	56	10	32	(24)
Exchange differences on translation of foreign operations	354	862	(483)	2,235	(27)	357
Fair value changes on investments, net	(23)	(34)	10	66	136	199
<b>Total other comprehensive income/(loss), net of tax</b>	<b>387</b>	<b>782</b>	<b>(477)</b>	<b>2,282</b>	<b>184</b>	<b>459</b>
<b>Total comprehensive income for the period</b>	<b>7,053</b>	<b>8,157</b>	<b>6,345</b>	<b>23,247</b>	<b>19,896</b>	<b>27,209</b>
<b>Profit attributable to:</b>						
Owners of the company	6,654	7,364	6,806	20,939	19,680	26,713
Non-controlling interests	12	11	16	26	32	37
	<b>6,666</b>	<b>7,375</b>	<b>6,822</b>	<b>20,965</b>	<b>19,712</b>	<b>26,750</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the company	7,040	8,140	6,336	23,204	19,863	27,167
Non-controlling interests	13	17	9	43	33	42
	<b>7,053</b>	<b>8,157</b>	<b>6,345</b>	<b>23,247</b>	<b>19,896</b>	<b>27,209</b>
Paid up share capital (par value ₹5/- each, fully paid)	2,024	2,074	2,072	2,024	2,072	2,073
Other equity <sup>#</sup>	93,745	93,745	86,045	93,745	86,045	93,745
<b>Earnings per equity share (par value ₹5/- each)**</b>						
Basic (in ₹ per share)	16.17	17.76	16.43	50.64	47.52	64.50
Diluted (in ₹ per share)	16.14	17.74	16.39	50.55	47.40	64.34

\* Balances for the quarter and nine months ended December 31, 2025 and quarter ended September 30, 2025 represent balances as per the audited Balance Sheet as at March 31, 2025 and balances for the quarter and nine months ended December 31, 2024 represent balances as per the audited Balance Sheet as at March 31, 2024 as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015

\*\* EPS is not annualized for the quarter and nine months ended December 31, 2025, quarter ended September 30, 2025 and quarter and nine months ended December 31, 2024.

<sup>#</sup> Excludes non-controlling interest

a) The audited interim condensed consolidated financial statements for the quarter and nine months ended December 31, 2025 have been taken on record by the Board of Directors at its meeting held on January 14, 2026. **The statutory auditors, Deloitte Haskins & Sells LLP have expressed an unmodified audit opinion.** The information presented above is extracted from the audited interim condensed consolidated financial statements. Those interim condensed consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

**b) Buyback of equity shares**

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



### c) Impact of Labour Codes

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to leave. The Company has assessed the financial implications of these changes which has resulted in increase in gratuity liability arising out of past service cost and increase in leave liability by ₹1,289 crore. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Group has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the Condensed Consolidated Statement of Profit and Loss for the quarter and nine months ended December 31, 2025. The Group continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of liability pertaining to employee benefits.

### d) Update on stock grants

The Board, on January 14, 2026, based on the recommendations of the Nomination and Remuneration Committee, approved the annual time-based stock incentives in the form of Restricted Stock Units (RSUs) to Salil Parekh, CEO & MD having a market value of ₹3 crore as on the date of grant under the 2015 Stock Incentive Compensation Plan (2015 Plan) in accordance with the terms of his employment agreement. The RSUs will vest in line with the employment agreement. The RSUs will be granted w.e.f February 1, 2026 and the number of RSUs will be calculated based on the market price at the close of trading day on a date immediately preceding the grant date. The exercise price of RSUs will be equal to the par value of the share.

### 1. Information on dividends for the quarter and nine months ended December 31, 2025

The Board of Directors (in the meeting held on October 16, 2025) declared an interim dividend of ₹23/-per equity share. The record date for the payment was October 27, 2025 and the same was paid on November 7, 2025. The interim dividend declared in the previous year was ₹21/- per equity share.

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,		Year ended March 31,
	2025	2025	2024	2025	2024	2025
<b>Dividend per share (par value ₹5/- each)</b>						
Interim dividend	-	23.00	-	23.00	21.00	21.00
Final dividend	-	-	-	-	-	22.00

### 2. Segment reporting (Consolidated - Audited)

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,		Year ended March 31,
	2025	2025	2024	2025	2024	2025
<b>Revenue by business segment</b>						
Financial Services <sup>(1)</sup>	12,817	12,320	11,589	36,932	33,561	45,175
Manufacturing	7,570	7,347	6,479	21,721	18,680	25,207
Energy, Utilities, Resources and Services	6,016	5,945	5,635	17,704	16,402	21,710
Retail <sup>(2)</sup>	5,829	5,639	5,746	17,119	16,619	22,059
Communication <sup>(3)</sup>	5,518	5,397	4,688	16,013	14,311	19,108
Hi-Tech	3,371	3,703	3,279	10,370	9,692	13,090
Life Sciences <sup>(4)</sup>	3,267	2,863	3,195	8,874	9,065	11,831
All other segments <sup>(5)</sup>	1,091	1,276	1,153	3,515	3,734	4,810
<b>Total</b>	<b>45,479</b>	<b>44,490</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>	<b>162,990</b>
<b>Less: Inter-segment revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net revenue from operations</b>	<b>45,479</b>	<b>44,490</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>	<b>162,990</b>
<b>Segment Profit:</b>						
Financial Services <sup>(1)</sup>	3,236	3,059	2,679	9,267	8,150	11,099
Manufacturing	1,735	1,752	1,357	4,903	3,661	4,856
Energy, Utilities, Resources and Services	1,493	1,506	1,528	4,436	4,520	6,097
Retail <sup>(2)</sup>	1,867	1,720	1,975	5,278	5,493	7,133
Communication <sup>(3)</sup>	936	1,017	818	2,834	2,506	3,341
Hi-Tech	767	763	816	2,298	2,424	3,220
Life Sciences <sup>(4)</sup>	698	534	819	1,786	2,045	2,663
All other segments <sup>(5)</sup>	67	184	123	476	562	827
<b>Total</b>	<b>10,799</b>	<b>10,535</b>	<b>10,115</b>	<b>31,278</b>	<b>29,361</b>	<b>39,236</b>
<b>Less: Other Unallocable expenditure*</b>	<b>2,444</b>	<b>1,182</b>	<b>1,203</b>	<b>4,767</b>	<b>3,512</b>	<b>4,812</b>
<b>Add: Unallocable other income</b>	<b>974</b>	<b>982</b>	<b>859</b>	<b>2,998</b>	<b>2,410</b>	<b>3,600</b>
<b>Less: Finance cost</b>	<b>100</b>	<b>106</b>	<b>101</b>	<b>310</b>	<b>314</b>	<b>416</b>
<b>Profit before tax and non-controlling interests</b>	<b>9,229</b>	<b>10,229</b>	<b>9,670</b>	<b>29,199</b>	<b>27,945</b>	<b>37,608</b>

\* Unallocable expense includes ₹1,289 crore towards impact of Labour Codes for the quarter and nine months ended December 31, 2025. (Refer note (c) above)

<sup>(1)</sup> Financial Services include enterprises in Financial Services and Insurance

<sup>(2)</sup> Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics

<sup>(3)</sup> Communication includes enterprises in Communication, Telecom OEM and Media

<sup>(4)</sup> Life Sciences includes enterprises in Life sciences and Health care

<sup>(5)</sup> All other segments include operating segments of businesses in India, Japan, China, Infosys Public Services & identified enterprises in Public Services

### Notes on segment information

#### Business segments

Based on the "management approach" as required by Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker 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 these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

#### Segmental capital employed

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.



### 3. Audited financial results of Infosys Limited (Standalone Information)

(in ₹ crore)

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,		Year ended March 31,
	2025	2025	2024	2025	2024	2025
Revenue from operations	37,996	36,907	34,915	110,178	102,455	136,592
Profit before exceptional item and tax	10,817	10,469	8,844	29,946	26,379	35,441
Exceptional item - Impact of Labour Codes	1,146	-	-	1,146	-	-
Profit before tax	9,671	10,469	8,844	28,800	26,379	35,441
Profit for the period	7,363	7,759	6,358	21,236	18,939	25,568

The audited results of Infosys Limited for the above mentioned periods are available on our website, [www.infosys.com](http://www.infosys.com) and on the stock exchange website [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com). The information above has been extracted from the audited interim standalone financial statements as stated.

By order of the Board  
for Infosys Limited

Bengaluru, India  
January 14, 2026

  
Salil Parekh  
Chief Executive Officer and Managing Director

The Board has also taken on record the consolidated results of Infosys Limited and its subsidiaries for the quarter and nine months ended December 31, 2025, prepared as per International Financial Reporting Standards (IFRS) and reported in US dollars. A summary of the financial statements is as follows:

(in US\$ million, except per equity share data)

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,		Year ended March 31,
	2025	2025	2024	2025	2024	2025
	Audited	Audited	Audited	Audited	Audited	Audited
Revenues	5,099	5,076	4,939	15,117	14,547	19,277
Cost of sales	3,660	3,516	3,444	10,593	10,103	13,405
<b>Gross profit</b>	<b>1,439</b>	<b>1,560</b>	<b>1,495</b>	<b>4,524</b>	<b>4,444</b>	<b>5,872</b>
Operating expenses	502	495	442	1,494	1,364	1,801
<b>Operating profit *</b>	<b>937</b>	<b>1,065</b>	<b>1,053</b>	<b>3,030</b>	<b>3,080</b>	<b>4,071</b>
Other income, net	109	112	102	343	287	425
Finance cost	11	12	12	35	38	49
<b>Profit before income taxes</b>	<b>1,035</b>	<b>1,165</b>	<b>1,143</b>	<b>3,338</b>	<b>3,329</b>	<b>4,447</b>
Income tax expense	287	325	337	942	981	1,285
<b>Net profit</b>	<b>748</b>	<b>840</b>	<b>806</b>	<b>2,396</b>	<b>2,348</b>	<b>3,162</b>
Earnings per equity share *						
Basic	0.18	0.20	0.19	0.58	0.57	0.76
Diluted	0.18	0.20	0.19	0.58	0.56	0.76
Total assets	15,953	18,064	16,291	15,953	16,291	17,419
Cash and cash equivalents and current investments	2,985	5,005	3,596	2,985	3,596	4,321

\* EPS is not annualized for the quarter and nine months ended December 31, 2025, quarter ended September 30, 2025 and quarter and nine months ended December 31, 2024.

# includes \$143 million towards impact of Labour Codes for the quarter and nine months ended December 31, 2025. (Refer note (c) above)

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, the McCamish cybersecurity incident, and the United States H-1B visa program are forward looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, increased competition for talent, our ability to attract and retain personnel, increase in wages, investments to reskill our employees, our ability to effectively implement a hybrid working model, economic uncertainties and geo-political situations, technological disruptions and innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the outcome of pending litigation, the amount of any additional costs resulting directly or indirectly from the McCamish cybersecurity incident, the outcome of the US government investigation, the timing, implementation, duration and effect of the September 19, 2025 proclamation signed by the president of the United States related to the H-1B visa program, and the effect of current and any future tariffs. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2025. These filings are available at [www.sec.gov](http://www.sec.gov). Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.



Infosys Limited

CIN: L85110KA1981PLC013115

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**Statement of Audited results of Infosys Limited for the quarter and nine months ended December 31, 2025  
prepared in compliance with the Indian Accounting Standards (Ind-AS)**

(in ₹ crore, except per equity share data)

Particulars	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months December 31,		Year ended March 31,
	2025	2025	2024	2025	2024	2025
	Audited	Audited	Audited	Audited	Audited	Audited
Revenue from operations	37,996	36,907	34,915	110,178	102,455	136,592
Other income, net	2,277	2,268	1,001	5,427	3,459	4,782
<b>Total income</b>	<b>40,273</b>	<b>39,175</b>	<b>35,916</b>	<b>115,605</b>	<b>105,914</b>	<b>141,374</b>
<b>Expenses</b>						
Employee benefit expenses	18,607	18,074	16,849	54,354	50,208	67,466
Cost of technical sub-contractors	5,787	5,613	4,829	16,608	14,412	19,353
Travel expenses	380	422	329	1,194	1,054	1,467
Cost of software packages and others	2,348	2,294	2,977	6,859	7,474	9,617
Communication expenses	111	113	115	323	344	448
Consultancy and professional charges	444	449	322	1,285	887	1,245
Depreciation and amortisation expense	585	595	661	1,794	2,029	2,619
Finance cost	45	52	50	153	170	221
Other expenses	1,149	1,094	940	3,089	2,957	3,497
<b>Total expenses</b>	<b>29,456</b>	<b>28,706</b>	<b>27,072</b>	<b>85,659</b>	<b>79,535</b>	<b>105,933</b>
<b>Profit before exceptional item and tax</b>	<b>10,817</b>	<b>10,469</b>	<b>8,844</b>	<b>29,946</b>	<b>26,379</b>	<b>35,441</b>
<b>Exceptional item</b>						
Impact of Labour Codes (Refer to note (c))	1,146	-	-	1,146	-	-
<b>Profit before tax</b>	<b>9,671</b>	<b>10,469</b>	<b>8,844</b>	<b>28,800</b>	<b>26,379</b>	<b>35,441</b>
<b>Tax expense:</b>						
Current tax	2,587	2,991	2,785	8,340	8,428	10,836
Deferred tax	(279)	(281)	(299)	(776)	(988)	(963)
<b>Profit for the period</b>	<b>7,363</b>	<b>7,759</b>	<b>6,358</b>	<b>21,236</b>	<b>18,939</b>	<b>25,568</b>
<b>Other comprehensive income</b>						
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Remeasurement of the net defined benefit liability / asset, net	59	(38)	(37)	(40)	63	(81)
Equity instruments through other comprehensive income, net	(4)	(8)	(16)	23	(11)	19
<i>Items that will be reclassified subsequently to profit or loss</i>						
Fair value changes on derivatives designated as cash flow hedges, net	4	-	57	10	33	(24)
Fair value changes on investments, net	(23)	(34)	9	65	128	191
<b>Total other comprehensive income/ (loss), net of tax</b>	<b>36</b>	<b>(80)</b>	<b>13</b>	<b>58</b>	<b>213</b>	<b>105</b>
<b>Total comprehensive income for the period</b>	<b>7,399</b>	<b>7,679</b>	<b>6,371</b>	<b>21,294</b>	<b>19,152</b>	<b>25,673</b>
Paid-up share capital (par value ₹5/- each fully paid)	2,027	2,077	2,076	2,027	2,076	2,076
Other Equity*	85,256	85,256	79,101	85,256	79,101	85,256
<b>Earnings per equity share ( par value ₹5 /- each)**</b>						
Basic (in ₹ per share)	17.85	18.68	15.31	51.25	45.62	61.58
Diluted (in ₹ per share)	17.83	18.66	15.29	51.18	45.53	61.46

\*Balances for the quarter and nine months ended December 31, 2025 and quarter ended September 30, 2025 represent balances as per the audited Balance Sheet as at March 31, 2025 and balances for the quarter and nine months ended December 31, 2024 represent balances as per the audited Balance Sheet as at March 31, 2024 as required by SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.

\*\* EPS is not annualized for the quarter and nine months ended December 31, 2025, quarter ended September 30, 2025 and quarter and nine months ended December 31, 2024.

a) The audited interim condensed standalone financial statements for the quarter and nine months ended December 31, 2025 have been taken on record by the Board of Directors at its meeting held on January 14, 2026. **The statutory auditors, Deloitte Haskins & Sells LLP have expressed an unmodified audit opinion.** The information presented above is extracted from the audited interim condensed standalone financial statements. Those interim condensed standalone financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

**b) Buyback of equity shares**

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

**c) Impact of Labour Codes**

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

**d) Update on stock grants**

The Board, on January 14, 2026, based on the recommendations of the Nomination and Remuneration Committee, approved the annual time-based stock incentives in the form of Restricted Stock Units (RSUs) to Salil Parekh, CEO & MD having a market value of ₹3 crore as on the date of grant under the 2015 Stock Incentive Compensation Plan (2015 Plan) in accordance with the terms of his employment agreement. The RSUs will vest in line with the employment agreement. The RSUs will be granted w.e.f February 1, 2026 and the number of RSUs will be calculated based on the market price at the close of trading day on a date immediately preceding the grant date. The exercise price of RSUs will be equal to the par value of the share.



1. Information on dividends for the quarter and nine months ended December 31, 2025


The Board of Directors (in the meeting held on October 16, 2025) declared an interim dividend of ₹23/-per equity share. The record date for the payment was October 27, 2025 and the same was paid on November 7, 2025. The interim dividend declared in the previous year was ₹21/- per equity share.

Particulars	(in ₹)				
	Quarter ended December 31,	Quarter ended September 30,	Quarter ended December 31,	Nine months ended December 31,	Year ended March 31,
	2025	2025	2024	2025	2025
Dividend per share (par value ₹5/- each)					
Interim dividend	-	23.00	-	23.00	21.00
Final dividend	-	-	-	-	22.00

2. Segment Reporting

The Company publishes 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 audited interim consolidated financial statements. Accordingly, the segment information is given in the audited consolidated financial results of Infosys Limited and its subsidiaries for the quarter and nine months ended December 31, 2025.

Bengaluru, India  
January 14, 2026

By order of the Board  
for Infosys Limited  
  
Salil Parekh  
Chief Executive Officer and Managing Director

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, the McCamish cybersecurity incident, and the United States H-1B visa program are forward looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, increased competition for talent, our ability to attract and retain personnel, increase in wages, investments to reskill our employees, our ability to effectively implement a hybrid working model, economic uncertainties and geo-political situations, technological disruptions and innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the outcome of pending litigation, the amount of any additional costs resulting directly or indirectly from the McCamish cybersecurity incident, the outcome of the US government investigation, the timing, implementation, duration and effect of the September 19, 2025 proclamation signed by the president of the United States related to the H-1B visa program, and the effect of current and any future tariffs. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2025. These filings are available at [www.sec.gov](http://www.sec.gov). Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.





**Strong Q3 Performance: Sequential Revenue Growth of 0.6% in CC, Large Deal Wins of \$4.8 billion**  
**Revenue Guidance for FY 26 revised to 3.0%-3.5%**

**Bengaluru, India – January 14, 2026:** Infosys (NSE, BSE, NYSE: INFY), a global leader in next-generation digital services and consulting, delivered \$5,099 million in Q3 revenues, year on year growth of 1.7% and sequential growth of 0.6% in constant currency. Reported IFRS operating margin was at 18.4%. Adjusted<sup>1</sup> operating margin increased 0.2% sequentially to 21.2%. Free cash flow generation was robust at \$915 million. Adjusted free cash flow generation was \$965 million, 112.8% of adjusted net profit. TCV of large deal wins was \$4.8 billion, with net new of 57%. Headcount increased by 5,043.

Revenues for YTD Dec'25 grew at 2.8% year on year in constant currency. Reported IFRS operating margin was at 20.0%. Adjusted operating margin was at 21.0%.

“Infosys delivered a strong Q3 performance demonstrating how our differentiated value propositions in enterprise AI, through Infosys Topaz, are consistently driving higher market share. Clients increasingly view Infosys as their AI partner with demonstrated expertise, innovation capabilities and strong delivery credentials. This has helped them unlock business potential and enhanced value realization”, **said Salil Parekh, CEO and MD**. “Central to this journey is our commitment to reskill, transform and empower our dedicated human resource pool to drive success in an AI augmented world” **he added**.

<b>0.6% QoQ</b> <b>1.7% YoY</b> CC Growth	<b>18.4% Reported</b> <b>21.2% Adjusted</b> Operating Margin	<b>6.6% Reported</b> <b>11.5% Adjusted</b> YTD EPS Increase (₹ terms)	<b>\$4.8 Bn</b> Large Deal TCV (57% Net New)	<b>\$0.9 Bn</b> <b>\$1 Bn Adjusted</b> Free cash flow (FCF)
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#### Guidance for FY26:

- Revenue growth of 3.0%-3.5% in constant currency
- Operating margin of 20%-22%<sup>2</sup>

#### Key highlights:

For the quarter ended December 31, 2025	For nine months ended December 31, 2025
<ul style="list-style-type: none"> <li>• Revenues in CC terms grew by 1.7% YoY and 0.6% QoQ</li> <li>• Reported revenues at ₹45,479 crore, growth of 8.9% YoY</li> <li>• Reported IFRS operating margin at 18.4%; Adjusted operating margin at 21.2%</li> <li>• Reported IFRS Basic EPS at ₹16.17; adjusted Basic EPS at ₹18.53</li> <li>• FCF at ₹8,176 crore; adjusted FCF at ₹8,626 crore; Adjusted FCF conversion at 113.1% of adjusted net profit</li> </ul>	<ul style="list-style-type: none"> <li>• Revenues in CC terms grew by 2.8% YoY</li> <li>• Reported revenues at ₹132,248 crore, growth of 8.3% YoY</li> <li>• Reported IFRS operating margin at 20.0%; Adjusted operating margin at 21.0%</li> <li>• Reported IFRS Basic EPS at ₹50.64; adjusted Basic EPS at ₹52.99</li> <li>• FCF at ₹25,386 crore; adjusted FCF at ₹25,836 crore; Adjusted FCF conversion at 117.8% of adjusted net profit</li> </ul>

1. 'Adjusted' financial measures presented in this release are non-IFRS financial measures that exclude the impact of the provisions arising from the notifications by Government of India on Labour Codes for quarter and nine months ended December 31, 2025 and are further described in this release.  
2. Operating margin guidance for FY26 excludes the adjustment with respect to Labour Codes of ₹1,289 crore in the current quarter.

“Our performance was broad-based in Q3 with 0.6% sequential revenue growth, 0.2% adjusted operating margin expansion, stellar large deal wins at \$4.8 billion and robust adjusted free cash generation at \$965 million in a seasonally weak quarter” **said Jayesh Sanghrajka, CFO**. “In line with our capital allocation policy, we successfully completed the largest ever buyback of `18,000 crore and paid out interim dividend to shareholders”, **he added**.

## Client Wins & Testimonials

- Infosys extended its strategic collaboration with Metro Bank to transform the bank’s finance operations with a suite of Workday solutions. **Marc Page, Chief Financial Officer, Metro Bank**, said, “We’re continuing to transform our platforms through our partnership with Infosys, helping our digital advancement. This collaboration with Infosys and Workday will help to unify our core finance operations, providing colleagues with self-service tools and simplifying daily operations. This supports our long-term growth strategy and will help us to scale and evolve in the future.”
- Infosys unveiled its AI-first GCC model to accelerate the setup and transformation of global capability centers (GCCs) into AI-powered hubs for innovation and growth. **Stefanie Neumann, CEO, Lufthansa Systems**, said, “Our collaboration with Infosys to establish a dedicated Global Capability Center has been a pivotal step in digital transformation journey of Lufthansa Systems. By leveraging their strong GCC and AI capabilities, we are building a future-ready innovation hub that enables our customers to enhance aviation safety, drive operational efficiency, and improve customer experience. This partnership empowers us to accelerate our vision for sustainable and intelligent aviation.”
- Infosys announced its collaboration with NHS Business Services Authority (NHSBSA) to deliver a new workforce management solution for NHS in England and Wales. **Michael Brodie, Chief Executive, NHSBSA**, said, “Delivering the Future NHS Workforce Solution is a critical step in supporting the ambitions of the 10-Year Health Plan. The solution will go far beyond simply replacing ESR - it will be a strategic enabler for building a workforce that is fit for the future. By working with Infosys, we’re creating a modern, data-driven solution that will help the NHS better attract, retain and support its people.”
- Infosys collaborated with Telenor Shared Services to modernize its HR operations with a new Oracle Fusion Cloud Human Capital Management (HCM) solution. **Morten Dean Dunham, CEO, Telenor Shared Services**, said, “Modernizing our HR operations is crucial to improve efficiencies and employee experience. By collaborating with Infosys to implement Oracle Cloud HCM, we are confident we will get a solution that meets our future needs. This change will further streamline our processes, provide a unified view of critical data, and ultimately enhance the experience of our employees.”
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time on low-value tasks like lead grooming instead of fostering client relationships. Agentforce automated the lead process, including contextual emails and meeting setups, allowing our team to focus on collaboration and delivering superior customer experiences. Having Infosys, along with Fluido as our expert partners, VTT became one of the first organizations outside Salesforce to implement a live SDR Agentforce agent. Building on the success of this initial implementation, we are collaborating together to develop two additional Agentforce agents for other areas of organizational support.”

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## Recognitions & Awards

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- Recognized as a leader in IDC MarketScape: Asia/Pacific Professional and Managed Services for Microsoft Azure 2025 Vendor Assessment

• **Key Digital Services**

- Positioned as a leader in Gartner Magic Quadrant for Custom Software Development Services
- Recognized as a leader in IDC MarketScape: Asia/Pacific Application Modernization Services to AWS 2025 Vendor Assessment
- Recognized as a leader in IDC MarketScape: European Human First Digital Workplace Services 2025 Vendor Assessment
- Positioned as a leader in Everest Group: Adobe Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: IT Service Management (ITSM) and Service Integration and Management (SIAM) Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: Enterprise Quality Engineering (QE) Services PEAK Matrix Assessment 2025
- Positioned as a leader in Everest Group: Global Capability Center (GCC) Setup Capabilities in India – PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: ServiceNow Services PEAK Matrix® Assessment 2025
- Recognized as a leader in HFS Horizons: Legacy Application Modernization Services, 2025
- Recognized as a leader in HFS Horizons: Enterprise Blockchain Services, 2025
- Rated as a leader in NelsonHall: Advanced Digital Workplace Services 2025
- Rated as a leader in NelsonHall: Quality Engineering 2025
- Infosys BPM received the 2025 ISG Star of Excellence™ award for BPO Services Excellence

• **Industry & Solutions**

- Recognized as a leader in IDC MarketScape: Worldwide Supply Chain Blue Yonder Ecosystem Services 2025–2026 Vendor Assessment
- Recognized as a leader in IDC MarketScape: Worldwide Supply Chain Overall Ecosystem Services 2025–2026 Vendor Assessment
- Recognized as a leader in IDC MarketScape: Worldwide Manufacturing Intelligence Transformation Strategic Consulting 2025 Vendor Assessment
- Recognized as a leader in IDC MarketScape: Worldwide Supply Chain SAP Ecosystem Services 2025-2026 Vendor Assessment
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- Positioned as a leader in Everest Group: Property and Casualty (P&C) Insurance IT Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: Payments IT Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: Banking IT Services PEAK Matrix® Assessment 2025
- Recognized as a leader in HFS Semiconductor Horizons: The Best of Service Providers across the Value Chain, 2025
- Recognized as a leader in HFS Horizons: Life Sciences Service Providers 2025
- Recognized as a leader in HFS Horizons: Intelligent Supply Chain Services, 2025
- Recognized as a leader in HFS Horizons: Travel and Hospitality Service Provider Ecosystem, 2025
- Infosys Finacle positioned as a leader in Everest Group's Banking Customer Experience Orchestration Products (CXOP) PEAK Matrix® Assessment 2025.

- Infosys Finacle along with its customers received four awards at the Global Banking and Finance ® Awards 2025 – Innovation Awards for Excellence in Margin Finance Innovation India with HDFC Bank; Most Innovative Payments Channel Modernization in Colombia with Bancolombia; Technology Award for Best Core Banking Transformation with Real-Time Eventing with Emirates NBD Bank; and Award for Best Customer Journey Initiative in Australia with Australian Military Bank
- Infosys Finacle recognized as The World’s Best Software Provider for Virtual Accounts 2025 and The World’s Best Software Provider for Liquidity Management 2025 by Euromoney Transaction Banking Awards

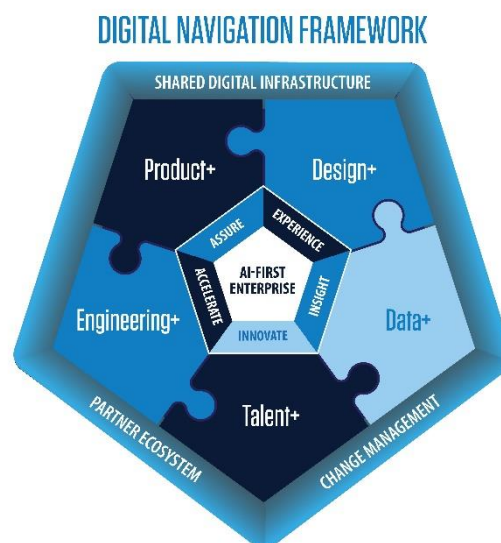
Read more about our Awards & Recognitions [here](#).



## About Infosys

Infosys is a global leader in next-generation digital services and consulting. Over 330,000 of our people work to amplify human potential and create the next opportunity for people, businesses and communities. We enable clients in 63 countries to navigate their digital transformation. With over four decades of experience in managing the systems and workings of global enterprises, we expertly steer clients, as they navigate their digital transformation powered by cloud and AI. We enable them with an AI-first core, empower the business with agile digital at scale and drive continuous improvement with always-on learning through the transfer of digital skills, expertise, and ideas from our innovation ecosystem. We are deeply committed to being a well-governed, environmentally sustainable organization where diverse talent thrives in an inclusive workplace.

Visit [www.infosys.com](http://www.infosys.com) to see how Infosys (NSE, BSE, NYSE: INFY) can help your enterprise navigate your next.



## Safe Harbor

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, the McCamish cybersecurity incident, and the United States H-1B visa program are forward looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, increased competition for talent, our ability to attract and retain personnel, increase in wages, investments to reskill our employees, our ability to effectively implement a hybrid working model, economic uncertainties and geo-political situations, technological disruptions and innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the outcome of pending litigation, the amount of any additional costs resulting directly or indirectly from the McCamish cybersecurity incident, the outcome of the US government investigation, the timing, implementation, duration and effect of the September 19, 2025 proclamation signed by the president of the United States related to the H-1B visa program, and the effect of current and any future tariffs. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2025. These filings are available at [www.sec.gov](http://www.sec.gov). Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

## Contact

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**Infosys Limited and Subsidiaries**

Extracted from the Condensed Consolidated Balance Sheet under IFRS as at:

(in ₹ crore)

Particulars	December 31, 2025	March 31, 2025
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	19,915	24,455
Current investments	6,911	12,482
Trade receivables	36,131	31,158
Unbilled revenue	13,276	12,851
Other current assets	14,225	16,153
<b>Total current assets</b>	<b>90,458</b>	<b>97,099</b>
<b>Non-current assets</b>		
Property, plant and equipment and Right-of-use assets	19,125	19,111
Goodwill and other Intangible assets	14,707	12,872
Non-current investments	8,899	11,059
Unbilled revenue	2,017	2,232
Other non-current assets	8,178	6,530
<b>Total non-current assets</b>	<b>52,926</b>	<b>51,804</b>
<b>Total assets</b>	<b>143,384</b>	<b>148,903</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Trade payables	4,826	4,164
Unearned revenue	11,103	8,492
Employee benefit obligations	3,455	2,908
Other current liabilities and provisions	30,550	27,286
<b>Total current liabilities</b>	<b>49,934</b>	<b>42,850</b>
<b>Non-current liabilities</b>		
Lease liabilities	5,811	5,772
Other non-current liabilities	4,186	4,078
<b>Total non-current liabilities</b>	<b>9,997</b>	<b>9,850</b>
<b>Total liabilities</b>	<b>59,931</b>	<b>52,700</b>
<b>Total equity attributable to equity holders of the company</b>	<b>83,026</b>	<b>95,818</b>
Non-controlling interests	427	385
<b>Total equity</b>	<b>83,453</b>	<b>96,203</b>
<b>Total liabilities and equity</b>	<b>143,384</b>	<b>148,903</b>

Extracted from the Condensed Consolidated statement of Comprehensive Income under IFRS for:

(in ₹ crore except per equity share data)

Particulars	3 months ended December 31, 2025	3 months ended December 31, 2024	9 months ended December 31, 2025	9 months ended December 31, 2024
<b>Revenues</b>	<b>45,479</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>
Cost of sales	32,652	29,120	92,676	84,771
<b>Gross profit</b>	<b>12,827</b>	<b>12,644</b>	<b>39,572</b>	<b>37,293</b>
<b>Operating expenses:</b>				
Selling and marketing expenses	2,292	1,839	6,724	5,631
Administrative expenses	2,180	1,893	6,337	5,813
Total operating expenses	4,472	3,732	13,061	11,444
<b>Operating profit</b>	<b>8,355</b>	<b>8,912</b>	<b>26,511</b>	<b>25,849</b>
Other income, net of finance cost	874	758	2,688	2,096
<b>Profit before income taxes</b>	<b>9,229</b>	<b>9,670</b>	<b>29,199</b>	<b>27,945</b>
Income tax expense	2,563	2,848	8,234	8,233
<b>Net profit (before non-controlling interest)</b>	<b>6,666</b>	<b>6,822</b>	<b>20,965</b>	<b>19,712</b>
Net profit (after non-controlling interest)	6,654	6,806	20,939	19,680
<b>Basic EPS (₹)</b>	<b>16.17</b>	<b>16.43</b>	<b>50.64</b>	<b>47.52</b>
Diluted EPS (₹)	16.14	16.39	50.55	47.40

**NOTES:**

- a) The above information is extracted from the audited condensed consolidated Balance sheet and Statement of Comprehensive Income for the quarter and nine months ended December 31, 2025, which have been taken on record at the Board meeting held on January 14, 2026.
- b) As the quarter and nine months ended figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the nine months ended figures reported in this statement.

**Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for 3 months ended**  
(in ₹ crore except per equity share data)

	December 31, 2025			December 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>1</sup>	Adjusted non- IFRS	Reported IFRS
Operating profit	8,355	1,289	9,644	8,912
Operating margin (%)	18.4	2.8	21.2	21.3
Profit before income taxes	9,229	1,289	10,518	9,670
Income tax expense	2,563	318	2,881	2,848
Net profit (after non-controlling interest)	6,654	971	7,625	6,806
Basic EPS (₹)	16.17	2.36	18.53	16.43

**Reconciliation of additional financial measures to Adjusted financial measures for 3 months ended**  
(in ₹ crore)

	December 31, 2025			December 31, 2024
	Reported	Adjustment for Labour Codes	Adjusted	Reported
Operating cash flow	8,595	450	9,045	11,193
Capital expenditure	419	-	419	546
FCF – non-IFRS	8,176	450	8,626	10,647
FCF as a % of Net profit	122.7		113.1	156.1

**Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for 9 months ended**  
(in ₹ crore except per equity share data)

	December 31, 2025			December 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>1</sup>	Adjusted non- IFRS	Reported IFRS
Operating profit	26,511	1,289	27,800	25,849
Operating margin (%)	20.0	1.0	21.0	21.2
Profit before income taxes	29,199	1,289	30,488	27,945
Income tax expense	8,234	318	8,552	8,233
Net profit (after non-controlling interest)	20,939	971	21,910	19,680
Basic EPS (₹)	50.64	2.35	52.99	47.52

**Reconciliation of additional financial measures to Adjusted financial measures for 9 months ended**  
(in ₹ crore)

	December 31, 2025			December 31, 2024
	Reported	Adjustment for Labour Codes	Adjusted	Reported
Operating cash flow	27,157	450	27,607	28,326
Capital expenditure	1,771	-	1,771	1,514
FCF – non-IFRS	25,386	450	25,836	26,812
FCF as a % of Net profit	121.1		117.8	136.0



**NOTES:**

1. *On November 21, 2025 the Government of India notified provisions of The Labour Codes. These Labour Codes consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment and amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The adjustments for Labour Codes represent an increase in gratuity liability arising out of past service cost and increase in leave liability together by ₹1,289 crore which is recognized in the Consolidated Statement of Comprehensive Income.*
2. *Revenue growth in reported currency includes the impact of currency fluctuations. Additionally, we calculate constant currency (CC) growth by comparing current period revenues in respective local currencies converted to US\$ using prior period exchange rates and comparing the same to our prior period reported revenues.*
3. *A Fact Sheet providing the operating metrics of the Company can be downloaded from [www.infosys.com](http://www.infosys.com).*

**Strong Q3 Performance: Sequential Revenue Growth of 0.6% in CC, Large Deal Wins of \$4.8 billion**  
**Revenue Guidance for FY 26 revised to 3.0%-3.5%**

**Bengaluru, India – January 14, 2026:** Infosys (NSE, BSE, NYSE: INFY), a global leader in next-generation digital services and consulting, delivered \$5,099 million in Q3 revenues, year on year growth of 1.7% and sequential growth of 0.6% in constant currency. Reported IFRS operating margin was at 18.4%. Adjusted<sup>1</sup> operating margin increased 0.2% sequentially to 21.2%. Free cash flow generation was robust at \$915 million. Adjusted free cash flow generation was \$965 million, 112.8% of adjusted net profit. TCV of large deal wins was \$4.8 billion, with net new of 57%. Headcount increased by 5,043.

Revenues for YTD Dec'25 grew at 2.8% year on year in constant currency. Reported IFRS operating margin was at 20.0%. Adjusted operating margin was at 21.0%.

“Infosys delivered a strong Q3 performance demonstrating how our differentiated value propositions in enterprise AI, through Infosys Topaz, are consistently driving higher market share. Clients increasingly view Infosys as their AI partner with demonstrated expertise, innovation capabilities and strong delivery credentials. This has helped them unlock business potential and enhanced value realization”, **said Salil Parekh, CEO and MD**. “Central to this journey is our commitment to reskill, transform and empower our dedicated human resource pool to drive success in an AI augmented world” **he added**.

<b>0.6% QoQ</b> <b>1.7% YoY</b> CC Growth	<b>18.4% Reported</b> <b>21.2% Adjusted</b> Operating Margin	<b>6.6% Reported</b> <b>11.5% Adjusted</b> YTD EPS Increase (₹ terms)	<b>\$4.8 Bn</b> Large Deal TCV (57% Net New)	<b>\$0.9 Bn</b> <b>\$1 Bn Adjusted</b> Free cash flow (FCF)
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#### Guidance for FY26:

- Revenue growth of 3.0%-3.5% in constant currency
- Operating margin of 20%-22%<sup>2</sup>

#### Key highlights:

For the quarter ended December 31, 2025	For nine months ended December 31, 2025
<ul style="list-style-type: none"> <li>• Revenues in CC terms grew by 1.7% YoY and 0.6% QoQ</li> <li>• Reported IFRS revenues at \$5,099 million, growth of 3.2% YoY</li> <li>• Reported IFRS operating margin at 18.4%; Adjusted operating margin at 21.2%</li> <li>• Reported IFRS Basic EPS at \$0.18; adjusted Basic EPS at \$0.21</li> <li>• FCF at \$915 million; adjusted FCF at \$965 million; Adjusted FCF conversion at 112.8% of adjusted net profit</li> </ul>	<ul style="list-style-type: none"> <li>• Revenues in CC terms grew by 2.8% YoY</li> <li>• Reported IFRS revenues at \$15,117 million, growth of 3.9% YoY</li> <li>• Reported IFRS operating margin at 20.0%; Adjusted operating margin at 21.0%</li> <li>• Reported IFRS Basic EPS at \$0.58; adjusted Basic EPS at \$0.60</li> <li>• FCF at \$2,900 million; adjusted FCF at \$2,950 million; Adjusted FCF conversion at 117.8% of adjusted net profit</li> </ul>

1. 'Adjusted' financial measures presented in this release are non-IFRS financial measures that exclude the impact of the provisions arising from the notifications by Government of India on Labour Codes for quarter and nine months ended December 31, 2025 and are further described in this release.  
2. Operating margin guidance for FY26 excludes the adjustment with respect to Labour Codes of \$143 million in the current quarter.

“Our performance was broad-based in Q3 with 0.6% sequential revenue growth, 0.2% adjusted operating margin expansion, stellar large deal wins at \$4.8 billion and robust adjusted free cash generation at \$965 million in a seasonally weak quarter” **said Jayesh Sanghrajka, CFO**. “In line with our capital allocation policy, we successfully completed the largest ever buyback of `18,000 crore and paid out interim dividend to shareholders”, **he added**.

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- Recognized as a leader in IDC MarketScape: Asia/Pacific Professional and Managed Services for Microsoft Azure 2025 Vendor Assessment

• **Key Digital Services**

- Positioned as a leader in Gartner Magic Quadrant for Custom Software Development Services
- Recognized as a leader in IDC MarketScape: Asia/Pacific Application Modernization Services to AWS 2025 Vendor Assessment
- Recognized as a leader in IDC MarketScape: European Human First Digital Workplace Services 2025 Vendor Assessment
- Positioned as a leader in Everest Group: Adobe Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: IT Service Management (ITSM) and Service Integration and Management (SIAM) Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: Enterprise Quality Engineering (QE) Services PEAK Matrix Assessment 2025
- Positioned as a leader in Everest Group: Global Capability Center (GCC) Setup Capabilities in India – PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: ServiceNow Services PEAK Matrix® Assessment 2025
- Recognized as a leader in HFS Horizons: Legacy Application Modernization Services, 2025
- Recognized as a leader in HFS Horizons: Enterprise Blockchain Services, 2025
- Rated as a leader in NelsonHall: Advanced Digital Workplace Services 2025
- Rated as a leader in NelsonHall: Quality Engineering 2025
- Infosys BPM received the 2025 ISG Star of Excellence™ award for BPO Services Excellence

• **Industry & Solutions**

- Recognized as a leader in IDC MarketScape: Worldwide Supply Chain Blue Yonder Ecosystem Services 2025–2026 Vendor Assessment
- Recognized as a leader in IDC MarketScape: Worldwide Supply Chain Overall Ecosystem Services 2025–2026 Vendor Assessment
- Recognized as a leader in IDC MarketScape: Worldwide Manufacturing Intelligence Transformation Strategic Consulting 2025 Vendor Assessment
- Recognized as a leader in IDC MarketScape: Worldwide Supply Chain SAP Ecosystem Services 2025-2026 Vendor Assessment
- Recognized as a leader in IDC MarketScape: Worldwide Supply Chain Oracle Ecosystem Services 2025-2026 Vendor Assessment
- Positioned as a leader in Everest Group: Property and Casualty (P&C) Insurance IT Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: Payments IT Services PEAK Matrix® Assessment 2025
- Positioned as a leader in Everest Group: Banking IT Services PEAK Matrix® Assessment 2025
- Recognized as a leader in HFS Semiconductor Horizons: The Best of Service Providers across the Value Chain, 2025
- Recognized as a leader in HFS Horizons: Life Sciences Service Providers 2025
- Recognized as a leader in HFS Horizons: Intelligent Supply Chain Services, 2025
- Recognized as a leader in HFS Horizons: Travel and Hospitality Service Provider Ecosystem, 2025
- Infosys Finacle positioned as a leader in Everest Group's Banking Customer Experience Orchestration Products (CXOP) PEAK Matrix® Assessment 2025.

- Infosys Finacle along with its customers received four awards at the Global Banking and Finance ® Awards 2025 – Innovation Awards for Excellence in Margin Finance Innovation India with HDFC Bank; Most Innovative Payments Channel Modernization in Colombia with Bancolombia; Technology Award for Best Core Banking Transformation with Real-Time Eventing with Emirates NBD Bank; and Award for Best Customer Journey Initiative in Australia with Australian Military Bank
- Infosys Finacle recognized as The World’s Best Software Provider for Virtual Accounts 2025 and The World’s Best Software Provider for Liquidity Management 2025 by Euromoney Transaction Banking Awards

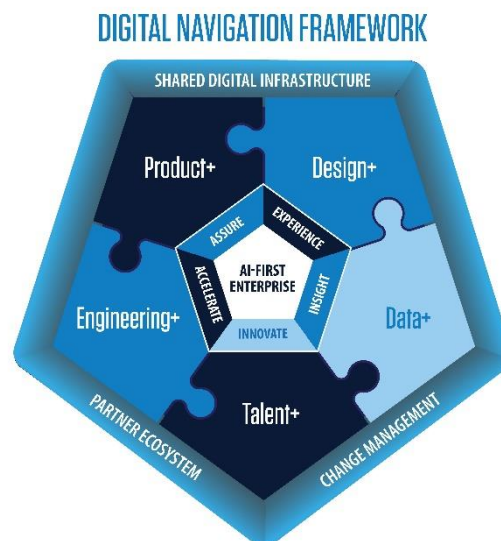
Read more about our Awards & Recognitions [here](#).



## About Infosys

Infosys is a global leader in next-generation digital services and consulting. Over 330,000 of our people work to amplify human potential and create the next opportunity for people, businesses and communities. We enable clients in 63 countries to navigate their digital transformation. With over four decades of experience in managing the systems and workings of global enterprises, we expertly steer clients, as they navigate their digital transformation powered by cloud and AI. We enable them with an AI-first core, empower the business with agile digital at scale and drive continuous improvement with always-on learning through the transfer of digital skills, expertise, and ideas from our innovation ecosystem. We are deeply committed to being a well-governed, environmentally sustainable organization where diverse talent thrives in an inclusive workplace.

Visit [www.infosys.com](http://www.infosys.com) to see how Infosys (NSE, BSE, NYSE: INFY) can help your enterprise navigate your next.



## Safe Harbor

Certain statements in this release concerning our future growth prospects, our future financial or operating performance, the McCamish cybersecurity incident, and the United States H-1B visa program are forward looking statements intended to qualify for the 'safe harbor' under the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties that could cause actual results or outcomes to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding the execution of our business strategy, increased competition for talent, our ability to attract and retain personnel, increase in wages, investments to reskill our employees, our ability to effectively implement a hybrid working model, economic uncertainties and geo-political situations, technological disruptions and innovations such as Generative AI, the complex and evolving regulatory landscape including immigration regulation changes, our ESG vision, our capital allocation policy and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, our corporate actions including acquisitions, the outcome of pending litigation, the amount of any additional costs resulting directly or indirectly from the McCamish cybersecurity incident, the outcome of the US government investigation, the timing, implementation, duration and effect of the September 19, 2025 proclamation signed by the president of the United States related to the H-1B visa program, and the effect of current and any future tariffs. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements are discussed in more detail in our US Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2025. These filings are available at [www.sec.gov](http://www.sec.gov). Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company unless it is required by law.

## Contact

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**Infosys Limited and Subsidiaries**

*Extracted from the Condensed Consolidated Balance Sheet under IFRS as at:*

*(in \$ million)*

Particulars	December 31, 2025	March 31, 2025
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2,216	2,861
Current investments	769	1,460
Trade receivables	4,020	3,645
Unbilled revenue	1,477	1,503
Other current assets	1,583	1,890
<b>Total current assets</b>	<b>10,065</b>	<b>11,359</b>
<b>Non-current assets</b>		
Property, plant and equipment and Right-of-use assets	2,128	2,235
Goodwill and other Intangible assets	1,636	1,505
Non-current investments	990	1,294
Unbilled revenue	224	261
Other non-current assets	910	765
<b>Total non-current assets</b>	<b>5,888</b>	<b>6,060</b>
<b>Total assets</b>	<b>15,953</b>	<b>17,419</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Trade payables	537	487
Unearned revenue	1,235	994
Employee benefit obligations	384	340
Other current liabilities and provisions	3,399	3,191
<b>Total current liabilities</b>	<b>5,555</b>	<b>5,012</b>
<b>Non-current liabilities</b>		
Lease liabilities	646	675
Other non-current liabilities	465	477
<b>Total non-current liabilities</b>	<b>1,111</b>	<b>1,152</b>
<b>Total liabilities</b>	<b>6,666</b>	<b>6,164</b>
<b>Total equity attributable to equity holders of the company</b>	<b>9,233</b>	<b>11,205</b>
Non-controlling interests	54	50
<b>Total equity</b>	<b>9,287</b>	<b>11,255</b>
<b>Total liabilities and equity</b>	<b>15,953</b>	<b>17,419</b>

*Extracted from the Condensed Consolidated statement of Comprehensive Income under IFRS for:*

*(In \$ million except per equity share data)*

Particulars	3 months ended December 31, 2025	3 months ended December 31, 2024	9 months ended December 31, 2025	9 months ended December 31, 2024
<b>Revenues</b>	<b>5,099</b>	<b>4,939</b>	<b>15,117</b>	<b>14,547</b>
Cost of sales	3,660	3,444	10,593	10,103
<b>Gross profit</b>	<b>1,439</b>	<b>1,495</b>	<b>4,524</b>	<b>4,444</b>
<b>Operating expenses:</b>				
Selling and marketing expenses	257	218	769	671
Administrative expenses	245	224	725	693
Total operating expenses	502	442	1,494	1,364
<b>Operating profit</b>	<b>937</b>	<b>1,053</b>	<b>3,030</b>	<b>3,080</b>
Other income, net of finance cost	98	90	308	249
<b>Profit before income taxes</b>	<b>1,035</b>	<b>1,143</b>	<b>3,338</b>	<b>3,329</b>
Income tax expense	287	337	942	981
<b>Net profit (before non-controlling interest)</b>	<b>748</b>	<b>806</b>	<b>2,396</b>	<b>2,348</b>
Net profit (after non-controlling interest)	747	804	2,393	2,345
<b>Basic EPS (\$)</b>	<b>0.18</b>	<b>0.19</b>	<b>0.58</b>	<b>0.57</b>
<b>Diluted EPS (\$)</b>	<b>0.18</b>	<b>0.19</b>	<b>0.58</b>	<b>0.56</b>



**NOTES:**

- a) The above information is extracted from the audited condensed consolidated Balance sheet and Statement of Comprehensive Income for the quarter and nine months ended December 31, 2025, which have been taken on record at the Board meeting held on January 14, 2026.
- b) As the quarter and nine months ended figures are taken from the source and rounded to the nearest digits, the quarter figures in this statement added up to the figures reported for the previous quarters might not always add up to the nine months ended figures reported in this statement.

**Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for 3 months ended**

(in \$ million except per equity share data)

	December 31, 2025			December 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>1</sup>	Adjusted non- IFRS	Reported IFRS
Operating profit	937	143	1,080	1,053
Operating margin (%)	18.4	2.8	21.2	21.3
Profit before income taxes	1,035	143	1,178	1,143
Income tax expense	287	35	322	337
Net profit (after non-controlling interest)	747	108	855	804
Basic EPS (\$)	0.18	0.03	0.21	0.19

**Reconciliation of additional financial measures to Adjusted financial measures for 3 months ended**

(in \$ million)

	December 31, 2025			December 31, 2024
	Reported	Adjustment for Labour Codes	Adjusted	Reported
Operating cash flow	962	50	1,012	1,325
Capital expenditure	47	-	47	62
FCF – non-IFRS	915	50	965	1,263
FCF as a % of Net profit	122.5		112.8	156.6

**Reconciliation of Reported IFRS financial measures to Adjusted non-IFRS financial measures for 9 months ended**

(in \$ million except per equity share data)

	December 31, 2025			December 31, 2024
	Reported IFRS	Adjustment for Labour Codes <sup>1</sup>	Adjusted non- IFRS	Reported IFRS
Operating profit	3,030	143	3,173	3,080
Operating margin (%)	20.0	1.0	21.0	21.2
Profit before income taxes	3,338	143	3,481	3,329
Income tax expense	942	35	977	981
Net profit (after non-controlling interest)	2,393	108	2,501	2,345
Basic EPS (\$)	0.58	0.02	0.60	0.57

**Reconciliation of additional financial measures to Adjusted financial measures for 9 months ended**

(in \$ million)

	December 31, 2025			December 31, 2024
	Reported	Adjustment for Labour Codes	Adjusted	Reported
Operating cash flow	3,102	50	3,152	3,375
Capital expenditure	202	-	202	179
FCF – non-IFRS	2,900	50	2,950	3,196
FCF as a % of Net profit	121.0		117.8	136.1

**NOTE:**

1. *On November 21, 2025 the Government of India notified provisions of The Labour Codes. These Labour Codes consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment and amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The adjustments for Labour Codes represent an increase in gratuity liability arising out of past service cost and increase in leave liability together by \$143 million which is recognized in the Consolidated Statement of Comprehensive Income.*
2. *Revenue growth in reported currency includes the impact of currency fluctuations. Additionally, we calculate constant currency (CC) growth by comparing current period revenues in respective local currencies converted to US\$ using prior period exchange rates and comparing the same to our prior period reported revenues.*
3. *A Fact Sheet providing the operating metrics of the Company can be downloaded from [www.infosys.com](http://www.infosys.com).*

**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED**

**Report on the Audit of the Interim Condensed Consolidated Financial Statements**

**Opinion**

We have audited the accompanying interim condensed consolidated financial statements of **INFOSYS LIMITED** (the "Company"), and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the Condensed Consolidated Balance Sheet as at December 31, 2025, the Condensed Consolidated Statement of Comprehensive Income for the three months and nine months ended on that date, the Condensed Consolidated Statement of Changes in Equity, and the Condensed Consolidated Statement of Cash Flows for the nine months ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Interim Condensed Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Interim Condensed Consolidated Financial Statements give a true and fair view in conformity with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), of the consolidated state of affairs of the Group as at December 31, 2025, its consolidated profit and its consolidated total comprehensive income for the three months and nine months ended on that date, its consolidated changes in equity and its consolidated cash flows for the nine months ended on that date.

**Basis for Opinion**

We conducted our audit of the Interim Condensed Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our other ethical responsibilities in accordance with the 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 Interim Condensed Consolidated Financial Statements.

**Responsibilities of Management and Board of Directors for the Interim Condensed Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with IAS 34 as issued by the IASB. The respective Boards of Directors of the entities included in the Group are responsible for maintenance of the adequate accounting records for safeguarding 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 respective interim financial statements that give a

9

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 Interim Condensed Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Interim Condensed Consolidated Financial Statements, the respective Boards of Directors of the entities 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 entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Interim Condensed 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 Interim Condensed 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 Interim Condensed Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Interim Condensed 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 Interim Condensed Consolidated Financial Statements, including the disclosures, and whether the Interim Condensed 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 Interim Condensed Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Interim Condensed Consolidated Financial Statements of which we are independent auditors.

Materiality is the magnitude of misstatements in the Interim Condensed Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Condensed 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 Interim Condensed Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Interim Condensed 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 financial controls 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.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



**Vikas Bagaria**

Partner

(Membership No.060408)

UDIN:

Place: Bengaluru

Date: January 14, 2026

# INFOSYS LIMITED AND SUBSIDIARIES

## *Condensed Consolidated Financial Statements under International Financial Reporting Standards (IFRS) in US Dollars for the three months and nine months ended December 31, 2025*

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**Infosys Limited and subsidiaries**
*(Dollars in millions except equity share data)*

Condensed Consolidated Balance Sheet as at	Note	December 31, 2025	March 31, 2025
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	2.1	2,216	2,861
Current investments	2.2	769	1,460
Trade receivables		4,020	3,645
Unbilled revenue	2.17	1,477	1,503
Prepayments and other current assets	2.4	1,574	1,519
Income tax assets	2.12	3	348
Derivative financial instruments	2.3	6	23
<b>Total current assets</b>		<b>10,065</b>	<b>11,359</b>
<b>Non-current assets</b>			
Property, plant and equipment	2.7	1,448	1,497
Right-of-use assets	2.8	680	738
Goodwill	2.9	1,294	1,182
Intangible assets		342	323
Non-current investments	2.2	990	1,294
Unbilled revenue	2.17	224	261
Deferred income tax assets	2.12	193	130
Income tax assets	2.12	260	190
Other non-current assets	2.4	457	445
<b>Total Non-current assets</b>		<b>5,888</b>	<b>6,060</b>
<b>Total assets</b>		<b>15,953</b>	<b>17,419</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade payables		537	487
Lease liabilities	2.8	332	287
Derivative financial instruments	2.3	44	7
Current income tax liabilities	2.12	611	567
Unearned revenue		1,235	994
Employee benefit obligations		384	340
Provisions	2.6	195	173
Other current liabilities	2.5	2,217	2,157
<b>Total current liabilities</b>		<b>5,555</b>	<b>5,012</b>
<b>Non-current liabilities</b>			
Lease liabilities	2.8	646	675
Deferred income tax liabilities	2.12	177	202
Employee benefit obligations		12	11
Other non-current liabilities	2.5	276	264
<b>Total Non-current liabilities</b>		<b>1,111</b>	<b>1,152</b>
<b>Total liabilities</b>		<b>6,666</b>	<b>6,164</b>
<b>Equity</b>			
Share capital - ₹5 (\$0.16) par value 4,800,000,000 (4,800,000,000) equity shares authorized, issued and outstanding 4,045,683,463 (4,143,607,528) equity shares fully paid up, net of 8,984,436 (9,655,927) treasury shares as at December 31, 2025 (March 31, 2025)	2.18	319	325
Share premium		431	500
Retained earnings		12,481	13,766
Cash flow hedge reserves		(1)	(2)
Other reserves		831	1,171
Capital redemption reserve		30	24
Other components of equity		(4,858)	(4,579)
<b>Total equity attributable to equity holders of the Company</b>		<b>9,233</b>	<b>11,205</b>
Non-controlling interests		54	50
<b>Total equity</b>		<b>9,287</b>	<b>11,255</b>
<b>Total liabilities and equity</b>		<b>15,953</b>	<b>17,419</b>

*The accompanying notes form an integral part of the interim condensed consolidated financial statements.*
*As per our report of even date attached*

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

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

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary



**Infosys Limited and subsidiaries**
*(Dollars in millions except equity share and per equity share data)*

Condensed Consolidated Statement of Comprehensive Income for the	Note	Three months ended		Nine months ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>Revenues</b>	2.16	<b>5,099</b>	<b>4,939</b>	<b>15,117</b>	<b>14,547</b>
Cost of sales	2.19	3,660	3,444	10,593	10,103
<b>Gross profit</b>		<b>1,439</b>	<b>1,495</b>	<b>4,524</b>	<b>4,444</b>
<b>Operating expenses</b>					
Selling and marketing expenses	2.19	257	218	769	671
Administrative expenses	2.19	245	224	725	693
Total operating expenses		<b>502</b>	<b>442</b>	<b>1,494</b>	<b>1,364</b>
<b>Operating profit</b>		<b>937</b>	<b>1,053</b>	<b>3,030</b>	<b>3,080</b>
Other income, net	2.19	109	102	343	287
Finance cost		11	12	35	38
<b>Profit before income taxes</b>		<b>1,035</b>	<b>1,143</b>	<b>3,338</b>	<b>3,329</b>
Income tax expense	2.12	287	337	942	981
<b>Net profit</b>		<b>748</b>	<b>806</b>	<b>2,396</b>	<b>2,348</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of the net defined benefit liability/asset, net		7	(6)	(6)	6
Equity instruments through other comprehensive income, net		-	(2)	3	(1)
		7	(8)	(3)	5
<i>Items that will be reclassified subsequently to profit or loss</i>					
Fair value changes on investments, net		(2)	1	8	16
Fair value changes on derivatives designated as cash flow hedge, net		-	7	1	4
Exchange differences on translation of foreign operations		(73)	(276)	(283)	(270)
		(75)	(268)	(274)	(250)
<b>Total other comprehensive income/(loss), net of tax</b>		<b>(68)</b>	<b>(276)</b>	<b>(277)</b>	<b>(245)</b>
<b>Total comprehensive income</b>		<b>680</b>	<b>530</b>	<b>2,119</b>	<b>2,103</b>
<b>Profit attributable to:</b>					
Owners of the Company		747	804	2,393	2,345
Non-controlling interests		1	2	3	3
		<b>748</b>	<b>806</b>	<b>2,396</b>	<b>2,348</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		679	530	2,115	2,100
Non-controlling interests		1	-	4	3
		<b>680</b>	<b>530</b>	<b>2,119</b>	<b>2,103</b>
<b>Earnings per equity share</b>					
Basic (\$)		0.18	0.19	0.58	0.57
Diluted (\$)		0.18	0.19	0.58	0.56
<b>Weighted average equity shares used in computing earnings per equity share</b>					
Basic (in shares)	2.13	4,114,946,425	4,141,941,436	4,134,675,070	4,141,344,081
Diluted (in shares)	2.13	4,121,795,902	4,151,534,784	4,142,266,340	4,151,568,329

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

As per our report of even date attached

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

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

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary

Infosys Limited and subsidiaries

Condensed Consolidated Statement of Changes in Equity

(Dollars in millions except equity share data)

	Number of Shares <sup>(1)</sup>	Share capital	Share premium	Retained earnings	Other reserves <sup>(2)</sup>	Capital redemption reserve	Cash flow hedge reserve	Other components of equity	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
<b>Balance as at April 1, 2024</b>	<b>4,139,950,635</b>	<b>325</b>	<b>425</b>	<b>12,557</b>	<b>1,623</b>	<b>24</b>	<b>1</b>	<b>(4,396)</b>	<b>10,559</b>	<b>46</b>	<b>10,605</b>
<b>Changes in equity for the nine months ended December 31, 2024</b>											
Net profit	-	-	-	2,345	-	-	-	-	2,345	3	2,348
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	6	6	-	6
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	(1)	(1)	-	(1)
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	4	-	4	-	4
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(270)	(270)	-	(270)
Fair value changes on investments, net*	-	-	-	-	-	-	-	16	16	-	16
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,345</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>(249)</b>	<b>2,100</b>	<b>3</b>	<b>2,103</b>
Shares issued on exercise of employee stock options (Refer to note 2.11)	2,131,446	-	1	-	-	-	-	-	1	-	1
Employee stock compensation expense (Refer to note 2.11)	-	-	70	-	-	-	-	-	70	-	70
Transfer on account of options not exercised	-	-	(2)	2	-	-	-	-	-	-	-
Income tax benefit arising on exercise of stock options (Refer to note 2.12)	-	-	1	-	-	-	-	-	1	-	1
Transferred to other reserves	-	-	-	(9)	9	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	45	(45)	-	-	-	-	-	-
Transferred from other reserves to retained earnings	-	-	-	357	(357)	-	-	-	-	-	-
Dividends <sup>#</sup>	-	-	-	(2,424)	-	-	-	-	(2,424)	-	(2,424)
<b>Balance as at December 31, 2024</b>	<b>4,142,082,081</b>	<b>325</b>	<b>495</b>	<b>12,873</b>	<b>1,230</b>	<b>24</b>	<b>5</b>	<b>(4,645)</b>	<b>10,307</b>	<b>49</b>	<b>10,356</b>

**Infosys Limited and subsidiaries**

**Condensed Consolidated Statement of Changes in Equity**

*(Dollars in millions except equity share data)*

	Number of Shares <sup>(1)</sup>	Share capital	Share premium	Retained earnings	Other reserves <sup>(2)</sup>	Capital redemption reserve	Cash flow hedge reserve	Other components of equity	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
<b>Balance as at April 1, 2025</b>	<b>4,143,607,528</b>	<b>325</b>	<b>500</b>	<b>13,766</b>	<b>1,171</b>	<b>24</b>	<b>(2)</b>	<b>(4,579)</b>	<b>11,205</b>	<b>50</b>	<b>11,255</b>
<b>Changes in equity for the nine months ended December 31, 2025</b>											
Net profit	-	-	-	2,393	-	-	-	-	2,393	3	2,396
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	(6)	(6)	-	(6)
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	3	3	-	3
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	1	-	1	-	1
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(284)	(284)	1	(283)
Fair value changes on investments, net*	-	-	-	-	-	-	-	8	8	-	8
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,393</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(279)</b>	<b>2,115</b>	<b>4</b>	<b>2,119</b>
Shares issued on exercise of employee stock options (Refer to note 2.11)	2,075,935	-	-	-	-	-	-	-	-	-	-
Buyback of equity shares (Refer to note 2.18)	(100,000,000)	(6)	(140)	(1,875)	-	-	-	-	(2,021)	-	(2,021)
Transaction cost relating to buyback*	-	-	(2)	(3)	-	-	-	-	(5)	-	(5)
Amount transferred to capital redemption reserve upon buyback (Refer to note 2.18)	-	-	-	(6)	-	6	-	-	-	-	-
Financial liability under option arrangements	-	-	-	(1)	-	-	-	-	(1)	-	(1)
Changes in the controlling stake of a subsidiary	-	-	-	1	-	-	-	-	1	-	1
Employee stock compensation expense (Refer to note 2.11)	-	-	78	-	-	-	-	-	78	-	78
Transferred on account of options not exercised	-	-	(7)	7	-	-	-	-	-	-	-
Income tax benefit arising on exercise of stock options (Refer to note 2.12)	-	-	2	-	-	-	-	-	2	-	2
Transferred from other reserves on utilization	-	-	-	81	(81)	-	-	-	-	-	-
Transferred from other reserves to retained earnings	-	-	-	259	(259)	-	-	-	-	-	-
Dividends <sup>#</sup>	-	-	-	(2,141)	-	-	-	-	(2,141)	-	(2,141)
<b>Balance as at December 31, 2025</b>	<b>4,045,683,463</b>	<b>319</b>	<b>431</b>	<b>12,481</b>	<b>831</b>	<b>30</b>	<b>(1)</b>	<b>(4,858)</b>	<b>9,233</b>	<b>54</b>	<b>9,287</b>

\* net of tax

# net of treasury shares

<sup>(1)</sup> excludes treasury shares of 89,84,436 as at December 31, 2025, 9,655,927 as at April 1, 2025, 10,187,113 as at December 31, 2024 and 10,916,829 as at April 1, 2024 held by consolidated trust.

<sup>(2)</sup> Represents the Special Economic Zone Re-investment reserve 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 Group 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.

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

As per our report of even date attached

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

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No:

117366W/ W-100018

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary

## Infosys Limited and subsidiaries

### Condensed Consolidated Statement of Cash Flows

#### Accounting Policy

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

Particulars	Note	(Dollars in millions)	
		Nine months ended	
		December 31, 2025	December 31, 2024
<b>Operating activities</b>			
Net Profit		2,396	2,348
<b>Adjustments to reconcile net profit to net cash provided by operating activities</b>			
Depreciation and amortization		398	419
Interest and dividend income		(96)	(99)
Finance cost		35	38
Income tax expense	2.12	942	981
Exchange differences on translation of assets and liabilities, net		69	5
Impairment loss recognized/(reversed) under expected credit loss model		10	12
Stock compensation expense		80	72
Provision for post sale client support		(8)	14
Other adjustments		124	67
<b>Changes in working capital</b>			
Trade receivables and unbilled revenue		(617)	(338)
Prepayments and other assets		(167)	24
Trade payables		61	(37)
Unearned revenue		297	132
Other liabilities and provisions		299	78
<b>Cash generated from operations</b>		<b>3,823</b>	<b>3,716</b>
Income taxes (paid) / received		(721)	(341)
<b>Net cash generated by operating activities</b>		<b>3,102</b>	<b>3,375</b>
<b>Investing activities</b>			
Expenditure on property, plant and equipment and intangibles		(202)	(179)
Deposits placed with Corporation		(95)	(128)
Redemption of deposits placed with Corporation		65	82
Interest and dividend received		86	92
Payment for acquisition of business, net of cash acquired	2.10	(76)	(377)
Payment of contingent consideration pertaining to acquisition of business		(1)	-
Escrow and other deposits pertaining to Buyback		(204)	-
Redemption of escrow and other deposits pertaining to Buyback		204	-
Other receipts		1	1
Payments to acquire Investments			
Mutual funds units		(6,410)	(6,541)
Certificates of deposit		(1,044)	(334)
Quoted debt securities		(469)	(162)
Commercial paper		(307)	(290)
Other investments		(4)	(5)
Proceeds on sale of investments			
Mutual funds units		6,430	6,534
Target maturity funds units		56	-
Certificates of deposit		1,088	620
Quoted debt securities		987	233
Commercial paper		624	854
Other investments		-	1
<b>Net cash generated from investing activities</b>		<b>729</b>	<b>401</b>
<b>Financing activities</b>			
Payment of lease liabilities		(231)	(212)
Payment of dividends		(2,133)	(2,416)
Shares issued on exercise of employee stock options		-	1
Loan repayment of in-tech Holding GmbH		-	(118)
Other payments		(26)	(54)
Buyback of equity shares including transaction costs		(2,005)	-
<b>Net cash used in financing activities</b>		<b>(4,395)</b>	<b>(2,799)</b>
Net increase/(decrease) in cash and cash equivalents		(564)	977
Effect of exchange rate changes on cash and cash equivalents		(81)	(87)
Cash and cash equivalents at the beginning of the period	2.1	2,861	1,773
<b>Cash and cash equivalents at the end of the period</b>	2.1	<b>2,216</b>	<b>2,663</b>
<b>Supplementary information:</b>			
Restricted cash balance	2.1	46	50

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

As per our report of even date attached

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

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

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary

## INFOSYS LIMITED AND SUBSIDIARIES

### Overview and Notes to the Interim Condensed Consolidated Financial Statements

#### 1. Overview

##### 1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

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

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

The Group's interim condensed consolidated financial statements are approved for issue by the company's Board of Directors on January 14, 2026.

##### 1.2 Basis of preparation of financial statements

The interim condensed consolidated financial statements have been prepared in compliance with IAS 34, Interim Financial Reporting as issued by International Accounting Standards Board, under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values and defined benefit liability/(asset) which is recognized at the present value of defined benefit obligation less fair value of plan assets. Accordingly, these interim condensed consolidated financial statements do not include all the information required for a complete set of financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the company's Annual Report on Form 20-F for the year ended March 31, 2025. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The material accounting policy information used in preparation of the audited interim condensed consolidated financial statements have been discussed in the respective notes.

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

##### 1.3 Basis of consolidation

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

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

##### 1.4 Use of estimates and judgments

The preparation of the Interim condensed consolidated financial statements in conformity with IFRS 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 interim condensed consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.5. Critical Accounting estimates and judgments could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the interim condensed consolidated financial statements.

##### 1.5 Critical accounting estimates and judgments

###### a. Revenue recognition

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

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

The Group uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant 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 Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

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

## **b. Income taxes**

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

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

In assessing the realizability of deferred income tax assets, 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. (Refer to note 2.12)

## **c. Business combinations and intangible assets**

Business combinations are accounted for using IFRS 3 (Revised), Business Combinations. IFRS 3 requires us to fair value identifiable intangible assets and contingent consideration to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by Management. (Refer to note 2.10 and 2.9.2)

## **d. Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology (Refer to note 2.7)

## **e. Impairment of Goodwill**

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

The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins. (Refer to note 2.9.1)

## **1.6 Recent accounting pronouncements**

### **New and revised IFRS Standards in issue but not yet effective:**

IFRS 18 Presentation and Disclosures in Financial Statements	Presentation and Disclosures in Financial Statements
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Contracts Referencing Nature-dependent Electricity

### **IFRS 18 – Presentation and Disclosures in Financial Statements**

On April 9, 2024, IASB has issued IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 Presentation of Financial Statements from its effective date. IFRS 18 introduces new requirements for information presented in the primary financial statements and disclosed in the notes. The new requirements are focused on the statement of profit or loss. IFRS 18 introduces three categories for income and expenses, that is, operating, investing and financing to improve the structure of the income statement. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, although early adoption is permitted. The Group is yet to evaluate the impact of the amendment.

### **Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure**

On May 30, 2024, IASB has issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, which clarifies the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, derecognition of financial liability settled through electronic payment systems and also introduces additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

The effective date for adoption of this amendment is annual reporting periods beginning on or after January 1, 2026, although early adoption is permitted. The Group is in the process of evaluating the impact of the amendment.

On December 18, 2024, IASB has issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, relating to factors an entity is required to consider in assessing the own-use requirements for contracts to buy and take delivery of nature-dependent renewable electricity; hedge accounting treatment for nature-dependent renewable electricity and related disclosures.

The effective date for adoption of these amendments is annual reporting periods beginning on or after January 1, 2026, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

## 2. Notes to the Interim Condensed Consolidated Financial Statements

### 2.1 Cash and cash equivalents

Cash and cash equivalents consist of the following:

Particulars	(Dollars in millions)	
	As at	
	December 31, 2025	March 31, 2025
Cash and bank deposits	2,216	2,861
<b>Total Cash and cash equivalents</b>	<b>2,216</b>	<b>2,861</b>

Cash and cash equivalents as at December 31, 2025 and March 31, 2025 include restricted cash and bank balances of \$46 million and \$50 million, respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the company.

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

### 2.2 Investments

The carrying value of the investments are as follows:

Particulars	(Dollars in millions)	
	As at	
	December 31, 2025	March 31, 2025
<b>(i) Current Investments</b>		
<b>Amortized Cost</b>		
Quoted debt securities	11	20
<b>Fair Value through other comprehensive income</b>		
Quoted Debt Securities	68	375
Certificates of deposits	363	410
Commercial Paper	108	426
<b>Fair Value through profit or loss</b>		
Mutual fund units	219	229
<b>Total current investments</b>	<b>769</b>	<b>1,460</b>
<b>(ii) Non-current Investments</b>		
<b>Amortized Cost</b>		
Quoted debt securities	48	173
<b>Fair Value through other comprehensive income</b>		
Quoted debt securities	884	1,014
Quoted equity securities	9	7
Unquoted equity and preference securities	19	20
<b>Fair Value through profit or loss</b>		
Target maturity fund units	-	54
Unquoted equity and preference securities	3	3
Others <sup>(1)</sup>	27	23
<b>Total Non-current investments</b>	<b>990</b>	<b>1,294</b>
<b>Total investments</b>	<b>1,759</b>	<b>2,754</b>
Investments carried at amortized cost	59	193
Investments carried at fair value through other comprehensive income	1,451	2,252
Investments carried at fair value through profit or loss	249	309

<sup>(1)</sup> Uncalled capital commitments outstanding as on December 31, 2025 and March 31, 2025 was \$11 million and \$14 million, respectively.

Refer to note 2.3 for accounting policies on financial instruments.

Method of fair valuation: Class of Investment	Method	(Dollars in millions)	
		Fair value as at	
		December 31, 2025	March 31, 2025
Mutual fund units - carried at fair value through profit or loss	Quoted price	219	229
Target maturity fund units - carried at fair value through profit or loss	Quoted price	-	54
Quoted debt securities- carried at amortized cost	Quoted price and market observable inputs	61	213
Quoted debt securities- carried at fair value through other comprehensive income	Quoted price and market observable inputs	952	1,389
Commercial Paper - carried at fair value through other comprehensive income	Market observable inputs	108	426
Certificates of Deposit - carried at fair value through other comprehensive income	Market observable inputs	363	410
Unquoted equity and preference securities - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	3	3
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	19	20
Quoted equity securities - carried at fair value through other comprehensive income	Quoted price	9	7
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	27	23
<b>Total</b>		<b>1,761</b>	<b>2,774</b>

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



## 2.3 Financial instruments

### Accounting Policy

#### 2.3.1 Initial recognition

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

#### 2.3.2 Subsequent measurement

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

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

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for certain investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

###### *(iii) Financial assets carried at fair value through profit or loss (FVTPL)*

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

###### *(iv) Financial liabilities*

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration and financial liability under option arrangements recognized in a business combination which is subsequently measured at fair value through profit or loss.

##### b. Derivative financial instruments

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

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

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

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under IFRS 9, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per IFRS 9, is categorized as a financial asset or financial liability carried at fair value through profit or loss.

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

###### *(ii) Cash flow hedge*

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

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

#### 2.3.3 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 IFRS 9. A financial liability (or a part of a financial liability) is derecognized from the group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### 2.3.4 Fair value of financial instruments

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

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

#### 2.3.5 Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, 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 Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in interim condensed consolidated statement of comprehensive income.

**Financial instruments by category**

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

(Dollars in millions)

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 2.1)	2,216	-	-	-	-	2,216	2,216
Investments (Refer to note 2.2)							
Mutual fund units	-	-	219	-	-	219	219
Quoted debt securities	59	-	-	-	952	1,011	1,013 <sup>(1)</sup>
Certificates of deposit	-	-	-	-	363	363	363
Commercial Papers	-	-	-	-	108	108	108
Quoted equity securities	-	-	-	9	-	9	9
Unquoted equity and preference securities	-	3	-	19	-	22	22
Unquoted investment others	-	-	27	-	-	27	27
Trade receivables	4,020	-	-	-	-	4,020	4,020
Unbilled revenues (Refer to note 2.17) <sup>(3)</sup>	1,172	-	-	-	-	1,172	1,172
Prepayments and other assets (Refer to note 2.4)	827	-	-	-	-	827	825 <sup>(2)</sup>
Derivative financial instruments	-	-	3	-	3	6	6
<b>Total</b>	<b>8,294</b>	<b>3</b>	<b>249</b>	<b>28</b>	<b>1,426</b>	<b>10,000</b>	<b>10,000</b>
<b>Liabilities:</b>							
Trade payables	537	-	-	-	-	537	537
Lease liabilities (Refer to note 2.8)	978	-	-	-	-	978	978
Derivative financial instruments	-	-	42	-	2	44	44
Financial liability under option arrangements (Refer to note 2.5)	-	-	84	-	-	84	84
Other liabilities including contingent consideration (Refer to note 2.5)	1,910	-	10	-	-	1,920	1,920
<b>Total</b>	<b>3,425</b>	<b>-</b>	<b>136</b>	<b>-</b>	<b>2</b>	<b>3,563</b>	<b>3,563</b>

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on quoted debt securities carried at amortized cost of \$2 million

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

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

(Dollars in millions)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents (Refer to note 2.1)	2,861	-	-	-	-	2,861	2,861
Investments (Refer to note 2.2)							
Mutual fund units	-	-	229	-	-	229	229
Target maturity fund units	-	-	54	-	-	54	54
Quoted debt securities	193	-	-	-	1,389	1,582	1,602 <sup>(1)</sup>
Certificates of deposit	-	-	-	-	410	410	410
Commercial Papers	-	-	-	-	426	426	426
Quoted equity securities	-	-	-	7	-	7	7
Unquoted equity and preference securities	-	3	-	20	-	23	23
Unquoted investments others	-	-	23	-	-	23	23
Trade receivables	3,645	-	-	-	-	3,645	3,645
Unbilled revenues (Refer to note 2.17) <sup>(3)</sup>	1,195	-	-	-	-	1,195	1,195
Prepayments and other assets (Refer to note 2.4)	844	-	-	-	-	844	835 <sup>(2)</sup>
Derivative financial instruments	-	-	20	-	3	23	23
Total	8,738	3	326	27	2,228	11,322	11,333
Liabilities:							
Trade payables	487	-	-	-	-	487	487
Lease liabilities (Refer to note 2.8)	962	-	-	-	-	962	962
Derivative financial instruments	-	-	3	-	4	7	7
Financial liability under option arrangements (Refer to note 2.5)	-	-	77	-	-	77	77
Other liabilities including contingent consideration (Refer to note 2.5)	1,932	-	3	-	-	1,935	1,935
Total	3,381	-	83	-	4	3,468	3,468

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on quoted debt securities carried at amortized cost of \$9 million

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

For trade receivables and trade payables, other assets and 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 fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at December 31, 2025 is as follows:

Particulars	As at December 31, 2025	(Dollars in millions)		
		Fair value measurement at end of the reporting period		
		using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.2)</b>				
Investments in Mutual fund units	219	219	-	-
Investments in target maturity fund units	-	-	-	-
Investments in quoted debt securities	1,013	1,000	13	-
Investments in certificates of deposit	363	-	363	-
Investments in commercial paper	108	-	108	-
Investments in unquoted equity and preference securities	22	-	-	22
Investments in quoted equity securities	9	9	-	-
Investments in unquoted investments others	27	-	-	27
<b>Others</b>				
Derivative financial instruments- gain	6	-	6	-
<b>Liabilities</b>				
Derivative financial instruments - loss	44	-	44	-
Financial liability under option arrangements (Refer to note 2.5) <sup>(1)</sup>	84	-	-	84
Liability towards contingent consideration (Refer to note 2.5) <sup>(2)</sup>	10	-	-	10

<sup>(1)</sup> Discount rate ranges from 9% to 15%

<sup>(2)</sup> Discount rate ranges from 3% to 6%

During the nine months ended December 31, 2025, quoted debt securities of \$7 million were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of \$4 million were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2025 is as follows:

Particulars	As at March 31, 2025	(Dollars in millions)		
		Fair value measurement at end of the reporting period		
		using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.2)</b>				
Investments in mutual fund units	229	229	-	-
Investments in target maturity fund units	54	54	-	-
Investments in quoted debt securities	1,602	1,533	69	-
Investments in unquoted equity and preference securities	23	-	-	23
Investments in certificates of deposit	410	-	410	-
Investments in commercial paper	426	-	426	-
Investments in quoted equity securities	7	7	-	-
Investments in unquoted investments others	23	-	-	23
<b>Others</b>				
Derivative financial instruments- gain	23	-	23	-
<b>Liabilities</b>				
Derivative financial instruments- loss	7	-	7	-
Financial liability under option arrangements (Refer to note 2.5) <sup>(1)</sup>	77	-	-	77
Liability towards contingent consideration (Refer to note 2.5) <sup>(2)</sup>	3	-	-	3

<sup>(1)</sup> Discount rate ranges from 9% to 15%

<sup>(2)</sup> Discount rate - 6%

During the year ended March 31, 2025, quoted debt securities of \$35 million were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of \$65 million were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

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

## 2.4 Prepayments and other assets

Prepayments and other assets consist of the following:

(Dollars in millions)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Security deposits <sup>(1)</sup>	8	8
Loans to employees <sup>(1)</sup>	26	29
Prepaid expenses <sup>(2)</sup>	437	360
Interest accrued and not due <sup>(1)</sup>	40	99
Withholding taxes and others <sup>(2)(4)</sup>	336	332
Advance payments to vendors for supply of goods <sup>(2)</sup>	28	48
Deposit with corporations <sup>(1)(3)</sup>	353	345
Deferred contract cost		
Cost of obtaining a contract <sup>(2)</sup>	39	40
Cost of fulfillment <sup>(2)</sup>	68	59
Other non financial assets <sup>(2)</sup>	15	11
Net investment in lease <sup>(1)</sup>	163	133
Other financial assets <sup>(1)</sup>	61	55
<b>Total Current prepayment and other assets</b>	<b>1,574</b>	<b>1,519</b>
<b>Non-current</b>		
Security deposits <sup>(1)</sup>	31	32
Loans to employees <sup>(1)</sup>	1	2
Prepaid expenses <sup>(2)</sup>	58	33
Deposit with corporations <sup>(1)(3)</sup>	13	10
Defined benefit plan assets <sup>(2)</sup>	1	35
Deferred contract cost		
Cost of obtaining a contract <sup>(2)</sup>	56	36
Cost of fulfillment <sup>(2)</sup>	98	103
Withholding taxes and others <sup>(2)(4)</sup>	68	63
Net investment in lease <sup>(1)</sup>	129	129
Other financial assets <sup>(1)</sup>	2	2
<b>Total Non- current prepayment and other assets</b>	<b>457</b>	<b>445</b>
<b>Total prepayment and other assets</b>	<b>2,031</b>	<b>1,964</b>
<sup>(1)</sup> Financial assets carried at amortized cost	827	844

<sup>(2)</sup> Non financial assets

<sup>(3)</sup> Deposit with corporation represents amounts deposited to settle certain employee-related obligations as and when they arise during the normal course of business.

<sup>(4)</sup> Withholding taxes and others primarily consist of input tax credits and VAT recoverable from tax authorities.

## 2.5 Other liabilities

Other liabilities comprise the following:

(Dollars in millions)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Accrued compensation to employees <sup>(1)</sup>	547	576
Accrued expenses <sup>(1)</sup>	1,081	991
Accrued defined benefit liability <sup>(3)</sup>	4	1
Withholding taxes and others <sup>(3)</sup>	413	381
Liabilities of controlled trusts <sup>(1)</sup>	19	20
Liability towards contingent consideration <sup>(2)</sup>	2	1
Capital Creditors <sup>(1)</sup>	42	61
Financial liability under option arrangements <sup>(2)(4)</sup>	70	64
Other non-financial liabilities <sup>(3)</sup>	2	1
Other financial liabilities <sup>(1)(5)</sup>	37	61
<b>Total current other liabilities</b>	<b>2,217</b>	<b>2,157</b>
<b>Non-current</b>		
Accrued compensation to employees <sup>(1)</sup>	3	1
Accrued expenses <sup>(1)</sup>	174	221
Accrued defined benefit liability <sup>(3)</sup>	60	14
Liability towards contingent consideration <sup>(2)</sup>	8	2
Financial liability under option arrangements <sup>(2)(4)</sup>	14	13
Other non-financial liabilities <sup>(3)</sup>	10	12
Other financial liabilities <sup>(1)(5)</sup>	7	1
<b>Total non-current other liabilities</b>	<b>276</b>	<b>264</b>
<b>Total other liabilities</b>	<b>2,493</b>	<b>2,421</b>
<sup>(1)</sup> Financial liability carried at amortized cost	1,910	1,932
<sup>(2)</sup> Financial liability carried at fair value through profit or loss	94	80

<sup>(3)</sup> Non financial liabilities

<sup>(4)</sup> Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries.

<sup>(5)</sup> The Group entered into financing arrangements with a third party towards technology assets taken over by the Group from a customer as a part of transformation project which was not considered as distinct goods or services as the control related to those assets was not transferred to the Group in accordance with IFRS 15 - Revenue from contract with customers. As at December 31, 2025 and March 31, 2025, the financial liability pertaining to such arrangements amounts to \$3 million and \$8 million, respectively.

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

## 2.6 Provisions and other contingencies

### Accounting Policy

#### 2.6.1 Provisions

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

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.

##### a. Post sales client support

The Group provides its clients with a fixed-period post sales support on its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded and included in 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 recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognizes any impairment loss on the assets associated with that contract.

#### Provision for post sales client support and other provisions

Particulars	(Dollars in millions)	
	As at	
	December 31, 2025	March 31, 2025
Post-sales client support and others provisions	180	155
Provision pertaining to settlement (refer to note 2.6.2)	15	18
<b>Total provisions</b>	<b>195</b>	<b>173</b>

Provision for post sales client support and other provisions majorly represents costs associated with providing post sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

As at December 31, 2025 and March 31, 2025, claims against the Group, not acknowledged as debts, (excluding demands from income tax authorities- Refer to Note 2.12) amounted to \$133 million (₹1,192 crore) and \$119 million (₹1,020 crore), respectively.

Amount paid to statutory authorities against the claims (excluding demands from income tax authorities- Refer to Note 2.12) amounted to \$2 million (₹17 crore) and \$1 million (₹8 crore) as at December 31, 2025 and March 31, 2025 respectively.

#### 2.6.2 Legal Proceedings

##### McCamish Cybersecurity incident

In November 2023, certain systems of Infosys McCamish Systems LLC ("McCamish"), a subsidiary of Infosys BPM Limited (a wholly owned subsidiary of Infosys Limited), were encrypted by ransomware, resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems. Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish processes personal data on behalf of its corporate customers.

From March 6, 2024 through July 25, 2024, six actions were filed in the U.S. District Court for the Northern District of Georgia against McCamish. The actions arise out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. All six actions have since been consolidated, and the consolidated class action complaint was filed on November 7, 2024, purportedly on behalf of all persons residing in the United States whose personally identifiable information was compromised in the incident, including all who were sent a notice of the incident. On December 20, 2024, the Court granted the parties' joint motion to stay proceedings pending the parties' efforts to resolve the lawsuit through mediation. On March 13, 2025, McCamish and the plaintiffs engaged in mediation, resulting in an in-principle agreement that sets forth the terms of a proposed settlement of the class action lawsuits against McCamish, as well as seven class action lawsuits arising out of the incident that have been filed against McCamish's customers. Under the settlement terms, McCamish has agreed to pay \$17.5 million into a fund to settle these matters. On December 18, 2025, the Court granted the final approval on the settlement. If the settlement is not appealed within 30 days, then it will become effective and resolve all allegations made in the class action lawsuits without admission of any liability.

During the three months ended March 31, 2025, McCamish had recorded an accrual of \$17.5 million related to the settlement and had recognized an insurance reimbursement receivable of \$17 million which has been offset against the settlement expense of \$17.5 million in the Statement of Comprehensive Income. McCamish may incur additional costs including from indemnities or damages/claims, which are indeterminable at this time.

**Government Investigation**

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

**Others**

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

## 2.7 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 charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building	22-25 years
Plant and machinery <sup>(1)</sup>	5 years
Computer equipment	3-5 years
Furniture and fixtures	5 years
Vehicles	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

<sup>(1)</sup> Includes solar plant with a useful life of 25 years

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

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

### Impairment

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

If such assets are considered to be impaired, the impairment to be recognized in net profit in the interim condensed consolidated statement of comprehensive income 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 net profit in the statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2025 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at October 1, 2025	169	1,327	617	1,076	373	5	3,567
Additions	1	2	4	47	5	-	59
Deletions**	(7)	-	(4)	(54)	(6)	-	(71)
Translation difference	(3)	(13)	(6)	(13)	(3)	-	(38)
Gross carrying value as at December 31, 2025	160	1,316	611	1,056	369	5	3,517
Accumulated depreciation as at October 1, 2025	-	(631)	(508)	(806)	(312)	(4)	(2,261)
Depreciation	-	(14)	(9)	(30)	(7)	-	(60)
Accumulated depreciation on deletions**	-	-	4	54	6	-	64
Translation difference	-	8	5	9	3	-	25
Accumulated depreciation as at December 31, 2025	-	(637)	(508)	(773)	(310)	(4)	(2,232)
Capital work-in progress as at October 1, 2025							146
Carrying value as at October 1, 2025	169	696	109	270	61	1	1,452
Capital work-in progress as at December 31, 2025							163
Carrying value as at December 31, 2025	160	679	103	283	59	1	1,448

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2024 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at October 1, 2024	171	1,408	644	1,040	409	6	3,678
Additions	-	1	8	32	6	-	47
Deletions*	-	(8)	(4)	(26)	(4)	-	(42)
Translation difference	(4)	(33)	(16)	(26)	(10)	-	(89)
Gross carrying value as at December 31, 2024	167	1,368	632	1,020	401	6	3,594
Accumulated depreciation as at October 1, 2024	-	(615)	(513)	(808)	(331)	(5)	(2,272)
Depreciation	-	(13)	(10)	(37)	(8)	-	(68)
Accumulated depreciation on deletions*	-	1	3	26	3	-	33
Translation difference	-	15	13	19	8	-	55
Accumulated depreciation as at December 31, 2024	-	(612)	(507)	(800)	(328)	(5)	(2,252)
Capital work-in progress as at October 1, 2024							80
Carrying value as at October 1, 2024	171	793	131	232	78	1	1,486
Capital work-in progress as at December 31, 2024							100
Carrying value as at December 31, 2024	167	756	125	220	73	1	1,442



The changes in the carrying value of property, plant and equipment for the nine months ended December 31, 2025 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
<b>Gross carrying value as at April 1, 2025</b>	<b>173</b>	<b>1,371</b>	<b>632</b>	<b>1,088</b>	<b>386</b>	<b>6</b>	<b>3,656</b>
Additions	3	3	16	118	11	-	151
Additions - Business Combination (Refer to Note 2.10)	-	-	-	1	-	-	1
Deletions**	(7)	(1)	(7)	(104)	(14)	(1)	(134)
Translation difference	(9)	(57)	(30)	(47)	(14)	-	(157)
<b>Gross carrying value as at December 31, 2025</b>	<b>160</b>	<b>1,316</b>	<b>611</b>	<b>1,056</b>	<b>369</b>	<b>5</b>	<b>3,517</b>
<b>Accumulated depreciation as at April 1, 2025</b>	<b>-</b>	<b>(627)</b>	<b>(511)</b>	<b>(820)</b>	<b>(315)</b>	<b>(5)</b>	<b>(2,278)</b>
Depreciation	-	(39)	(29)	(91)	(21)	-	(180)
Accumulated depreciation on deletions**	-	-	6	103	14	1	124
Translation difference	-	29	26	35	12	-	102
<b>Accumulated depreciation as at December 31, 2025</b>	<b>-</b>	<b>(637)</b>	<b>(508)</b>	<b>(773)</b>	<b>(310)</b>	<b>(4)</b>	<b>(2,232)</b>
Capital work-in progress as at April 1, 2025							119
<b>Carrying value as at April 1, 2025</b>	<b>173</b>	<b>744</b>	<b>121</b>	<b>268</b>	<b>71</b>	<b>1</b>	<b>1,497</b>
Capital work-in progress as at December 31, 2025							163
<b>Carrying value as at December 31, 2025</b>	<b>160</b>	<b>679</b>	<b>103</b>	<b>283</b>	<b>59</b>	<b>1</b>	<b>1,448</b>

\*\* During the three months and nine months ended December 31, 2025, certain assets which were not in use having gross book value of \$41 million (net book value: Nil) and \$95 million (net book value: Nil) respectively, were retired.

The changes in the carrying value of property, plant and equipment for the nine months ended December 31, 2024 are as follows:

(Dollars in millions)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
<b>Gross carrying value as at April 1, 2024</b>	<b>171</b>	<b>1,411</b>	<b>637</b>	<b>1,032</b>	<b>406</b>	<b>6</b>	<b>3,663</b>
Additions	-	5	23	74	17	-	119
Additions - Business Combination (Refer to Note 2.10)	-	-	1	1	3	-	5
Deletions*	-	(13)	(11)	(58)	(15)	-	(97)
Translation difference	(4)	(35)	(18)	(29)	(10)	-	(96)
<b>Gross carrying value as at December 31, 2024</b>	<b>167</b>	<b>1,368</b>	<b>632</b>	<b>1,020</b>	<b>401</b>	<b>6</b>	<b>3,594</b>
<b>Accumulated depreciation as at April 1, 2024</b>	<b>-</b>	<b>(590)</b>	<b>(498)</b>	<b>(765)</b>	<b>(322)</b>	<b>(5)</b>	<b>(2,180)</b>
Depreciation	-	(40)	(34)	(114)	(28)	-	(216)
Accumulated depreciation on deletions*	-	2	10	57	14	-	83
Translation difference	-	16	15	22	8	-	61
<b>Accumulated depreciation as at December 31, 2024</b>	<b>-</b>	<b>(612)</b>	<b>(507)</b>	<b>(800)</b>	<b>(328)</b>	<b>(5)</b>	<b>(2,252)</b>
Capital work-in progress as at April 1, 2024							54
<b>Carrying value as at April 1, 2024</b>	<b>171</b>	<b>821</b>	<b>139</b>	<b>267</b>	<b>84</b>	<b>1</b>	<b>1,537</b>
Capital work-in progress as at December 31, 2024							100
<b>Carrying value as at December 31, 2024</b>	<b>167</b>	<b>756</b>	<b>125</b>	<b>220</b>	<b>73</b>	<b>1</b>	<b>1,442</b>

\* During the three months and nine months ended December 31, 2024, certain assets which were not in use having gross book value of \$20 million (net book value: Nil) and \$47 million (net book value: Nil) respectively, were retired.

The aggregate depreciation expense is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

Repairs and maintenance costs are recognized in the interim condensed consolidated statement of comprehensive income when incurred.

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

The Group had contractual commitments for capital expenditure primarily comprising of commitments for infrastructure facilities and computer equipments aggregating to \$127 million and \$109 million as at December 31, 2025 and March 31, 2025, respectively.

## 2.8 Leases

### Accounting Policy

#### The Group as a lessee

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

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

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

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

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

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

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

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

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

#### The Group as a lessor

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

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

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

Following are the changes in the carrying value of right-of-use assets for the three months ended December 31, 2025:

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as at October 1, 2025	68	375	3	274	720
Additions*	-	14	1	45	60
Deletions	(6)	(2)	-	(36)	(44)
Depreciation	(1)	(21)	(1)	(30)	(53)
Translation difference	-	(2)	-	(1)	(3)
<b>Balance as at December 31, 2025</b>	<b>61</b>	<b>364</b>	<b>3</b>	<b>252</b>	<b>680</b>

\* Net of adjustments on account of modifications

Following are the changes in the carrying value of right-of-use assets for the three months ended December 31, 2024:

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as at October 1, 2024	72	415	3	308	798
Additions*	-	17	1	30	48
Deletions	-	(12)	-	(17)	(29)
Depreciation	(1)	(22)	-	(32)	(55)
Translation difference	(1)	(8)	(1)	(11)	(21)
<b>Balance as at December 31, 2024</b>	<b>70</b>	<b>390</b>	<b>3</b>	<b>278</b>	<b>741</b>

\* Net of adjustments on account of modifications

Following are the changes in the carrying value of right-of-use assets for the nine months ended December 31, 2025:

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as at April 1, 2025	70	392	3	273	738
Additions*	-	48	1	144	193
Deletions	(6)	(4)	-	(79)	(89)
Depreciation	(1)	(64)	(1)	(97)	(163)
Translation difference	(2)	(8)	-	11	1
Balance as at December 31, 2025	61	364	3	252	680

\* Net of adjustments on account of modifications

Following are the changes in the carrying value of right-of-use assets for the nine months ended December 31, 2024:

(Dollars in millions)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as at April 1, 2024	72	396	2	316	786
Additions*	-	63	2	111	176
Addition due to Business Combination (Refer to Note 2.10)	-	19	1	-	20
Deletions	-	(16)	(1)	(55)	(72)
Depreciation	(1)	(64)	(1)	(88)	(154)
Translation difference	(1)	(8)	-	(6)	(15)
Balance as at December 31, 2024	70	390	3	278	741

\* Net of adjustments on account of modifications

The aggregate depreciation expense on ROU assets is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

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

(Dollars in millions)

Particulars	As at	
	December 31, 2025	March 31, 2025
Current lease liabilities	332	287
Non-current lease liabilities	646	675
Total	978	962

## 2.9 Goodwill and Intangible assets

### 2.9.1 Goodwill

#### Accounting Policy

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

#### Impairment

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

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

Particulars	(Dollars in millions)	
	As at	
	December 31, 2025	March 31, 2025
Carrying value at the beginning	1,182	875
Goodwill on acquisitions (Refer to note 2.10)	52	309
Translation differences	60	(2)
<b>Carrying value at the end</b>	<b>1,294</b>	<b>1,182</b>

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition.

### 2.9.2 Intangible assets

#### Accounting Policy

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

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

#### Impairment

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

If such assets are considered to be impaired, the impairment to be recognized in the net profit in the statement of comprehensive income 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 net profit in the statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization) had no impairment loss been recognized for the asset in prior years.

## 2.10 Business combinations

### Accounting policy

Business combinations have been accounted for using the acquisition method under the provisions of IFRS 3 (Revised), Business Combinations.

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

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

Business combinations between entities under common control is outside the scope of IFRS 3 (Revised), Business Combinations and is accounted for at carrying value of assets acquired and liabilities assumed.

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

### Acquisition

During the nine months ended December 31, 2025 the Group, completed two business combinations by acquiring 100% partnership interests/voting interests in:

1) MRE Consulting Ltd., a leading Energy and business consulting services company, headquartered in Texas, U.S. on April 30, 2025, which is expected to bring newer capabilities for the Group in trading and risk management, especially in the energy sector.

2) The Missing Link Security Pty. Ltd., The Missing Link Security Limited and The Missing Link Automation Pty. Ltd. (collectively known as "The Missing Link"), a leading Cybersecurity service provider headquartered in Australia on April 30, 2025, which is expected to further strengthen the Group's capabilities in the cybersecurity sector and bolster its presence in the fast growing Australian Market.

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

(Dollars in million)			
Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets <sup>(1)</sup>	14	-	14
Intangible assets:			
Customer related <sup>#</sup>	-	26	26
Vendor relationship <sup>#</sup>	-	7	7
Brand <sup>#</sup>	-	2	2
Deferred tax liabilities on intangible assets	-	(5)	(5)
<b>Total</b>	<b>14</b>	<b>30</b>	<b>44</b>
Goodwill			52
<b>Total purchase price</b>			<b>96</b>

<sup>(1)</sup> Includes cash and cash equivalents acquired of \$12 million.

<sup>#</sup> The estimated useful life is around 1 year to 7 years

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

Goodwill amounting to \$9 million is expected to be deductible for tax purposes.

The total purchase consideration of \$96 million includes upfront cash consideration of \$88 million and contingent consideration with an estimated fair value of \$8 million as on the date of acquisition.

At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rates ranging from 2% - 3%. The undiscounted value of contingent consideration as of December 31, 2025 was approximately \$9 million.

Additionally, these acquisitions have retention bonus and management incentives payable to the employees of the acquiree over 2-3 years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Retention bonus and management incentives are recognized in employee benefit expenses in the Statement of Comprehensive Income over the period of service.

Fair value of trade receivables acquired is \$23 million as of acquisition date and as of December 31, 2025, the amounts are substantially collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of \$4 million related to the acquisition have been included under administrative expenses in the Consolidated Statement of Comprehensive Income for the nine months ended December 31, 2025.

### Proposed Acquisitions

On August 13, 2025, Infosys Singapore Pte. Ltd., a wholly owned subsidiary of Infosys Limited, entered into a definitive agreement to acquire 75% of the equity share capital in Telstra Purple Pty Ltd, including some of its subsidiaries (together known as Versent Group), Australia's leading Digital Transformation Solutions Provider for a consideration including earn-outs and deferred consideration amounting up to AUD 233 million (approximately \$152 million), excluding retention bonus and management incentives, subject to regulatory approvals and customary closing adjustments.

## 2.11 Employees' Stock Option Plans (ESOP)

### Accounting Policy

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

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

On June 22, 2019 pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 plan shall not exceed 50,000,000 equity shares. To implement the 2019 Plan, up to 45,000,000 equity shares may be issued by way of secondary acquisition of shares by Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

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

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Plan. The maximum number of shares under the 2015 plan shall not exceed 24,038,883 equity shares (this includes 11,223,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

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

Controlled trust holds 8,984,436 and 9,655,927 shares as at December 31, 2025 and March 31, 2025, respectively under the 2015 plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at December 31, 2025 and March 31, 2025.

The following is the summary of grants during three months and nine months ended December 31, 2025 and December 31, 2024:

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>2015 Plan: RSU</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	277,077	295,168
Employees other than KMP	109,893	22,880	117,293	152,220
	<b>109,893</b>	<b>22,880</b>	<b>394,370</b>	<b>447,388</b>
<b>2015 Plan: Employee Stock Options (ESOPs)</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	237,370	-
Employees other than KMP	-	-	5,412,790	-
	-	-	<b>5,650,160</b>	-
<b>Cash settled RSUs</b>				
Key Management Personnel (KMP)	-	-	-	-
Employees other than KMP	-	-	108,180	-
	-	-	<b>108,180</b>	-
<b>Total Grants under 2015 Plan</b>	<b>109,893</b>	<b>22,880</b>	<b>6,152,710</b>	<b>447,388</b>
<b>2019 Plan: RSU</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	66,366	70,699
Employees other than KMP	3,065	-	3,065	6,848
	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>
<b>Total Grants under 2019 Plan</b>	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>

**Notes on grants to KMP:**

**CEO & MD**

**Under the 2015 plan:**

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

- 230,621 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.

- 13,273 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.

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

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of December 31, 2025, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with IFRS 2, Share based payments. The grant date for this purpose in accordance with IFRS 2, Share based payments is July 1, 2022.

**Under the 2019 plan:**

The Board, on April 17, 2025, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2026 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 66,366 performance based RSU's were granted effective May 2, 2025.

**Other KMP**

**Under the 2015 plan:**

During the nine months ended December 31, 2025, based on recommendations of Nomination and Remuneration Committee, the Board approved time based grants of 237,370 ESOPs to Other KMP under the 2015 Plan. These stock options will vest over a period of 4 years and shall be exercisable within the period as approved by the Committee. The exercise price of the stock options would be the market price as on the date of grant.

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

Particulars	(Dollars in millions)			
	Three months ended		Nine months ended	
	December 31, 2025	2024	December 31, 2025	2024
<i>Granted to:</i>				
KMP	2	2	6	6
Employees other than KMP	24	20	74	66
<b>Total <sup>(1)</sup></b>	<b>26</b>	<b>22</b>	<b>80</b>	<b>72</b>
<sup>(1)</sup> Cash settled stock compensation expense included in the above	1	1	2	2

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

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

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

Particulars	For options granted in					
	Fiscal 2026- Equity Shares- RSU	Fiscal 2026- ADR RSU	Fiscal 2026- Equity Shares- ESOP	Fiscal 2026- ADS-ESOP	Fiscal 2025- Equity Shares- RSU	Fiscal 2025- ADS-RSU
Weighted average share price (₹) / (\$ ADS)	1,505	16.57	1,554	17.93	1,437	18.42
Exercise price (₹) / (\$ ADS)	5.00	0.10	1,554	17.93	5.00	0.07
Expected volatility (%)	23-26	25-26	25-28	26-30	21-26	23-28
Expected life of the option (years)	1-4	1-4	3-7	3-7	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	6	4	6	4	7	4-5
Weighted average fair value as on grant date (₹) / (\$ ADS)	1,354	15.16	390	4.09	1,319	16.94

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

## 2.12 Income Taxes

### Accounting policy

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

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

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

Income tax expense in the interim condensed consolidated statement of comprehensive income comprises:

Particulars	(Dollars in million)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>Current taxes</b>				
Domestic taxes	236	289	786	845
Foreign taxes	85	89	254	268
	<b>321</b>	<b>378</b>	<b>1,040</b>	<b>1,113</b>
<b>Deferred taxes</b>				
Domestic taxes	(23)	(24)	(62)	(84)
Foreign taxes	(11)	(17)	(36)	(48)
	<b>(34)</b>	<b>(41)</b>	<b>(98)</b>	<b>(132)</b>
<b>Income tax expense</b>	<b>287</b>	<b>337</b>	<b>942</b>	<b>981</b>

Income tax expense for the three months ended December 31, 2025 and December 31, 2024 includes reversals (net of provisions) of \$9 million and provisions (net of reversals) of \$13 million. Income tax expense for the nine months ended December 31, 2025 and December 31, 2024 includes provisions (net of reversals) of \$5 million and provisions (net of reversals) of \$30 million. These provisions and reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions

Deferred income tax for the three months and nine months ended December 31, 2025 and December 31, 2024 substantially relates to origination and reversal of temporary differences.

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

As at December 31, 2025, claims against the Group not acknowledged as debts from the Income tax authorities amounted to \$229 million (₹2,054 crore). As at March 31, 2025, claims against the Group not acknowledged as debts from the Income tax authorities amounted to \$226 million (₹1,933 crore).

Amount paid to statutory authorities against the tax claims amounted to \$188 million (₹1,693 crore) and \$491 million (₹4,199 crore) as at December 31, 2025 and March 31, 2025 respectively.

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

## 2.13 Earnings per equity share

### Accounting Policy

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

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



## 2.14 Related party transactions

Refer Note 2.20 "Related party transactions" in the Company's 2025 Annual Report on Form 20-F for the full names and other details of the Company's subsidiaries and controlled trusts.

### Changes in Subsidiaries

During the nine months ended December 31, 2025, the following are the changes in the subsidiaries:

- Infosys Energy Consulting Services LLC , a wholly-owned subsidiary of Infosys Nova Holdings LLC was incorporated on April 16, 2025.
- Infosys Saudi Arabia LLC, a wholly-owned subsidiary of Infosys Limited was incorporated on April 21, 2025.
- Infosys Australia Technology Service Pty Ltd, a wholly-owned subsidiary of Infosys Singapore Pte. Limited was incorporated on April 23, 2025.
- On April 30, 2025, Infosys Nova Holdings LLC , a wholly-owned subsidiary of Infosys Limited, acquired 98.21% of partnership interests in MRE Consulting Ltd along with its subsidiary MRE Technology Services, LLC. The remaining 1.79% was acquired by Infosys Energy Consulting Services LLC , a Wholly-owned subsidiary of Infosys Nova Holdings LLC.
- On April 30, 2025, Infosys Australia Technology Service Pty Ltd, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in The Missing Link Automation Pty Ltd, The Missing Link Network Integration Pty Ltd and The Missing Link Security Pty Ltd along with its subsidiary The Missing Link Security Ltd
- in-tech Automotive Engineering de. R L de. C V, a wholly-owned subsidiary of in-tech GmbH has been liquidated effective May 07, 2025.
- On May 13, 2025, Infosys Singapore Pte Ltd diluted 2% stake of HIPUS Co., Ltd to Mitsubishi Heavy Industries, Ltd.
- Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM UK Limited was incorporated on July 28, 2025
- Infosys Germany GmbH, a Wholly-owned subsidiary of Infosys Singapore Pte Ltd merged into Infosys Germany SE (formerly known as Blitz 24-893 SE) effective September 24, 2025
- in-tech Engineering services S.R.L, (Wholly-owned subsidiary of in-tech GmbH) merged into ProIT (Wholly-owned subsidiary of in-tech GmbH) effective November 30,

### Transactions with key management personnel

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

Particulars	(Dollars in millions)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Salaries and other short term employee benefits to whole-time directors and executive officers <sup>(1)(2)</sup>	3	3	10	10
Commission and other benefits to non-executive/ independent directors	1	1	2	2
<b>Total</b>	<b>4</b>	<b>4</b>	<b>12</b>	<b>12</b>

<sup>(1)</sup> Total employee stock compensation expense for the three months ended December 31, 2025 and December 31, 2024 includes a charge of \$2 million respectively, towards key management personnel. For the nine months ended December 31, 2025 and December 31, 2024, includes a charge of \$6 million respectively, towards key management personnel. (Refer note 2.11).

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

## 2.15 Segment reporting

IFRS 8 Operating Segments establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance.

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

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

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

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

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

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

### 2.15.1 Business segments

For the three months ended December 31, 2025 and December 31, 2024

Particulars	(Dollars in millions)								Total
	Financial Services <sup>(1)</sup>	Manufacturing	Energy, Utilities, Resources and Services	Retail <sup>(2)</sup>	Communication <sup>(3)</sup>	Hi-Tech	Life Sciences <sup>(4)</sup>	All other segments <sup>(5)</sup>	
Revenue	1,437	849	674	654	619	378	366	122	5,099
	1,371	766	666	679	555	388	378	136	4,939
Identifiable operating expenses	810	514	376	320	397	225	225	81	2,948
	811	488	382	332	363	227	225	92	2,920
Allocated expenses	265	140	131	125	117	67	63	33	941
	243	118	103	114	95	65	56	29	823
<b>Segment Profit</b>	<b>362</b>	<b>195</b>	<b>167</b>	<b>209</b>	<b>105</b>	<b>86</b>	<b>78</b>	<b>8</b>	<b>1,210</b>
	317	160	181	233	97	96	97	15	1,196
Unallocable expenses*									273
									143
<b>Operating profit</b>									937
									1,053
Other income, net									109
									102
Finance Cost									11
									12
<b>Profit before income taxes</b>									<b>1,035</b>
									1,143
Income tax expense									287
									337
<b>Net profit</b>									<b>748</b>
									806
Depreciation and amortization									<b>130</b>
									143
Non-cash expenses other than depreciation and amortization									-
									-

<sup>(1)</sup> Financial Services include enterprises in Financial Services and Insurance

<sup>(2)</sup> Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics

<sup>(3)</sup> Communication includes enterprises in Communication, Telecom OEM and Media

<sup>(4)</sup> Life Sciences includes enterprises in Life sciences and Health care

<sup>(5)</sup> Others include operating segments of businesses in India, Japan, China, Infosys Public Services & identified enterprises in Public Services

For the nine months ended December 31, 2025 and December 31, 2024

Particulars	(Dollars in millions)								Total
	Financial Services <sup>(1)</sup>	Manufacturing	Energy, Utilities, Resources and Services	Retail <sup>(2)</sup>	Communication <sup>(3)</sup>	Hi-Tech	Life Sciences <sup>(4)</sup>	All other segments <sup>(5)</sup>	
Revenue	4,222	2,482	2,024	1,958	1,830	1,185	1,014	402	15,117
	4,000	2,226	1,954	1,981	1,706	1,155	1,080	445	14,547
Identifiable operating expenses	2,390	1,520	1,141	982	1,175	722	630	250	8,810
	2,289	1,428	1,085	977	1,114	666	658	283	8,500
Allocated expenses	774	403	376	373	332	201	180	97	2,736
	740	362	330	350	293	200	178	95	2,548
<b>Segment Profit</b>	<b>1,058</b>	<b>559</b>	<b>507</b>	<b>603</b>	<b>323</b>	<b>262</b>	<b>204</b>	<b>55</b>	<b>3,571</b>
	971	436	539	654	299	289	244	67	3,499
Unallocable expenses*									541
									419
<b>Operating profit</b>									3,030
									3,080
Other income, net									343
									287
Finance Cost									35
									38
<b>Profit before income taxes</b>									<b>3,338</b>
									3,329
Income tax expense									942
									981
<b>Net profit</b>									<b>2,396</b>
									2,348
Depreciation and amortization									398
									419
Non-cash expenses other than depreciation and amortization									-
									-

<sup>(1)</sup> Financial Services include enterprises in Financial Services and Insurance

<sup>(2)</sup> Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics

<sup>(3)</sup> Communication includes enterprises in Communication, Telecom OEM and Media

<sup>(4)</sup> Life Sciences includes enterprises in Life sciences and Health care

<sup>(5)</sup> Others include operating segments of businesses in India, Japan, China, Infosys Public Services & identified enterprises in Public Services

\*Unallocable expense includes impact of \$143 million towards impact of Labour Codes for the three months and nine months ended December 31, 2025 (refer to note 2.19.4)

## 2.15.2 Significant clients

No client individually accounted for more than 10% of the Revenue for the three months and nine months ended December 31, 2025 and December 31, 2024, respectively

## 2.16 Revenue from Operations

### Accounting Policy:

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

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

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

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

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

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

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

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

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the 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 on a straight-line basis over the period in which the services are rendered.

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

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

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

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

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to cost of sales 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 interim Consolidated Statement of Comprehensive Income.

Revenues for the three months and nine months ended December 31, 2025 and December 31, 2024 is as follows:

Particulars	(Dollars in millions)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Revenue from software services	4,850	4,703	14,401	13,871
Revenue from products and platforms	249	236	716	676
<b>Total revenue from operations</b>	<b>5,099</b>	<b>4,939</b>	<b>15,117</b>	<b>14,547</b>

#### Products & platforms

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

#### Disaggregated revenue information

Revenue disaggregation by business segments has been included in segment information (Refer note 2.15). The table below presents disaggregated revenues from contracts with customers by geography and contract type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

For the three months and nine months ended December 31, 2025 and December 31, 2024

Particulars	(Dollars in millions)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>Revenues by Geography*</b>				
North America	2,851	2,886	8,496	8,468
Europe	1,665	1,470	4,835	4,269
India	143	153	444	454
Rest of the world	440	430	1,342	1,356
<b>Total</b>	<b>5,099</b>	<b>4,939</b>	<b>15,117</b>	<b>14,547</b>

\* Geographical revenue is based on the domicile of customer

The percentage of revenue from fixed-price contracts for each of the three months ended December 31, 2025 and December 31, 2024 is 55%. The percentage of revenue from fixed-price contracts for each of the nine months ended December 31, 2025 and December 31, 2024 is 54%.

#### Trade Receivables and Contract Balances

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the consolidated balance sheet.

#### 2.17 Unbilled Revenue

Particulars	(Dollars in millions)	
	As at	
	December 31, 2025	March 31, 2025
Unbilled financial asset <sup>(1)</sup>	1,172	1,195
Unbilled non financial asset <sup>(2)</sup>	529	569
<b>Total</b>	<b>1,701</b>	<b>1,764</b>

<sup>(1)</sup> Right to consideration is unconditional and is due only after a passage of time.

<sup>(2)</sup> Right to consideration is dependent on completion of contractual milestones.

## **2.18 Equity**

### **Accounting policy**

#### **Ordinary Shares**

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

#### **Treasury Shares**

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

#### **Share premium**

The amount received in excess of the par value has been classified as share premium. Additionally, share-based compensation recognized in net profit in the interim condensed consolidated statement of comprehensive income is credited to share premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

The Company has only one class of shares referred to as equity shares having a par value of ₹5/-.

#### **Retained earnings**

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

#### **Other Reserves**

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.

#### **Capital Redemption Reserve**

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

#### **Cash flow hedge reserve**

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

#### **Other components of equity**

Other components of equity include currency translation, re-measurement of net defined benefit liability/asset, fair value changes of equity instruments fair valued through other comprehensive income, changes on fair valuation of investments, net of taxes.

### **2.18.1 Voting**

Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depositary Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

### **2.18.2 Liquidation**

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

### **2.18.3 Share options**

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

### **2.18.4 Share capital and share premium**

The Company has only one class of shares referred to as equity shares having a par value of ₹5/- each. 8,984,436 shares and 9,655,927 shares were held by controlled trust, as at December 31, 2025 and March 31, 2025, respectively

### 2.18.5 Capital allocation policy

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

Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any). Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes.

#### Buyback completed in December 2025

In line with the capital allocation policy, the Board, at its meeting held on September 11, 2025, approved a proposal for the Company to buyback its fully paid-up equity shares of face value of ₹5/- each from the eligible equity shareholders of the Company for an amount of ₹18,000 crore subject to shareholders' approval by way of Postal Ballot. The shareholders approved the said proposal of buyback of Equity Shares recommended by its Board of Directors by way of e-voting through postal ballot, the results of which were declared on November 6, 2025. The Buyback offer comprised a purchase of 100,000,000 Equity Shares comprising approximately 2.41% of the total paid-up equity share capital of the Company as of June 30, 2025 (on standalone basis) at a price of ₹1,800 per Equity share. The buyback was offered to all eligible equity shareholders (including those who became equity shareholders as on the Record date by cancelling American Depository Shares and withdrawing underlying Equity shares) of the Company as on the Record Date (i.e. November 14, 2025) on a proportionate basis through the "Tender offer" route. The tender period for buyback commenced on November 20, 2025 and was open until November 26, 2025. The Company concluded the buyback procedures on December 4, 2025 and 100,000,000 equity shares were bought back and extinguished. The buyback resulted in cash outflow of ₹18,000 crore (excluding transaction costs). The Company funded the buyback from its free reserves including securities premium as explained in Section 68 of the Companies Act, 2013. In accordance with Section 69 of the Companies Act, 2013, the Company has created a Capital Redemption Reserve of ₹50 crore (approximately \$6 million) equal to the nominal value of the shares bought back as an appropriation from the general reserve during the quarter ended December 31, 2025.

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of December 31, 2025, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

#### Dividend

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

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

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

Particulars	Nine months ended December 31, 2025		Nine months ended December 31, 2024	
	in ₹	in US Dollars	in ₹	in US Dollars
Interim dividend for fiscal 2026	23	0.26	-	-
Final dividend for fiscal 2025	22	0.26	-	-
Interim dividend for fiscal 2025	-	-	21.00	0.25
Special dividend for fiscal 2024	-	-	8.00	0.10
Final dividend for fiscal 2024	-	-	20.00	0.24

The Board of Directors in their meeting held on April 17, 2025 recommended a final dividend of ₹22/- per equity share (approximately \$0.26 per equity share) for the financial year ended March 31, 2025. The same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 25, 2025 which resulted in a net cash outflow of \$1,062 million, excluding dividend paid on treasury shares. The final dividend was paid on June 30, 2025.

The Board of Directors in their meeting held on October 16, 2025 declared an interim dividend of ₹23/- per equity share (approximately \$0.26 per equity share) which resulted in a net cash outflow of \$1,070 million excluding dividend paid on treasury shares.

## 2.19 Break-up of expenses and other income, net

### Accounting policy

#### Gratuity and Pensions

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

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

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

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

#### Superannuation

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

#### Provident fund

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

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

#### Compensated absences

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

#### Other income, net

Other income is comprised primarily of interest income, dividend income, gain/loss on investment 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 and presentation currency*

The functional currency of Infosys, its Indian subsidiaries and controlled trusts is the Indian rupee. The functional currencies for foreign subsidiaries are their respective local currencies. These financial statements are presented in U.S. dollars (rounded off to the nearest million) to facilitate the investors' ability to evaluate Infosys' performance and financial position in comparison to similar companies domiciled in other geographic locations.

##### *Transactions and translations*

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

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



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

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

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

#### **Government grants**

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

#### **Operating Profits**

Operating profit of the Group is computed considering the revenues, net of cost of sales, selling and marketing expenses and administrative expenses.

The table below provides details of break-up of expenses:

#### 2.19.1 Cost of sales

Particulars	(Dollars in millions)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Employee benefit costs	2,551	2,285	7,334	6,858
Depreciation and amortization	130	143	398	419
Travelling costs	35	33	113	108
Cost of technical sub-contractors	459	390	1,311	1,151
Cost of software packages for own use	76	70	224	206
Third party items bought for service delivery to clients	366	472	1,104	1,214
Consultancy and professional charges	(1)	6	-	27
Communication costs	9	8	26	27
Repairs and maintenance	17	15	52	44
Provision for post-sales client support and other provisions	4	11	(8)	14
Others	14	11	39	35
<b>Total</b>	<b>3,660</b>	<b>3,444</b>	<b>10,593</b>	<b>10,103</b>

#### 2.19.2 Selling and marketing expenses

Particulars	(Dollars in millions)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Employee benefit costs	196	168	575	511
Travelling costs	13	12	44	36
Branding and marketing	35	33	113	105
Consultancy and professional charges	7	4	24	13
Communication costs	1	1	1	1
Others	5	-	12	5
<b>Total</b>	<b>257</b>	<b>218</b>	<b>769</b>	<b>671</b>

#### 2.19.3 Administrative expenses

Particulars	(Dollars in millions)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Employee benefit costs	102	83	287	252
Consultancy and professional charges	48	44	140	121
Repairs and maintenance	33	31	96	93
Power and fuel	6	6	19	21
Communication costs	9	10	25	29
Travelling costs	8	7	23	20
Rates and taxes	8	7	28	32
Insurance charges	10	8	28	26
Commission to non-whole time directors	1	1	2	2
Impairment loss recognized/(reversed) under expected credit loss model	6	1	10	12
Contribution towards Corporate Social Responsibility	20	20	51	59
Others *	(6)	6	16	26
<b>Total</b>	<b>245</b>	<b>224</b>	<b>725</b>	<b>693</b>

\* Includes profit on sale of property, plant and equipment amounting to \$18 million for the three months ended December 31, 2025.

#### 2.19.4 Impact of Labour Codes

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to leave. The Group has assessed the financial implications of these changes which has resulted in increase in gratuity liability arising out of past service cost and increase in leave liability by \$143 million which is recognized in the Consolidated Statement of Comprehensive Income for the three months and nine months ended December 31, 2025. The Group continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of the employee benefits liability.

## 2.19.5 Other income, net:

Other income for the three months and nine months ended December 31, 2025 and December 31, 2024 is as follows:

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Interest income on financial assets carried at amortized cost	41	47	155	132
Interest income on financial assets carried at fair value through other comprehensive income	26	23	92	88
Income on investments carried at fair value through other comprehensive income	2	-	2	-
Gain/(loss) on investments carried at fair value through profit or loss	9	6	24	28
Gain/(loss) on investments carried at amortized cost	-	-	9	-
Exchange gains / (losses) on forward and options contracts	(16)	28	(172)	(16)
Exchange gains / (losses) on translation of other assets and liabilities	35	(12)	212	34
Others	12	10	21	21
<b>Total</b>	<b>109</b>	<b>102</b>	<b>343</b>	<b>287</b>

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

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED**

**Report on the Audit of the Interim Condensed Consolidated Financial Statements**

**Opinion**

We have audited the accompanying interim condensed consolidated financial statements of **INFOSYS LIMITED** (the "Company"), and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the Condensed Consolidated Balance Sheet as at December 31, 2025, the Condensed Consolidated Statement of Comprehensive Income for the three months and nine months ended on that date, the Condensed Consolidated Statement of Changes in Equity, and the Condensed Consolidated Statement of Cash Flows for the nine months ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Interim Condensed Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Interim Condensed Consolidated Financial Statements give a true and fair view in conformity with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board ("IASB"), of the consolidated state of affairs of the Group as at December 31, 2025, its consolidated profit and its consolidated total comprehensive income for the three months and nine months ended on that date, its consolidated changes in equity and its consolidated cash flows for the nine months ended on that date.

**Basis for Opinion**

We conducted our audit of the Interim Condensed Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI, and we have fulfilled our other ethical responsibilities in accordance with the 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 Interim Condensed Consolidated Financial Statements.

**Responsibilities of Management and Board of Directors for the Interim Condensed Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with IAS 34 as issued by the IASB. The respective Boards of Directors of the entities included in the Group are responsible for maintenance of the adequate accounting records for safeguarding 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 respective interim 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 Interim Condensed Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Interim Condensed Consolidated Financial Statements, the respective Boards of Directors of the entities 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 entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Interim Condensed 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 Interim Condensed 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 Interim Condensed Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Interim Condensed 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 Interim Condensed Consolidated Financial Statements, including the disclosures, and whether the Interim Condensed Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Interim Condensed Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Interim Condensed Consolidated Financial Statements of which we are independent auditors.

Materiality is the magnitude of misstatements in the Interim Condensed Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Condensed 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 Interim Condensed Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Interim Condensed 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 financial controls 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.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



**Vikas Bagaria**

Partner

(Membership No.060408)

UDIN:

Place: Bengaluru

Date: January 14, 2026

# INFOSYS LIMITED AND SUBSIDIARIES

## *Condensed Consolidated Financial Statements under International Financial Reporting Standards (IFRS) in Indian Rupee for the three months and nine months ended December 31, 2025*

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**Infosys Limited and subsidiaries**
*(In ₹ crore except equity share data)*

Condensed Consolidated Balance Sheet as at	Note	December 31, 2025	March 31, 2025
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	2.1	19,915	24,455
Current investments	2.2	6,911	12,482
Trade receivables		36,131	31,158
Unbilled revenue	2.17	13,276	12,851
Prepayments and other current assets	2.4	14,147	12,986
Income tax assets	2.12	29	2,975
Derivative financial instruments	2.3	49	192
<b>Total current assets</b>		<b>90,458</b>	<b>97,099</b>
<b>Non-current assets</b>			
Property, plant and equipment	2.7	13,010	12,800
Right-of-use assets	2.8	6,115	6,311
Goodwill	2.9	11,634	10,106
Intangible assets		3,073	2,766
Non-current investments	2.2	8,899	11,059
Unbilled revenue	2.17	2,017	2,232
Deferred income tax assets	2.12	1,740	1,108
Income tax assets	2.12	2,335	1,622
Other non-current assets	2.4	4,103	3,800
<b>Total non-current assets</b>		<b>52,926</b>	<b>51,804</b>
<b>Total assets</b>		<b>143,384</b>	<b>148,903</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade payables		4,826	4,164
Lease liabilities	2.8	2,985	2,455
Derivative financial instruments	2.3	392	63
Current income tax liabilities	2.12	5,497	4,853
Unearned revenue		11,103	8,492
Employee benefit obligations		3,455	2,908
Provisions	2.6	1,753	1,475
Other current liabilities	2.5	19,923	18,440
<b>Total current liabilities</b>		<b>49,934</b>	<b>42,850</b>
<b>Non-current liabilities</b>			
Lease liabilities	2.8	5,811	5,772
Deferred income tax liabilities	2.12	1,594	1,722
Employee benefit obligations		108	99
Other non-current liabilities	2.5	2,484	2,257
<b>Total non-current liabilities</b>		<b>9,997</b>	<b>9,850</b>
<b>Total liabilities</b>		<b>59,931</b>	<b>52,700</b>
<b>Equity</b>			
Share capital - ₹5 par value 4,800,000,000 (4,800,000,000) equity shares authorized, issued and outstanding 4,045,683,463 (4,143,607,528) equity shares fully paid up, net of 8,984,436 (9,655,927) treasury shares as at December 31, 2025 (March 31, 2025)	2.18	2,024	2,073
Share premium		1,559	2,180
Retained earnings		68,582	80,096
Cash flow hedge reserves		(8)	(18)
Other reserves		5,375	8,298
Capital redemption reserve		219	169
Other components of equity		5,275	3,020
<b>Total equity attributable to equity holders of the Company</b>		<b>83,026</b>	<b>95,818</b>
Non-controlling interests		427	385
<b>Total equity</b>		<b>83,453</b>	<b>96,203</b>
<b>Total liabilities and equity</b>		<b>143,384</b>	<b>148,903</b>

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

As per our report of even date attached

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

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

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary



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

Condensed Consolidated Statement of Comprehensive Income for the	Note	Three months ended December 31,		Nine months ended December 31,	
		2025	2024	2025	2024
<b>Revenues</b>	2.16	<b>45,479</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>
Cost of sales	2.19	32,652	29,120	92,676	84,771
<b>Gross profit</b>		<b>12,827</b>	<b>12,644</b>	<b>39,572</b>	<b>37,293</b>
<b>Operating expenses</b>					
Selling and marketing expenses	2.19	2,292	1,839	6,724	5,631
Administrative expenses	2.19	2,180	1,893	6,337	5,813
Total operating expenses		4,472	3,732	13,061	11,444
<b>Operating profit</b>		<b>8,355</b>	<b>8,912</b>	<b>26,511</b>	<b>25,849</b>
Other income, net	2.19	974	859	2,998	2,410
Finance cost		100	101	310	314
<b>Profit before income taxes</b>		<b>9,229</b>	<b>9,670</b>	<b>29,199</b>	<b>27,945</b>
Income tax expense	2.12	2,563	2,848	8,234	8,233
<b>Net profit</b>		<b>6,666</b>	<b>6,822</b>	<b>20,965</b>	<b>19,712</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of the net defined benefit liability/asset, net		56	(45)	(52)	53
Equity instruments through other comprehensive income, net	2.2	(4)	(15)	23	(10)
		52	(60)	(29)	43
<i>Items that will be reclassified subsequently to profit or loss</i>					
Fair value changes on derivatives designated as cash flow hedge, net		4	56	10	32
Exchange differences on translation of foreign operations		354	(483)	2,235	(27)
Fair value changes on investments, net	2.2	(23)	10	66	136
		335	(417)	2,311	141
<b>Total other comprehensive income/(loss), net of tax</b>		<b>387</b>	<b>(477)</b>	<b>2,282</b>	<b>184</b>
<b>Total comprehensive income</b>		<b>7,053</b>	<b>6,345</b>	<b>23,247</b>	<b>19,896</b>
<b>Profit attributable to:</b>					
Owners of the Company		6,654	6,806	20,939	19,680
Non-controlling interests		12	16	26	32
		<b>6,666</b>	<b>6,822</b>	<b>20,965</b>	<b>19,712</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		7,040	6,336	23,204	19,863
Non-controlling interests		13	9	43	33
		<b>7,053</b>	<b>6,345</b>	<b>23,247</b>	<b>19,896</b>
<b>Earnings per equity share</b>					
Equity shares of par value ₹5/- each					
Basic (₹)		16.17	16.43	50.64	47.52
Diluted (₹)		16.14	16.39	50.55	47.40
<b>Weighted average equity shares used in computing earnings per equity share</b>					
Basic (in shares)	2.13	4,114,946,425	4,141,941,436	4,134,675,070	4,141,344,081
Diluted (in shares)	2.13	4,121,795,902	4,151,534,784	4,142,266,340	4,151,568,329

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

*As per our report of even date attached*

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

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

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary

**Infosys Limited and subsidiaries**
*(In ₹ crore except equity share data)*

Condensed Consolidated Statement of Changes in Equity	Number of Shares <sup>(1)</sup>	Share capital	Share premium	Retained earnings	Other reserves <sup>(2)</sup>	Capital redemption reserve	Other components of equity	Cash flow hedge reserve	Total equity attributable to equity holders of the Company	Non- controlling interest	Total equity
<b>Balance as at April 1, 2024</b>	<b>4,139,950,635</b>	<b>2,071</b>	<b>1,550</b>	<b>69,674</b>	<b>12,104</b>	<b>169</b>	<b>2,542</b>	<b>6</b>	<b>88,116</b>	<b>345</b>	<b>88,461</b>
<b>Changes in equity for nine months ended December 31, 2024</b>											
Net profit	-	-	-	19,680	-	-	-	-	19,680	32	19,712
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	53	-	53	-	53
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	(10)	-	(10)	-	(10)
Fair value changes on derivatives designated as Cash flow hedge, net*	-	-	-	-	-	-	-	32	32	-	32
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(28)	-	(28)	1	(27)
Fair value changes on investments, net*	-	-	-	-	-	-	136	-	136	-	136
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,680</b>	<b>-</b>	<b>-</b>	<b>151</b>	<b>32</b>	<b>19,863</b>	<b>33</b>	<b>19,896</b>
Shares issued on exercise of employee stock options (Refer to note 2.11)	2,131,446	1	4	-	-	-	-	-	5	-	5
Employee stock compensation expense (Refer to note 2.11)	-	-	591	-	-	-	-	-	591	-	591
Income tax benefit arising on exercise of stock options (Refer to note 2.12)	-	-	12	-	-	-	-	-	12	-	12
Transfer on account of options not exercised	-	-	(21)	21	-	-	-	-	-	-	-
Transferred to other reserves	-	-	-	(74)	74	-	-	-	-	-	-
Transferred from other reserves to retained earnings	-	-	-	2,999	(2,999)	-	-	-	-	-	-
Transferred from other reserves on utilization	-	-	-	377	(377)	-	-	-	-	-	-
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(2)	(2)
Dividends <sup>#</sup>	-	-	-	(20,295)	-	-	-	-	(20,295)	-	(20,295)
<b>Balance as at December 31, 2024</b>	<b>4,142,082,081</b>	<b>2,072</b>	<b>2,136</b>	<b>72,382</b>	<b>8,802</b>	<b>169</b>	<b>2,693</b>	<b>38</b>	<b>88,292</b>	<b>376</b>	<b>88,668</b>

**Infosys Limited and subsidiaries**
*(In ₹ crore except equity share data)*

Condensed Consolidated Statement of Changes in Equity	Number of Shares <sup>(1)</sup>	Share capital	Share premium	Retained earnings	Other reserves <sup>(2)</sup>	Capital redemption reserve	Other components of equity	Cash flow hedge reserve	Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
<b>Balance as at April 1, 2025</b>	<b>4,143,607,528</b>	<b>2,073</b>	<b>2,180</b>	<b>80,096</b>	<b>8,298</b>	<b>169</b>	<b>3,020</b>	<b>(18)</b>	<b>95,818</b>	<b>385</b>	<b>96,203</b>
<b>Changes in equity for nine months ended December 31, 2025</b>											
Net profit	-	-	-	20,939	-	-	-	-	20,939	26	20,965
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	(52)	-	(52)	-	(52)
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	23	-	23	-	23
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	10	10	-	10
Exchange differences on translation of foreign operations	-	-	-	-	-	-	2,218	-	2,218	17	2,235
Fair value changes on investments, net*	-	-	-	-	-	-	66	-	66	-	66
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,939</b>	<b>-</b>	<b>-</b>	<b>2,255</b>	<b>10</b>	<b>23,204</b>	<b>43</b>	<b>23,247</b>
Shares issued on exercise of employee stock options (Refer to note 2.11)	2,075,935	1	1	-	-	-	-	-	2	-	2
Buyback of equity shares (Refer to note 2.18)	(100,000,000)	(50)	(1,244)	(16,706)	-	-	-	-	(18,000)	-	(18,000)
Transaction cost relating to buyback* (Refer to note 2.18)	-	-	(17)	(26)	-	-	-	-	(43)	-	(43)
Amount transferred to capital redemption reserve upon Buyback (Refer to note 2.18)	-	-	-	(50)	-	50	-	-	-	-	-
Employee stock compensation expense (Refer to note 2.11)	-	-	687	-	-	-	-	-	687	-	687
Income tax benefit arising on exercise of stock options (Refer to note 2.12)	-	-	14	-	-	-	-	-	14	-	14
Transferred on account of options not exercised	-	-	(62)	62	-	-	-	-	-	-	-
Financial liability under option arrangements	-	-	-	(10)	-	-	-	-	(10)	-	(10)
Changes in the controlling stake of a subsidiary	-	-	-	7	-	-	-	-	7	2	9
Transferred from other reserves on utilization	-	-	-	709	(709)	-	-	-	-	-	-
Transferred from other reserves to retained earnings	-	-	-	2,214	(2,214)	-	-	-	-	-	-
Dividends paid to non controlling interest of subsidiary	-	-	-	-	-	-	-	-	-	(3)	(3)
Dividends <sup>#</sup>	-	-	-	(18,653)	-	-	-	-	(18,653)	-	(18,653)
<b>Balance as at December 31, 2025</b>	<b>4,045,683,463</b>	<b>2,024</b>	<b>1,559</b>	<b>68,582</b>	<b>5,375</b>	<b>219</b>	<b>5,275</b>	<b>(8)</b>	<b>83,026</b>	<b>427</b>	<b>83,453</b>

\* net of tax

# net of treasury shares

(1) excludes treasury shares of 8,984,436 as at December 31, 2025, 9,655,927 as at April 1, 2025, 10,187,113 as at December 31, 2024 and 10,916,829 as at April 1, 2024 held by consolidated trust.

(2) Represents the Special Economic Zone Re-investment reserve 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 Group 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.

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

As per our report of even date attached

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

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No:

117366W/ W-100018

Vikas Bagaria

Partner

Membership No. 060408

Nandan M. Nilekani

Chairman

Salil Parekh

Chief Executive Officer

and Managing Director

Bobby Parikh

Director

Bengaluru

January 14, 2026

Jayesh Sanghrajka

Chief Financial Officer

A.G.S. Manikantha

Company Secretary

**Infosys Limited and subsidiaries**
**Condensed Consolidated Statement of Cash Flows**
**Accounting Policy**

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

Particulars	Note	(In ₹ crore)	
		Nine months ended December 31,	
		2025	2024
<b>Operating activities</b>			
Net Profit		20,965	19,712
<b>Adjustments to reconcile net profit to net cash provided by operating activities</b>			
Depreciation and amortization		3,478	3,512
Income tax expense	2.12	8,234	8,233
Finance cost		310	314
Interest and dividend income		(851)	(833)
Exchange differences on translation of assets and liabilities, net		637	64
Impairment loss recognized/(reversed) under expected credit loss model		88	100
Stock compensation expense		702	605
Provision for post sale client support		(61)	117
Other adjustments		1,073	557
<b>Changes in working capital</b>			
Trade receivables and unbilled revenue		(5,400)	(2,839)
Prepayments and other assets		(1,457)	198
Trade payables		537	(313)
Unearned revenue		2,596	1,110
Other liabilities and provisions		2,616	653
<b>Cash generated from operations</b>		<b>33,467</b>	<b>31,190</b>
Income taxes (paid) / received		(6,310)	(2,864)
<b>Net cash generated by operating activities</b>		<b>27,157</b>	<b>28,326</b>
<b>Investing activities</b>			
Expenditure on property, plant and equipment and intangibles		(1,771)	(1,514)
Deposits placed with corporation		(828)	(1,075)
Redemption of deposits placed with corporation		573	688
Interest and dividend received		749	773
Payment for acquisition of business, net of cash acquired	2.10	(637)	(3,155)
Payment of contingent consideration pertaining to acquisition of business		(13)	-
Escrow and other deposits pertaining to Buyback		(1,815)	-
Redemption of escrow and other deposits pertaining to Buyback		1,815	-
Other receipts		15	7
Payments to acquire Investments			
- Quoted debt securities		(4,103)	(1,363)
- Mutual fund units		(56,082)	(54,887)
- Certificates of deposit		(9,130)	(2,793)
- Commercial paper		(2,686)	(2,421)
- Other investments		(36)	(43)
Proceeds on sale of investments			
- Quoted debt securities		8,632	1,961
- Mutual fund units		56,255	54,843
- Target maturity funds units		487	-
- Certificates of deposit		9,517	5,199
- Commercial paper		5,460	7,135
- Other investments		-	11
<b>Net cash generated from investing activities</b>		<b>6,402</b>	<b>3,366</b>

<b>Financing activities</b>		
Payment of lease liabilities	(2,021)	(1,775)
Payment of dividends	(18,654)	(20,286)
Other payments	(224)	(455)
Loan repayment of in-tech Holding GmbH	-	(985)
Payment of dividends to non-controlling interests of subsidiary	(3)	(2)
Buyback of equity shares including transaction costs	(18,053)	-
Shares issued on exercise of employee stock options	2	5
<b>Net cash used in financing activities</b>	<b>(38,953)</b>	<b>(23,498)</b>
Net increase/(decrease) in cash and cash equivalents	(5,394)	8,194
Effect of exchange rate changes on cash and cash equivalents	854	(176)
Cash and cash equivalents at the beginning of the period	2.1 24,455	14,786
<b>Cash and cash equivalents at the end of the period</b>	<b>2.1 19,915</b>	<b>22,804</b>
<b>Supplementary information:</b>		
Restricted cash balance	2.1 409	424

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

*As per our report of even date attached*

for Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm's Registration No:  
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*for and on behalf of the Board of Directors of Infosys Limited*

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Director

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary

## INFOSYS LIMITED AND SUBSIDIARIES

### Overview and Notes to the Interim condensed Consolidated Financial Statements

#### 1. Overview

##### 1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

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

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

The Group's interim condensed consolidated financial statements are approved for issue by the Company's Board of Directors on January 14, 2026.

##### 1.2 Basis of preparation of financial statements

The interim condensed consolidated financial statements have been prepared in compliance with IAS 34, Interim Financial Reporting as issued by International Accounting Standards Board, under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and defined benefit liability/(asset) which is recognized at the present value of defined benefit obligation less fair value of plan assets. Accordingly, these interim condensed consolidated financial statements do not include all the information required for a complete set of financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the company's Annual Report on Form 20-F for the year ended March 31, 2025. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The material accounting policy information used in preparation of the audited interim condensed consolidated financial statements have been discussed in the respective notes.

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

##### 1.3 Basis of consolidation

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

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

##### 1.4 Use of estimates and judgments

The preparation of the interim condensed consolidated financial statements in conformity with IFRS 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 interim condensed consolidated 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. Critical Accounting estimates and judgments could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgments 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 interim condensed consolidated financial statements.

##### 1.5 Critical accounting estimates and judgments

###### a. Revenue recognition

The Group's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to the 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 maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from a fixed price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Group uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant 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 Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Group considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

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

## **b. Income taxes**

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

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

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. (Refer to Note 2.12)

## **c. Business combinations and intangible assets**

Business combinations are accounted for using IFRS 3 (Revised), Business Combinations. IFRS 3 requires us to fair value identifiable intangible assets and contingent consideration to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. These valuations are conducted by external valuation experts. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by Management. (Refer to Note 2.10 and 2.9.2).

## **d. Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer to Note 2.7).

## **e. Impairment of Goodwill**

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

The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell. Key assumptions in the cash flow projections are prepared based on current economic conditions and comprises estimated long term growth rates, weighted average cost of capital and estimated operating margins. (Refer to note 2.9.1)

## **1.6 Recent accounting pronouncements**

### **New and revised IFRS Standards in issue but not yet effective:**

IFRS 18 Presentation and Disclosures in Financial Statements	Presentation and Disclosures in Financial Statements
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Contracts Referencing Nature-dependent Electricity

### **IFRS 18 – Presentation and Disclosures in Financial Statements**

On April 9, 2024, IASB has issued IFRS 18 – Presentation and Disclosures in Financial Statements that will replace IAS 1 Presentation of Financial Statements from its effective date. IFRS 18 introduces new requirements for information presented in the primary financial statements and disclosed in the notes. The new requirements are focused on the statement of profit or loss. IFRS 18 introduces three categories for income and expenses, that is, operating, investing and financing to improve the structure of the income statement. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, although early adoption is permitted. The Group is yet to evaluate the impact of the amendment.

### **Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures**

On May 30, 2024, IASB has issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, which clarifies the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, derecognition of financial liability settled through electronic payment systems and also introduces additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

The effective date for adoption of this amendment is annual reporting periods beginning on or after January 1, 2026, although early adoption is permitted. The Group is in the process of evaluating the impact of the amendment.

On December 18, 2024, IASB has issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, relating to factors an entity is required to consider in assessing the own-use requirements for contracts to buy and take delivery of nature-dependent renewable electricity; hedge accounting treatment for nature-dependent renewable electricity and related disclosures.

The effective date for adoption of these amendments is annual reporting periods beginning on or after January 1, 2026, although early adoption is permitted. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

## 2. Notes to the Interim Condensed Consolidated Financial Statements

### 2.1 Cash and cash equivalents

Cash and cash equivalents consist of the following:

Particulars	As at	
	December 31, 2025	March 31, 2025
Cash and bank deposits	19,915	24,455
<b>Total Cash and cash equivalents</b>	<b>19,915</b>	<b>24,455</b>

Cash and cash equivalents as at December 31, 2025 and March 31, 2025 include restricted cash and bank balances of ₹409 crore and ₹424 crore, respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the Company.

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

### 2.2 Investments

The carrying value of the investments are as follows:

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>(i) Current Investments</b>		
<b>Amortized Cost</b>		
Quoted debt securities	101	169
<b>Fair Value through other comprehensive income</b>		
Quoted debt securities	606	3,211
Commercial papers	970	3,641
Certificate of deposit	3,264	3,504
<b>Fair Value through profit or loss</b>		
Mutual fund units	1,970	1,957
<b>Total current investments</b>	<b>6,911</b>	<b>12,482</b>
<b>(ii) Non-current Investments</b>		
<b>Amortized Cost</b>		
Quoted debt securities	432	1,481
<b>Fair Value through other comprehensive income</b>		
Quoted debt securities	7,948	8,666
Quoted equity securities	77	57
Unquoted equity and preference securities	175	169
<b>Fair Value through profit or loss</b>		
Target maturity fund units	-	465
Unquoted equity and preference securities	25	25
Others <sup>(1)</sup>	242	196
<b>Total non-current investments</b>	<b>8,899</b>	<b>11,059</b>
<b>Total investments</b>	<b>15,810</b>	<b>23,541</b>
Investments carried at amortized cost	533	1,650
Investments carried at fair value through other comprehensive income	13,040	19,248
Investments carried at fair value through profit or loss	2,237	2,643

<sup>(1)</sup> Uncalled capital commitments outstanding as at December 31, 2025 and March 31, 2025 was ₹94 crore and ₹122 crore, respectively.

Refer to note 2.3 for accounting policies on financial instruments.



Method of fair valuation:		(In ₹ crore)	
Class of Investment	Method	Fair value as at	
		December 31, 2025	March 31, 2025
Mutual fund units - carried at fair value through profit or loss	Quoted price	1,970	1,957
Target maturity fund units - carried at fair value through profit or loss	Quoted price	-	465
Quoted debt securities - carried at amortized cost	Quoted price and market observable inputs	551	1,812
Quoted debt securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	8,554	11,877
Commercial papers - carried at fair value through other comprehensive income	Market observable inputs	970	3,641
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	3,264	3,504
Quoted equity securities - carried at fair value through other comprehensive income	Quoted price	77	57
Unquoted equity and preference securities - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, option pricing model	25	25
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, option pricing model	175	169
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, option pricing model	242	196
<b>Total</b>		<b>15,828</b>	<b>23,703</b>

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

## 2.3 Financial instruments

### Accounting Policy

#### 2.3.1 Initial recognition

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

#### 2.3.2 Subsequent measurement

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

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

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for certain investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

###### *(iii) Financial assets carried at fair value through profit or loss (FVTPL)*

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

###### *(iv) Financial liabilities*

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration and financial liability under option arrangements recognized in a business combination which are subsequently measured at fair value through profit or loss.

##### b. Derivative financial instruments

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

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

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

Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under IFRS 9, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per IFRS 9, is categorized as a financial asset or financial liability, carried at fair value through profit or loss.

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

###### *(ii) Cash flow hedge*

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

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

#### 2.3.3 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 IFRS 9. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### 2.3.4 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, option pricing model, market multiples, and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

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

### 2.3.5 Impairment

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, 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 Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in the condensed consolidated statement of comprehensive income.

#### Financial instruments by category

The carrying value and fair value of financial instruments by categories as at December 31, 2025 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 2.1)	19,915	-	-	-	-	19,915	19,915
Investments (Refer to note 2.2)							
Mutual fund units	-	-	1,970	-	-	1,970	1,970
Quoted debt securities	533	-	-	-	8,554	9,087	9,105 <sup>(1)</sup>
Commercial Papers	-	-	-	-	970	970	970
Certificates of deposit	-	-	-	-	3,264	3,264	3,264
Quoted equity securities	-	-	-	77	-	77	77
Unquoted equity and preference securities	-	25	-	175	-	200	200
Unquoted investment others	-	-	242	-	-	242	242
Trade receivables	36,131	-	-	-	-	36,131	36,131
Unbilled revenues (Refer to note 2.17) <sup>(3)</sup>	10,537	-	-	-	-	10,537	10,537
Prepayments and other assets (Refer to note 2.4)	7,416	-	-	-	-	7,416	7,398 <sup>(2)</sup>
Derivative financial instruments	-	-	25	-	24	49	49
<b>Total</b>	<b>74,532</b>	<b>25</b>	<b>2,237</b>	<b>252</b>	<b>12,812</b>	<b>89,858</b>	<b>89,858</b>
<b>Liabilities:</b>							
Trade payables	4,826	-	-	-	-	4,826	4,826
Lease liabilities (Refer to note 2.8)	8,796	-	-	-	-	8,796	8,796
Derivative financial instruments	-	-	372	-	20	392	392
Financial liability under option arrangements (Refer to note 2.5)	-	-	756	-	-	756	756
Other liabilities including contingent consideration (Refer to note 2.5)	17,167	-	97	-	-	17,264	17,264
<b>Total</b>	<b>30,789</b>	<b>-</b>	<b>1,225</b>	<b>-</b>	<b>20</b>	<b>32,034</b>	<b>32,034</b>

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on quoted debt securities carried at amortized cost of ₹18 crore

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

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

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents (Refer to note 2.1)	24,455	-	-	-	-	24,455	24,455
Investments (Refer to note 2.2)							
Mutual fund units	-	-	1,957	-	-	1,957	1,957
Target maturity fund units	-	-	465	-	-	465	465
Quoted debt securities	1,650	-	-	-	11,877	13,527	13,689 <sup>(1)</sup>
Commercial papers	-	-	-	-	3,641	3,641	3,641
Certificates of deposit	-	-	-	-	3,504	3,504	3,504
Quoted equity securities	-	-	-	57	-	57	57
Unquoted equity and preference securities	-	25	-	169	-	194	194
Unquoted investments others	-	-	196	-	-	196	196
Trade receivables	31,158	-	-	-	-	31,158	31,158
Unbilled revenue (Refer to note 2.17) <sup>(3)</sup>	10,214	-	-	-	-	10,214	10,214
Prepayments and other assets (Refer to note 2.4)	7,210	-	-	-	-	7,210	7,130 <sup>(2)</sup>
Derivative financial instruments	-	-	164	-	28	192	192
<b>Total</b>	<b>74,687</b>	<b>25</b>	<b>2,782</b>	<b>226</b>	<b>19,050</b>	<b>96,770</b>	<b>96,852</b>
<b>Liabilities:</b>							
Trade payables	4,164	-	-	-	-	4,164	4,164
Lease liabilities (Refer to note 2.8)	8,227	-	-	-	-	8,227	8,227
Derivative financial instruments	-	-	30	-	33	63	63
Financial liability under option arrangements (Refer to note 2.5)	-	-	667	-	-	667	667
Other liabilities including contingent consideration (Refer to note 2.5)	16,511	-	31	-	-	16,542	16,542
<b>Total</b>	<b>28,902</b>	<b>-</b>	<b>728</b>	<b>-</b>	<b>33</b>	<b>29,663</b>	<b>29,663</b>

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on quoted debt securities carried at amortized cost of ₹80 crore

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

For trade receivables, trade payables, other assets and 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 fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at December 31, 2025 is as follows:

(In ₹ crore)

Particulars	As at December 31, 2025	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.2)</b>				
Investments in mutual fund units	1,970	1,970	-	-
Investments in quoted debt securities	9,105	8,985	120	-
Investments in certificates of deposit	3,264	-	3,264	-
Investments in commercial papers	970	-	970	-
Investments in quoted equity securities	77	77	-	-
Investments in unquoted equity and preference securities	200	-	-	200
Investments in unquoted investments others	242	-	-	242
<b>Others</b>				
Derivative financial instruments - gain	49	-	49	-
<b>Liabilities</b>				
Derivative financial instruments - loss	392	-	392	-
Financial liability under option arrangements (Refer to note 2.5) <sup>(1)</sup>	756	-	-	756
Liability towards contingent consideration (Refer to note 2.5) <sup>(2)</sup>	97	-	-	97

<sup>(1)</sup> Discount rate ranges from 9% to 15%

<sup>(2)</sup> Discount rate ranges from 3% to 6%

During the nine month ended December 31, 2025, quoted debt securities of ₹60 crore were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of ₹36 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2025 was as follows:

(In ₹ crore)

Particulars	As at March 31, 2025	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.2)</b>				
Investments in mutual fund units	1,957	1,957	-	-
Investments in target maturity fund units	465	465	-	-
Investments in quoted debt securities	13,689	13,099	590	-
Investments in unquoted equity and preference securities	194	-	-	194
Investments in quoted equity securities	57	57	-	-
Investments in certificates of deposit	3,504	-	3,504	-
Investments in commercial papers	3,641	-	3,641	-
Investments in unquoted investments others	196	-	-	196
<b>Others</b>				
Derivative financial instruments- gain	192	-	192	-
<b>Liabilities</b>				
Derivative financial instruments- loss	63	-	63	-
Financial liability under option arrangements (Refer to note 2.5) <sup>(1)</sup>	667	-	-	667
Liability towards contingent consideration (Refer to note 2.5) <sup>(2)</sup>	31	-	-	31

<sup>(1)</sup> Discount rate ranges from 9% to 15%

<sup>(2)</sup> Discount rate - 6%

During the year ended March 31, 2025, quoted debt securities of ₹297 crore were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price and quoted debt securities of ₹554 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

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

## 2.4 Prepayments and other assets

Prepayments and other assets consist of the following:

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Security deposits <sup>(1)</sup>	68	65
Loans to employees <sup>(1)</sup>	234	249
Prepaid expenses <sup>(2)</sup>	3,925	3,080
Interest accrued and not due <sup>(1)</sup>	362	842
Withholding taxes and others <sup>(2)(4)</sup>	3,021	2,841
Advance payments to vendors for supply of goods <sup>(2)</sup>	256	413
Deposit with corporations <sup>(1)(3)</sup>	3,170	2,949
Deferred contract cost		
Cost of obtaining a contract <sup>(2)</sup>	348	343
Cost of fulfillment <sup>(2)</sup>	617	504
Net investment in lease <sup>(1)</sup>	1,465	1,139
Other non financial assets <sup>(2)</sup>	134	91
Other financial assets <sup>(1)</sup>	547	470
<b>Total Current prepayment and other assets</b>	<b>14,147</b>	<b>12,986</b>
<b>Non-current</b>		
Security deposits <sup>(1)</sup>	276	273
Loans to employees <sup>(1)</sup>	9	16
Prepaid expenses <sup>(2)</sup>	522	282
Withholding taxes and others <sup>(2)(4)</sup>	612	534
Deposit with corporations <sup>(1)(3)</sup>	116	82
Deferred contract cost		
Cost of obtaining a contract <sup>(2)</sup>	505	312
Cost of fulfillment <sup>(2)</sup>	882	879
Defined benefit plan assets <sup>(2)</sup>	12	297
Net investment in lease <sup>(1)</sup>	1,156	1,106
Other financial assets <sup>(1)</sup>	13	19
<b>Total Non- current prepayment and other assets</b>	<b>4,103</b>	<b>3,800</b>
<b>Total prepayment and other assets</b>	<b>18,250</b>	<b>16,786</b>
<sup>(1)</sup> Financial assets carried at amortized cost	<b>7,416</b>	<b>7,210</b>

<sup>(2)</sup> Non financial assets

<sup>(3)</sup> Deposit with corporation represents amounts deposited to settle certain employee-related obligations as and when they arise during the normal course of business.

<sup>(4)</sup> Withholding taxes and others primarily consist of input tax credits and VAT recoverable from tax authorities.

## 2.5 Other liabilities

Other liabilities comprise the following:

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Accrued compensation to employees <sup>(1)</sup>	4,917	4,924
Accrued defined benefit liability <sup>(3)</sup>	30	6
Accrued expenses <sup>(1)</sup>	9,712	8,467
Withholding taxes and others <sup>(3)</sup>	3,713	3,256
Liabilities of controlled trusts <sup>(1)</sup>	173	173
Liability towards contingent consideration <sup>(2)</sup>	20	11
Capital Creditors <sup>(1)</sup>	379	520
Financial liability under option arrangements <sup>(2)(4)</sup>	630	552
Other non-financial liabilities <sup>(3)</sup>	16	11
Other financial liabilities <sup>(1)(5)</sup>	333	520
<b>Total current other liabilities</b>	<b>19,923</b>	<b>18,440</b>
<b>Non-current</b>		
Accrued expenses <sup>(1)</sup>	1,562	1,890
Accrued defined benefit liability <sup>(3)</sup>	538	115
Accrued compensation to employees <sup>(1)</sup>	29	12
Liability towards contingent consideration <sup>(2)</sup>	77	20
Financial liability under option arrangements <sup>(2)(4)</sup>	126	115
Other financial liabilities <sup>(1)(5)</sup>	62	5
Other non-financial liabilities <sup>(3)</sup>	90	100
<b>Total non-current other liabilities</b>	<b>2,484</b>	<b>2,257</b>
<b>Total other liabilities</b>	<b>22,407</b>	<b>20,697</b>
<sup>(1)</sup> Financial liability carried at amortized cost	17,167	16,511
<sup>(2)</sup> Financial liability carried at fair value through profit or loss	853	698

<sup>(3)</sup> Non financial liabilities

<sup>(4)</sup> Represents liability related to options issued by the Group over the non-controlling interests in its subsidiaries

<sup>(5)</sup> The Group entered into financing arrangements with a third party towards technology assets taken over by the Group from a customer as a part of transformation project which was not considered as distinct goods or services as the control related to those assets was not transferred to the Group in accordance with IFRS 15 - Revenue from contract with customers. As at December 31, 2025 and March 31, 2025, the financial liability pertaining to such arrangements amounts to ₹28 crore and ₹67 crore, respectively.

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

## 2.6 Provisions and other contingencies

### Accounting Policy

#### 2.6.1 Provisions

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

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.

##### a. Post sales client support

The Group provides its clients with a fixed-period post sales support on its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded and included in 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 recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognizes any impairment loss on the assets associated with that contract.

#### Provision for post sales client support and other provisions

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
Post sales client support and other provisions	1,618	1,325
Provisions pertaining to settlement (refer to note 2.6.2)	135	150
<b>Total provisions</b>	<b>1,753</b>	<b>1,475</b>

Provision for post sales client support and other provisions majorly represents cost associated with providing post sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

As at December 31, 2025 and March 31, 2025 claims against the Group, not acknowledged as debts, (excluding demands from income tax authorities - Refer to note 2.12) amounted to ₹1,192 crore and ₹1,020 crore respectively.

The amount paid to statutory authorities against the claims (excluding demands from income tax authorities - Refer to note 2.12) amounted to ₹17 crore and ₹8 crore as at December 31, 2025 and March 31, 2025, respectively.

#### 2.6.2 Legal proceedings

##### McCamish Cybersecurity incident

In November 2023, certain systems of Infosys McCamish Systems LLC ("McCamish"), a subsidiary of Infosys BPM Limited (a wholly owned subsidiary of Infosys Limited), were encrypted by ransomware, resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems. Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish processes personal data on behalf of its corporate customers.

From March 6, 2024 through July 25, 2024, six actions were filed in the U.S. District Court for the Northern District of Georgia against McCamish. The actions arise out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. All six actions have since been consolidated, and the consolidated class action complaint was filed on November 7, 2024, purportedly on behalf of all persons residing in the United States whose personally identifiable information was compromised in the incident, including all who were sent a notice of the incident. On December 20, 2024, the Court granted the parties' joint motion to stay proceedings pending the parties' efforts to resolve the lawsuit through mediation. On March 13, 2025, McCamish and the plaintiffs engaged in mediation, resulting in an in-principle agreement that sets forth the terms of a proposed settlement of the class action lawsuits against McCamish, as well as seven class action lawsuits arising out of the incident that have been filed against McCamish's customers. Under the settlement terms, McCamish has agreed to pay \$17.5 million (approximately ₹150 crore) into a fund to settle these matters. On December 18, 2025, the Court granted the final approval on the settlement. If the settlement is not appealed within 30 days, then it will become effective and resolve all allegations made in the class action lawsuits without admission of any liability.



During the three months ended March 31, 2025, McCamish had recorded an accrual of \$17.5 million (approximately ₹150 crore) related to the settlement and had recognized an insurance reimbursement receivable of \$17 million (approximately ₹145 crore) which has been offset against the settlement expense of \$17.5 million (approximately ₹150 crore) in the Statement of Comprehensive Income. McCamish may incur additional costs including from indemnities or damages/claims, which are indeterminable at this time.

#### **Government Investigation**

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

#### **Others**

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

## 2.7 Property, plant and equipment

### Accounting Policy

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

Building	22-25 years
Plant and machinery <sup>(1)</sup>	5 years
Computer equipment	3-5 years
Furniture and fixtures	5 years
Vehicles	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

<sup>(1)</sup> Includes solar plant with a useful life of 25 years

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

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

### Impairment

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

If such assets are considered to be impaired, the impairment to be recognized in net profit in the interim condensed consolidated statement of comprehensive income 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 net profit in the consolidated statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2025 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
<b>Gross carrying value as at October 1, 2025</b>	<b>1,497</b>	<b>11,781</b>	<b>5,530</b>	<b>9,554</b>	<b>3,318</b>	<b>45</b>	<b>31,725</b>
Additions	7	20	43	419	47	-	536
Deletions**	(66)	(6)	(34)	(488)	(51)	-	(645)
Translation difference	-	30	5	10	11	-	56
<b>Gross carrying value as at December 31, 2025</b>	<b>1,438</b>	<b>11,825</b>	<b>5,544</b>	<b>9,495</b>	<b>3,325</b>	<b>45</b>	<b>31,672</b>
<b>Accumulated depreciation as at October 1, 2025</b>	<b>-</b>	<b>(5,598)</b>	<b>(4,561)</b>	<b>(7,156)</b>	<b>(2,774)</b>	<b>(40)</b>	<b>(20,129)</b>
Depreciation	-	(113)	(84)	(270)	(61)	-	(528)
Accumulated depreciation on deletions**	-	-	34	483	50	-	567
Translation difference	-	(10)	(5)	(6)	(10)	-	(31)
<b>Accumulated depreciation as at December 31, 2025</b>	<b>-</b>	<b>(5,721)</b>	<b>(4,616)</b>	<b>(6,949)</b>	<b>(2,795)</b>	<b>(40)</b>	<b>(20,121)</b>
Capital work-in progress as at October 1, 2025							1,296
<b>Carrying value as at October 1, 2025</b>	<b>1,497</b>	<b>6,183</b>	<b>969</b>	<b>2,398</b>	<b>544</b>	<b>5</b>	<b>12,892</b>
Capital work-in progress as at December 31, 2025							1,459
<b>Carrying value as at December 31, 2025</b>	<b>1,438</b>	<b>6,104</b>	<b>928</b>	<b>2,546</b>	<b>530</b>	<b>5</b>	<b>13,010</b>

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
<b>Gross carrying value as at October 1, 2024</b>	<b>1,430</b>	<b>11,800</b>	<b>5,429</b>	<b>8,714</b>	<b>3,432</b>	<b>47</b>	<b>30,852</b>
Additions	-	6	68	266	51	1	392
Deletions*	-	(65)	(35)	(228)	(37)	-	(365)
Translation difference	-	(25)	(4)	(18)	(13)	-	(60)
<b>Gross carrying value as at December 31, 2024</b>	<b>1,430</b>	<b>11,716</b>	<b>5,458</b>	<b>8,734</b>	<b>3,433</b>	<b>48</b>	<b>30,819</b>
<b>Accumulated depreciation as at October 1, 2024</b>	<b>-</b>	<b>(5,151)</b>	<b>(4,331)</b>	<b>(6,771)</b>	<b>(2,777)</b>	<b>(42)</b>	<b>(19,072)</b>
Depreciation	-	(111)	(87)	(309)	(70)	(1)	(578)
Accumulated depreciation on deletions*	-	6	24	224	31	-	285
Translation difference	-	9	4	10	12	-	35

Accumulated depreciation as at December 31, 2024	-	(5,247)	(4,390)	(6,846)	(2,804)	(43)	(19,330)
Capital work-in progress as at October 1, 2024							676
Carrying value as at October 1, 2024	1,430	6,649	1,098	1,943	655	5	12,456
Capital work-in progress as at December 31, 2024							858
Carrying value as at December 31, 2024	1,430	6,469	1,068	1,888	629	5	12,347

The changes in the carrying value of property, plant and equipment for the nine months ended December 31, 2025 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at April 1, 2025	1,477	11,721	5,438	9,306	3,300	48	31,290
Additions	27	29	143	1,038	99	1	1,337
Additions - Business Combination (Refer to Note 2.10)	-	-	-	3	-	-	3
Deletions**	(66)	(11)	(59)	(923)	(124)	(4)	(1,187)
Translation difference	-	86	22	71	50	-	229
Gross carrying value as at December 31, 2025	1,438	11,825	5,544	9,495	3,325	45	31,672
Accumulated depreciation as at April 1, 2025	-	(5,358)	(4,402)	(7,013)	(2,696)	(43)	(19,512)
Depreciation	-	(336)	(254)	(800)	(179)	(1)	(1,570)
Accumulated depreciation on deletions**	-	1	58	907	123	4	1,093
Translation difference	-	(28)	(18)	(43)	(43)	-	(132)
Accumulated depreciation as at December 31, 2025	-	(5,721)	(4,616)	(6,949)	(2,795)	(40)	(20,121)
Capital work-in progress as at April 1, 2025							1,022
Carrying value as at April 1, 2025	1,477	6,363	1,036	2,293	604	5	12,800
Capital work-in progress as at December 31, 2025							1,459
Carrying value as at December 31, 2025	1,438	6,104	928	2,546	530	5	13,010

\*\* During the three months and nine months ended December 31, 2025, certain assets which were not in use having gross book value of ₹369 crore (net book value: Nil) and ₹842 crore (net book value: Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the nine months ended December 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as at April 1, 2024	1,430	11,770	5,341	8,611	3,390	45	30,587
Additions	-	38	195	620	145	2	1,000
Additions - Business Combination (Refer to Note 2.10)	-	1	11	6	23	2	43
Deletions*	-	(107)	(90)	(493)	(127)	(1)	(818)
Translation difference	-	14	1	(10)	2	-	7
Gross carrying value as at December 31, 2024	1,430	11,716	5,458	8,734	3,433	48	30,819
Accumulated depreciation as at April 1, 2024	-	(4,921)	(4,182)	(6,380)	(2,692)	(42)	(18,217)
Depreciation	-	(335)	(286)	(957)	(231)	(2)	(1,811)
Accumulated depreciation on deletions*	-	12	79	483	120	1	695
Translation difference	-	(3)	(1)	8	(1)	-	3
Accumulated depreciation as at December 31, 2024	-	(5,247)	(4,390)	(6,846)	(2,804)	(43)	(19,330)
Capital work-in progress as at April 1, 2024							448
Carrying value as at April 1, 2024	1,430	6,849	1,159	2,231	698	3	12,818
Capital work-in progress as at December 31, 2024							858
Carrying value as at December 31, 2024	1,430	6,469	1,068	1,888	629	5	12,347

\* During the three months and nine months ended December 31, 2024, certain assets which were not in use having gross book value of ₹171 crore (net book value: Nil) and ₹400 crore (net book value: Nil), respectively were retired.

The aggregate depreciation expense is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

Repairs and maintenance costs are recognized in the interim condensed consolidated statement of comprehensive income when incurred.

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

The Group had contractual commitments for capital expenditure primarily comprising of commitments for infrastructure facilities and computer equipment aggregating to ₹1,137 crore and ₹935 crore as at December 31, 2025 and March 31, 2025, respectively.

## 2.8 Leases

### Accounting Policy

#### The Group as a lessee

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

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

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

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

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

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

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

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

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

#### The Group as a lessor

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

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

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

Following are the changes in the carrying value of right-of-use assets for the three months ended December 31, 2025:

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
<b>Balance as at October 1, 2025</b>	<b>600</b>	<b>3,329</b>	<b>24</b>	<b>2,437</b>	<b>6,390</b>
Additions <sup>(1)</sup>	-	131	4	406	541
Deletions	(54)	(13)	(2)	(320)	(389)
Depreciation	(2)	(188)	(2)	(267)	(459)
Translation difference	4	11	-	17	32
<b>Balance as at December 31, 2025</b>	<b>548</b>	<b>3,270</b>	<b>24</b>	<b>2,273</b>	<b>6,115</b>

<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 three months ended December 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
<b>Balance as of October 1, 2024</b>	<b>604</b>	<b>3,481</b>	<b>23</b>	<b>2,584</b>	<b>6,692</b>
Additions <sup>(1)</sup>	-	147	5	262	414
Deletions	-	(97)	-	(145)	(242)
Depreciation	(2)	(186)	(2)	(269)	(459)
Translation difference	(1)	(6)	(2)	(51)	(60)
<b>Balance as at December 31, 2024</b>	<b>601</b>	<b>3,339</b>	<b>24</b>	<b>2,381</b>	<b>6,345</b>

<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 nine months ended December 31, 2025:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
<b>Balance as of April 1, 2025</b>	<b>600</b>	<b>3,348</b>	<b>24</b>	<b>2,339</b>	<b>6,311</b>
Additions <sup>(1)</sup>	-	424	7	1,263	1,694
Deletions	(54)	(32)	(2)	(689)	(777)
Depreciation	(5)	(562)	(8)	(843)	(1,418)
Translation difference	7	92	3	203	305
<b>Balance as of December 31, 2025</b>	<b>548</b>	<b>3,270</b>	<b>24</b>	<b>2,273</b>	<b>6,115</b>

<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 nine months ended December 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
<b>Balance as of April 1, 2024</b>	<b>605</b>	<b>3,298</b>	<b>17</b>	<b>2,632</b>	<b>6,552</b>
Additions <sup>(1)</sup>	-	532	11	936	1,479
Addition due to Business Combination (Refer to Note 2.10)	-	155	5	-	160
Deletions	-	(132)	(6)	(460)	(598)
Depreciation	(5)	(534)	(8)	(742)	(1,289)
Translation difference	1	20	5	15	41
<b>Balance as of December 31, 2024</b>	<b>601</b>	<b>3,339</b>	<b>24</b>	<b>2,381</b>	<b>6,345</b>

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

The aggregate depreciation expense on ROU assets is included in cost of sales in the interim condensed consolidated statement of comprehensive income.

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

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
Current lease liabilities	2,985	2,455
Non-current lease liabilities	5,811	5,772
<b>Total</b>	<b>8,796</b>	<b>8,227</b>

## 2.9 Goodwill and Intangible assets

### 2.9.1 Goodwill

#### Accounting Policy

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

#### Impairment

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

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

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Carrying value at the beginning</b>	<b>10,106</b>	<b>7,303</b>
Goodwill on acquisitions (Refer to note 2.10)	444	2,593
Translation differences	1,084	210
<b>Carrying value at the end</b>	<b>11,634</b>	<b>10,106</b>

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGUs or groups of CGUs, which are benefited from the synergies of the acquisition.

### 2.9.2 Intangible assets

#### Accounting Policy

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

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

#### Impairment

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

If such assets are considered to be impaired, the impairment to be recognized in net profit in the statement of comprehensive income 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 net profit in the statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization) had no impairment loss been recognized for the asset in prior years.

## 2.10 Business combinations

### Accounting policy

Business combinations have been accounted for using the acquisition method under the provisions of IFRS 3 (Revised), Business Combinations.

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

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

Business combinations between entities under common control is outside the scope of IFRS 3 (Revised), Business Combinations and is accounted for at carrying value of assets acquired and liabilities assumed.

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

### Acquisition

During the nine months ended December 31, 2025 the Group, completed two business combinations by acquiring 100% partnership interests/voting interests in:

1) MRE Consulting Ltd., a leading Energy and business consulting services company, headquartered in Texas, U.S. on April 30, 2025, which is expected to bring newer capabilities for the Group in trading and risk management, especially in the energy sector.

2) The Missing Link Security Pty. Ltd., The Missing Link Security Limited and The Missing Link Automation Pty. Ltd. (collectively known as "The Missing Link"), a leading Cybersecurity service provider headquartered in Australia on April 30, 2025, which is expected to further strengthen the Group's capabilities in the cybersecurity sector and bolster its presence in the fast growing Australian Market.

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

<i>(In ₹ crore)</i>			
Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets <sup>(1)</sup>	116	-	116
Intangible assets:			
Customer related <sup>#</sup>	-	222	222
Vendor relationship <sup>#</sup>	-	55	55
Brand <sup>#</sup>	-	20	20
Deferred tax liabilities on intangible assets	-	(46)	(46)
<b>Total</b>	<b>116</b>	<b>251</b>	<b>367</b>
Goodwill			444
<b>Total purchase price</b>			<b>811</b>

<sup>(1)</sup> Includes cash and cash equivalents acquired of ₹102 crore

<sup>#</sup> The estimated useful life is around 1 year to 7 years

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

Goodwill amounting to ₹79 crore is expected to be deductible for tax purposes.

The total purchase consideration of ₹811 crore includes upfront cash consideration of ₹741 crore and contingent consideration with an estimated fair value of ₹70 crore as on the date of acquisition.

At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rates ranging from 2% - 3%. The undiscounted value of contingent consideration as of December 31, 2025 was approximately ₹81 crore.

Additionally, these acquisitions have retention bonus and management incentives payable to the employees of the acquiree over 2-3 years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Retention bonus and management incentives are recognized in employee benefit expenses in the Statement of Comprehensive Income over the period of service.

Fair value of trade receivables acquired is ₹194 crore as of acquisition date and as of December 31, 2025, the amounts are substantially collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹34 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Comprehensive Income for the nine months ended December 31, 2025.

### Proposed Acquisition

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



## 2.11 Employees' Stock Option Plans (ESOP)

### Accounting Policy

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

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

On June 22, 2019 pursuant to the approval by the shareholders in the Annual General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the 2019 Plan. The maximum number of shares under the 2019 plan shall not exceed 50,000,000 equity shares. To implement the 2019 Plan, up to 45,000,000 equity shares may be issued by way of secondary acquisition of shares by the Infosys Expanded Stock Ownership Trust. The Restricted Stock Units (RSUs) granted under the 2019 plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) against selected industry peers and certain broader market domestic and global indices and operating performance metrics of the company as decided by administrator. Each of the above performance parameters will be distinct for the purposes of calculation of quantity of shares to vest based on performance. These instruments will generally vest between a minimum of 1 to maximum of 3 years from the grant date.

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

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board was authorized to introduce, offer, issue and allot share-based incentives to eligible employees of the Company and its subsidiaries under the 2015 Stock Incentive Compensation Plan. The maximum number of shares under the 2015 plan shall not exceed 24,038,883 equity shares (this includes 11,223,576 equity shares which are held by the trust towards the 2011 Plan as at March 31, 2016). These instruments will generally vest over a period of 4 years. The plan numbers mentioned above are further adjusted with the September 2018 bonus issue.

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

Controlled trust holds 8,984,436 and 9,655,927 shares as at December 31, 2025 and March 31, 2025, respectively under the 2015 plan, out of these shares 200,000 equity shares each have been earmarked for welfare activities of the employees as at December 31, 2025 and March 31, 2025.

The following is the summary of grants during three months and nine months ended December 31, 2025 and December 31, 2024:

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>2015 Plan: RSU</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	277,077	295,168
Employees other than KMP	109,893	22,880	117,293	152,220
	<b>109,893</b>	<b>22,880</b>	<b>394,370</b>	<b>447,388</b>
<b>2015 Plan: Employee Stock Options (ESOPs)</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	237,370	-
Employees other than KMP	-	-	5,412,790	-
	-	-	<b>5,650,160</b>	-
<b>Cash settled RSUs</b>				
Key Management Personnel (KMP)	-	-	-	-
Employees other than KMP	-	-	108,180	-
	-	-	<b>108,180</b>	-
<b>Total Grants under 2015 Plan</b>	<b>109,893</b>	<b>22,880</b>	<b>6,152,710</b>	<b>447,388</b>
<b>2019 Plan: RSU</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	66,366	70,699
Employees other than KMP	3,065	-	3,065	6,848
	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>
<b>Total Grants under 2019 Plan</b>	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>

**Notes on grants to KMP:**

**CEO & MD**

**Under the 2015 plan:**

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

- 230,621 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.

- 13,273 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.

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

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of December 31, 2025, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with IFRS 2, Share based payments. The grant date for this purpose in accordance with IFRS 2, Share based payments is July 1, 2022.

**Under the 2019 plan:**

The Board, on April 17, 2025, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2026 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 66,366 performance based RSU's were granted effective May 2, 2025.

**Other KMP**

**Under the 2015 plan:**

During the nine months ended December 31, 2025, based on recommendations of Nomination and Remuneration Committee, the Board approved time based grants of 237,370 ESOPs to Other KMP under the 2015 Plan. These stock options will vest over a period of 4 years and shall be exercisable within the period as approved by the Committee. The exercise price of the stock options would be the market price as on the date of grant.

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

Particulars	(in ₹ crore)			
	Three months ended		Nine months ended	
	December 31,		December 31,	
	2025	2024	2025	2024
<i>Granted to:</i>				
KMP	17	17	53	52
Employees other than KMP	213	168	649	553
<b>Total <sup>(1)</sup></b>	<b>230</b>	<b>185</b>	<b>702</b>	<b>605</b>
<sup>(1)</sup> Cash settled stock compensation expense included in the above	6	2	15	14

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

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

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

Particulars	For options granted in					
	Fiscal 2026- Equity Shares- RSU	Fiscal 2026- ADR RSU	Fiscal 2026- Equity Shares- ESOP	Fiscal 2026- ADS-ESOP	Fiscal 2025- Equity Shares-RSU	Fiscal 2025- ADS-RSU
Weighted average share price (₹) / (\$ ADS)	1,505	16.57	1,554	17.93	1,437	18.42
Exercise price (₹) / (\$ ADS)	5.00	0.10	1,554	17.93	5.00	0.07
Expected volatility (%)	23-26	25-26	25-28	26-30	21-26	23-28
Expected life of the option (years)	1-4	1-4	3-7	3-7	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	6	4	6	4	7	4-5
Weighted average fair value as on grant date (₹) / (\$ ADS)	1,354	15.16	390	4.09	1,319	16.94

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

## 2.12 Income Taxes

### Accounting policy

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

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

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

Income tax expense in the interim condensed consolidated statement of comprehensive income comprises:

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>Current taxes</b>				
Domestic taxes	2,106	2,450	6,884	7,093
Foreign taxes	765	752	2,219	2,253
	<b>2,871</b>	<b>3,202</b>	<b>9,103</b>	<b>9,346</b>
<b>Deferred taxes</b>				
Domestic taxes	(210)	(209)	(550)	(705)
Foreign taxes	(98)	(145)	(319)	(408)
	<b>(308)</b>	<b>(354)</b>	<b>(869)</b>	<b>(1,113)</b>
<b>Income tax expense</b>	<b>2,563</b>	<b>2,848</b>	<b>8,234</b>	<b>8,233</b>

Income tax expense for the three months ended December 31, 2025 and December 31, 2024 includes reversal (net of provisions) of ₹77 crore and provisions (net of reversal) of ₹106 crore, respectively. Income tax expense for the nine months ended December 31, 2025 and December 31, 2024 includes provisions (net of reversal) of ₹38 crore and provisions (net of reversal) of ₹249 crore, respectively. These provisions and reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

Deferred income tax for the three months and nine months ended December 31, 2025 and December 31, 2024 substantially relates to origination and reversal of temporary differences.

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

As at December 31, 2025, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹2,054 crore.

As at March 31, 2025, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹1,933 crore.

The amount paid to statutory authorities against the tax claims amounted to ₹1,693 crore and ₹4,199 crore as at December 31, 2025 and March 31, 2025, respectively.

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

## 2.13 Earnings per equity share

### Accounting Policy

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

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

## 2.14 Related party transactions

Refer to note 2.14 "Related party transactions" in the Company's 2025 Consolidated financial statements under IFRS in Indian rupee for the full names and other details of the Company's subsidiaries and controlled trusts.

### Changes in Subsidiaries

During the nine months ended December 31, 2025, the following are the changes in the subsidiaries:

- Infosys Energy Consulting Services LLC , a wholly-owned subsidiary of Infosys Nova Holdings LLC was incorporated on April 16, 2025.
- Infosys Saudi Arabia LLC, a wholly-owned subsidiary of Infosys Limited was incorporated on April 21, 2025.
- Infosys Australia Technology Service Pty Ltd, a wholly-owned subsidiary of Infosys Singapore Pte. Limited was incorporated on April 23, 2025.
- On April 30, 2025, Infosys Nova Holdings LLC , a wholly owned subsidiary of Infosys Limited, acquired 98.21% of partnership interests in MRE Consulting Ltd along with its subsidiary MRE Technology Services, LLC. The remaining 1.79% was acquired by Infosys Energy Consulting Services LLC , a Wholly-owned subsidiary of Infosys Nova Holdings LLC.
- On April 30, 2025, Infosys Australia Technology Service Pty Ltd, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in The Missing Link Automation Pty Ltd, The Missing Link Network Integration Pty Ltd and The Missing Link Security Pty Ltd along with its subsidiary The Missing Link Security Ltd
- in-tech Automotive Engineering de. R L de. C V, a wholly-owned subsidiary of in-tech GmbH has been liquidated effective May 07, 2025.
- On May 13, 2025, Infosys Singapore Pte Ltd diluted 2% stake of HIPUS Co., Ltd to Mitsubishi Heavy Industries, Ltd.
- Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM UK Limited was incorporated on July 28, 2025
- Infosys Germany GmbH, a Wholly-owned subsidiary of Infosys Singapore Pte Ltd merged into Infosys Germany SE (formerly known as Blitz 24-893 SE) effective September 24, 2025
- in-tech Engineering services S.R.L, (Wholly-owned subsidiary of in-tech GmbH) merged into ProIT (Wholly-owned subsidiary of in-tech GmbH) effective November 30, 2025

### Transactions with key management personnel

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

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Salaries and other short term employee benefits to whole-time directors and executive officers <sup>(1)(2)</sup>	29	28	89	84
Commission and other benefits to non-executive/ independent directors	6	5	15	14
<b>Total</b>	<b>35</b>	<b>33</b>	<b>104</b>	<b>98</b>

<sup>(1)</sup> Total employee stock compensation expense for the three months ended December 31, 2025 and December 31, 2024 includes a charge of ₹17 crore and ₹17 crore respectively, towards key management personnel. For the nine months ended December 31, 2025 and December 31, 2024, includes a charge of ₹53 crore and ₹52 crore respectively, towards key management personnel. (Refer note 2.11)

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

## 2.15 Segment reporting

IFRS 8 Operating Segments establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

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

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

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

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

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

### 2.15.1 Business segments

For the Three months ended December 31, 2025 and December 31, 2024

(In ₹ crore)								
Particulars	Financial Services <sup>(1)</sup>	Manufacturing	Energy, Utilities, Resources and Services	Retail <sup>(2)</sup>	Communication <sup>(3)</sup>	Hi-Tech	Life Sciences <sup>(4)</sup>	All other segments <sup>(5)</sup>
Revenue	12,817	7,570	6,016	5,829	5,518	3,371	3,267	1,091
	11,589	6,479	5,635	5,746	4,688	3,279	3,195	1,153
Identifiable operating expenses	7,221	4,584	3,356	2,848	3,539	2,008	2,007	721
	6,859	4,128	3,229	2,803	3,067	1,914	1,906	781
Allocated expenses	2,360	1,251	1,167	1,114	1,043	596	562	303
	2,051	994	878	968	803	549	470	249
<b>Segment Profit</b>	<b>3,236</b>	<b>1,735</b>	<b>1,493</b>	<b>1,867</b>	<b>936</b>	<b>767</b>	<b>698</b>	<b>67</b>
	2,679	1,357	1,528	1,975	818	816	819	123
Unallocable expenses*								
								2,444
								1,203
<b>Operating profit</b>								<b>8,355</b>
								8,912
Other income, net								974
								859
Finance cost								100
								101
<b>Profit before income taxes</b>								<b>9,229</b>
								9,670
Income tax expense								2,563
								2,848
<b>Net profit</b>								<b>6,666</b>
								6,822
Depreciation and amortization								<b>1,155</b>
								1,203
Non-cash expenses other than depreciation and amortization								-
								-

<sup>(1)</sup> Financial Services include enterprises in Financial Services and Insurance

<sup>(2)</sup> Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics

<sup>(3)</sup> Communication includes enterprises in Communication, Telecom OEM and Media

<sup>(4)</sup> Life Sciences includes enterprises in Life sciences and Health care

<sup>(5)</sup> Others include operating segments of businesses in India, Japan, China, Infosys Public Services & identified enterprises in Public Services

For the Nine months ended December 31, 2025 and December 31, 2024

(In ₹ crore)

Particulars	Financial Services <sup>(1)</sup>	Manufacturing	Energy, Utilities, Resources and Services	Retail <sup>(2)</sup>	Communication <sup>(3)</sup>	Hi-Tech	Life Sciences <sup>(4)</sup>	All other segments <sup>(5)</sup>	Total
Revenue	36,932	21,721	17,704	17,119	16,013	10,370	8,874	3,515	132,248
	33,561	18,680	16,402	16,619	14,311	9,692	9,065	3,734	122,064
Identifiable operating expenses	20,900	13,297	9,979	8,577	10,273	6,312	5,519	2,186	77,043
	19,206	11,984	9,111	8,195	9,346	5,587	5,527	2,372	71,328
Allocated expenses	6,765	3,521	3,289	3,264	2,906	1,760	1,569	853	23,927
	6,205	3,035	2,771	2,931	2,459	1,681	1,493	800	21,375
<b>Segment Profit</b>	<b>9,267</b>	<b>4,903</b>	<b>4,436</b>	<b>5,278</b>	<b>2,834</b>	<b>2,298</b>	<b>1,786</b>	<b>476</b>	<b>31,278</b>
	8,150	3,661	4,520	5,493	2,506	2,424	2,045	562	29,361
Unallocable expenses*									4,767
									3,512
<b>Operating profit</b>									<b>26,511</b>
									25,849
Other income, net									2,998
									2,410
Finance cost									310
									314
<b>Profit before income taxes</b>									<b>29,199</b>
									27,945
Income tax expense									8,234
									8,233
<b>Net profit</b>									<b>20,965</b>
									19,712
Depreciation and amortization									3,478
									3,512
Non-cash expenses other than depreciation and amortization									-
									-

<sup>(1)</sup> Financial Services include enterprises in Financial Services and Insurance

<sup>(2)</sup> Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics

<sup>(3)</sup> Communication includes enterprises in Communication, Telecom OEM and Media

<sup>(4)</sup> Life Sciences includes enterprises in Life sciences and Health care

<sup>(5)</sup> Others include operating segments of businesses in India, Japan, China, Infosys Public Services & identified enterprises in Public Services

\* Unallocable expense includes impact of ₹1,289 crore towards impact of Labour Codes for the three months and nine months ended December 31, 2025. (Refer to note 2.19.4)

## 2.15.2 Significant clients

No client individually accounted for more than 10% of the revenues for the three months and nine months ended December 31, 2025 and December 31, 2024, respectively.

## 2.16 Revenue from Operations

### Accounting Policy

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

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

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

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

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

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

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

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

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the 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 on a straight line basis over the period in which the services are rendered.

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

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

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

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

Capitalized contract costs relating to upfront payments to customers are amortized to revenue and other capitalized costs are amortized to cost of sales 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 interim condensed Consolidated Statement of Comprehensive Income.



Revenues for the three months and nine months ended December 31, 2025 and December 31, 2024 is as follows:

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Revenue from software services	43,257	39,766	125,980	116,395
Revenue from products and platforms	2,222	1,998	6,268	5,669
<b>Total revenue from operations</b>	<b>45,479</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>

#### Products & platforms

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

#### Disaggregated revenue information

Revenue disaggregation by business segments has been included in segment information (Refer note 2.15). The table below presents disaggregated revenues from contracts with customers by geography and contract type. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

For the three months and nine months ended December 31, 2025 and December 31, 2024

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>Revenues by Geography<sup>*</sup></b>				
North America	25,422	24,404	74,316	71,053
Europe	14,850	12,430	42,313	35,824
India	1,279	1,293	3,885	3,808
Rest of the world	3,928	3,637	11,734	11,379
<b>Total</b>	<b>45,479</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>

<sup>\*</sup> Geographical revenues is based on the domicile of customer.

The percentage of revenue from fixed-price contracts for each of the three months ended December 31, 2025 and December 31, 2024 is 55%. The percentage of revenue from fixed-price contracts for each of the nine months ended December 31, 2025 and December 31, 2024 is 54%.

#### Trade Receivables and Contract Balances

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the consolidated statement of balance sheet.

#### 2.17 Unbilled Revenue

Particulars	As at	
	December 31, 2025	March 31, 2025
Unbilled financial asset <sup>(1)</sup>	10,537	10,214
Unbilled non financial asset <sup>(2)</sup>	4,756	4,869
<b>Total</b>	<b>15,293</b>	<b>15,083</b>

<sup>(1)</sup> Right to consideration is unconditional and is due only after a passage of time.

<sup>(2)</sup> Right to consideration is dependent on completion of contractual milestones.

## **2.18 Equity**

### **Accounting policy**

#### **Ordinary Shares**

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

#### **Treasury Shares**

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

### **Description of reserves**

#### **Retained earnings**

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

#### **Share premium**

The amount received in excess of the par value of equity shares has been classified as share premium. Additionally, share-based compensation recognized in net profit in the condensed consolidated statement of comprehensive income is credited to share premium. Amounts have been utilized for bonus issue and share buyback from share premium account.

#### **Other 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.

#### **Capital Redemption Reserve**

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

#### **Cash flow hedge reserve**

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

#### **Other components of equity**

Other components of equity include currency translation, re-measurement of net defined benefit liability/asset, fair value changes of equity instruments fair valued through other comprehensive income, changes on fair valuation of investments, net of taxes.

### **2.18.1 Voting**

Each holder of equity shares is entitled to one vote per share. The equity shares represented by American Depositary Shares (ADS) carry similar rights to voting and dividends as the other equity shares. Each ADS represents one underlying equity share.

### **2.18.2 Liquidation**

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

### **2.18.3 Share options**

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

### **2.18.4 Share capital and share premium**

The Company has only one class of shares referred to as equity shares having a par value of ₹5/- each. 8,984,436 shares and 9,655,927 shares were held by controlled trust, as at December 31, 2025 and March 31, 2025, respectively.

## 2.18.5 Capital allocation policy

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

Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any). Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes.

### Buyback completed in December 2025

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

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of December 31, 2025, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

### Dividend

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

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

The amount of per share dividend recognized as distribution to equity shareholders is as follows:

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Interim dividend for fiscal 2026	23.00	-	23.00	-
Final dividend for fiscal 2025	-	-	22.00	-
Interim dividend for fiscal 2025	-	21.00	-	21.00
Special dividend for fiscal 2024	-	-	-	8.00
Final dividend for fiscal 2024	-	-	-	20.00

The Board of Directors in their meeting held on April 17, 2025 recommended a final dividend of ₹22/- per equity share for the financial year ended March 31, 2025. The same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 25, 2025 which resulted in a net cash outflow of ₹9,119 crore, excluding dividend paid on treasury shares. The final dividend was paid on June 30, 2025.

The Board of Directors in their meeting held on October 16, 2025 declared an interim dividend of ₹23/- per equity share which resulted in a net cash outflow of ₹9,534 crore, excluding dividend paid on treasury shares.

## **2.19 Break-up of expenses and other income, net**

### **Accounting policy**

#### **Gratuity and Pensions**

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

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

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

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

#### **Provident fund**

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

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

#### **Superannuation**

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

#### **Compensated absences**

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

**Other income, net**

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

**Foreign currency****Accounting policy***Functional currency*

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

*Transactions and translations*

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

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

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

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

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

**Government grants**

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

**Operating Profits**

Operating profit of the Group is computed considering the revenues, net of cost of sales, selling and marketing expenses and administrative expenses.

The table below provides details of break-up of expenses:

#### 2.19.1 Cost of sales

(In ₹ crore)

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Employee benefit costs (Refer to note 2.19.4)	22,752	19,316	64,157	57,534
Depreciation and amortization	1,155	1,203	3,478	3,512
Travelling costs	317	279	985	908
Cost of technical sub-contractors	4,092	3,300	11,469	9,659
Cost of software packages for own use	678	586	1,955	1,726
Third party items bought for service delivery to clients	3,262	3,995	9,665	10,199
Consultancy and professional charges	(5)	57	(5)	230
Communication costs	78	71	232	226
Repairs and maintenance	158	130	456	370
Provision for post-sales client support and other provisions	35	91	(61)	117
Others	130	92	345	290
<b>Total</b>	<b>32,652</b>	<b>29,120</b>	<b>92,676</b>	<b>84,771</b>

#### 2.19.2 Selling and marketing expenses

(In ₹ crore)

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Employee benefit costs (Refer to note 2.19.4)	1,751	1,418	5,028	4,289
Travelling costs	120	103	381	302
Branding and marketing	310	273	985	876
Communication costs	5	2	11	8
Consultancy and professional charges	65	37	207	111
Others	41	6	112	45
<b>Total</b>	<b>2,292</b>	<b>1,839</b>	<b>6,724</b>	<b>5,631</b>

#### 2.19.3 Administrative expenses

(In ₹ crore)

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Employee benefit costs (Refer to note 2.19.4)	908	702	2,511	2,111
Consultancy and professional charges	426	365	1,227	1,013
Repairs and maintenance	290	264	838	782
Power and fuel	56	51	169	172
Communication costs	76	84	219	239
Travelling costs	73	57	198	165
Impairment loss recognized/(reversed) under expected credit loss model	54	5	88	100
Rates and taxes	72	61	242	268
Insurance charges	87	72	250	221
Commission to non-whole time directors	5	5	14	13
Contribution towards Corporate Social Responsibility	181	164	446	493
Others*	(48)	63	135	236
<b>Total</b>	<b>2,180</b>	<b>1,893</b>	<b>6,337</b>	<b>5,813</b>

\*Includes profit on sale of property plant and equipment amounting to ₹165 crore for the three months ended December 31, 2025.

#### 2.19.4 Impact of Labour Codes

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to leave. The Group has assessed the financial implications of these changes which has resulted in increase in gratuity liability arising out of past service cost and increase in leave liability by ₹1,289 crore which is recognized in the Consolidated Statement of Comprehensive Income for the three months and nine months ended December 31, 2025. The Group continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of the employee benefits liability.

## 2.19.5 Other income, net

Other income for the three months and nine months ended December 31, 2025 and December 31, 2024 is as follows:

(In ₹ crore)

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Interest income on financial assets carried at amortized cost	370	396	1,350	1,106
Interest income on financial assets carried at fair value through other comprehensive income	228	195	802	741
Gain/(loss) on investments carried at fair value through profit or loss	79	52	210	233
Gain/(loss) on investments carried at fair value through other comprehensive income	17	-	17	2
Gain/(loss) on investments carried at amortized cost	-	-	81	-
Exchange gains / (losses) on forward and options contracts	(146)	231	(1,495)	(135)
Exchange gains / (losses) on translation of other assets and liabilities	312	(104)	1,852	285
Others	114	89	181	178
<b>Total</b>	<b>974</b>	<b>859</b>	<b>2,998</b>	<b>2,410</b>

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

Nandan M. Nilekani  
Chairman

Salil Parekh  
Chief Executive Officer  
and Managing Director

Bobby Parikh  
Director

Jayesh Sanghrajka  
Chief Financial Officer

A.G.S. Manikantha  
Company Secretary

Bengaluru  
January 14, 2026

**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED**

**Report on the Audit of the Interim Condensed Standalone Financial Statements**

**Opinion**

We have audited the accompanying interim condensed standalone financial statements of **INFOSYS LIMITED** (the "Company"), which comprise the Condensed Balance Sheet as at December 31, 2025, the Condensed Statement of Profit and Loss (including Other Comprehensive Income), for the three months and nine months ended on that date, the Condensed Statement of Changes in Equity, and the Condensed Statement of Cash Flows for the nine months ended on that date, and notes to the financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "interim condensed standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim condensed standalone financial statements give a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2025, its profit and total comprehensive income for the three months and nine months ended on that date, changes in equity and its cash flows for the nine months ended on that date.

**Basis for Opinion**

We conducted our audit of the interim condensed 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 Interim Condensed 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 interim condensed 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 interim condensed standalone financial statements.

**Responsibilities of Management and Board of Directors for the Interim Condensed Standalone Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed standalone financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS 34 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 interim condensed 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 interim condensed standalone financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Interim Condensed Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the interim condensed 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 interim condensed standalone 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 interim condensed standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 interim condensed 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 interim condensed standalone financial statements, including the disclosures, and whether the interim condensed standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the interim condensed standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim condensed 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 interim condensed standalone financial statements.

We also 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.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



**Vikas Bagaria**

Partner

(Membership No.060408)

UDIN:

Place: Bengaluru

Date: January 14, 2026

# INFOSYS LIMITED

*Condensed Standalone Financial Statements  
under Indian Accounting Standards (Ind AS)  
for the three months and nine months ended December 31, 2025*

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Condensed Standalone Balance Sheet as at	Note No.	December 31, 2025	March 31, 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2.1	9,745	10,070
Right-of-use assets	2.3	2,981	3,078
Capital work-in-progress		1,246	778
Goodwill	2.2	211	211
Other intangible assets		-	-
<b>Financial assets</b>			
Investments	2.4	26,034	27,371
Loans	2.5	7	26
Other financial assets	2.6	2,293	2,350
Deferred tax assets (net)	2.16	1,020	497
Income tax assets (net)	2.16	1,724	1,164
Other non-current assets	2.9	2,228	2,223
<b>Total non-current assets</b>		<b>47,489</b>	<b>47,768</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	2.4	5,885	11,147
Trade receivables	2.7	31,558	26,413
Cash and cash equivalents	2.8	7,461	14,265
Loans	2.5	187	207
Other financial assets	2.6	13,336	12,569
Income tax assets (net)	2.16	-	2,949
Other current assets	2.9	10,488	9,618
<b>Total current assets</b>		<b>68,915</b>	<b>77,168</b>
<b>Total assets</b>		<b>116,404</b>	<b>124,936</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	2.11	2,027	2,076
Other equity		70,565	85,256
<b>Total equity</b>		<b>72,592</b>	<b>87,332</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	2.3	2,890	2,694
Other financial liabilities	2.12	1,712	1,991
Deferred tax liabilities (net)		837	1,062
Other non-current liabilities	2.14	473	95
<b>Total non-current liabilities</b>		<b>5,912</b>	<b>5,842</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	2.3	882	765
Trade payables	2.13		
Total outstanding dues of micro enterprises and small enterprises		205	8
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,346	2,720
Other financial liabilities	2.12	15,487	14,101
Other current liabilities	2.14	11,899	9,159
Provisions	2.15	1,203	993
Income tax liabilities (net)		4,878	4,016
<b>Total current liabilities</b>		<b>37,900</b>	<b>31,762</b>
<b>Total equity and liabilities</b>		<b>116,404</b>	<b>124,936</b>

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No:

117366W/W-100018

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

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
DIN: 01876159

Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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

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

Condensed Standalone Statement of Profit and Loss for the	Note No.	Three months ended December 31,		Nine months ended December 31,	
		2025	2024	2025	2024
Revenue from operations	2.17	37,996	34,915	110,178	102,455
Other income, net	2.18	2,277	1,001	5,427	3,459
<b>Total income</b>		<b>40,273</b>	<b>35,916</b>	<b>115,605</b>	<b>105,914</b>
<b>Expenses</b>					
Employee benefit expenses	2.19	18,607	16,849	54,354	50,208
Cost of technical sub-contractors		5,787	4,829	16,608	14,412
Travel expenses		380	329	1,194	1,054
Cost of software packages and others	2.19	2,348	2,977	6,859	7,474
Communication expenses		111	115	323	344
Consultancy and professional charges		444	322	1,285	887
Depreciation and amortization expenses		585	661	1,794	2,029
Finance cost		45	50	153	170
Other expenses	2.19	1,149	940	3,089	2,957
<b>Total expenses</b>		<b>29,456</b>	<b>27,072</b>	<b>85,659</b>	<b>79,535</b>
<b>Profit before exceptional item and tax</b>		<b>10,817</b>	<b>8,844</b>	<b>29,946</b>	<b>26,379</b>
<b>Exceptional item</b>					
Impact of Labour Codes	2.19.5	1,146	-	1,146	-
<b>Profit before tax</b>		<b>9,671</b>	<b>8,844</b>	<b>28,800</b>	<b>26,379</b>
Tax expense:					
Current tax	2.16	2,587	2,785	8,340	8,428
Deferred tax	2.16	(279)	(299)	(776)	(988)
<b>Profit for the period</b>		<b>7,363</b>	<b>6,358</b>	<b>21,236</b>	<b>18,939</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of the net defined benefit liability/asset, net		59	(37)	(40)	63
Equity instruments through other comprehensive income, net		(4)	(16)	23	(11)
<i>Items that will be reclassified subsequently to profit or loss</i>					
Fair value changes on derivatives designated as cash flow hedge, net		4	57	10	33
Fair value changes on investments, net		(23)	9	65	128
<b>Total other comprehensive income/ (loss), net of tax</b>		<b>36</b>	<b>13</b>	<b>58</b>	<b>213</b>
<b>Total comprehensive income for the period</b>		<b>7,399</b>	<b>6,371</b>	<b>21,294</b>	<b>19,152</b>
<b>Earnings per equity share</b>					
Equity shares of par value ₹5/- each					
Basic (in ₹ per share)		17.85	15.31	51.25	45.62
Diluted (in ₹ per share)		17.83	15.29	51.18	45.53
<b>Weighted average equity shares used in computing earnings per equity share</b>					
Basic (in shares)	2.20	4,124,016,061	4,152,169,718	4,143,887,009	4,151,766,693
Diluted (in shares)	2.20	4,129,090,804	4,159,730,983	4,149,506,080	4,159,798,359

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

As per our report of even date attached

for Deloitte Haskins &amp; Sells LLP

Chartered Accountants

Firm's Registration No:

117366W/W-100018

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

Vikas Bagaria

Partner

Membership No. 060408

Nandan M. Nilekani

Chairman

DIN: 00041245

Salil Parekh

Chief Executive Officer

and Managing Director

DIN: 01876159

Bobby Parikh

Director

DIN: 00019437

Bengaluru

January 14, 2026

Jayesh Sanghrajka

Chief Financial Officer

A.G.S. Manikantha

Company Secretary

Membership No. A21918

## Condensed Standalone Statement of Changes in Equity

(In ₹ crore)

Particulars	Other Equity												Total equity attributable to equity holders of the Company
	Reserves & Surplus						Other comprehensive income						
	Equity Share Capital	Capital reserve		Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve <sup>(1)</sup>	Equity Instruments through other comprehensive income	Effective portion of Cash flow hedges	Other items of other comprehensive income / (loss)	
		Capital reserve	Other reserves <sup>(2)</sup>										
Balance as at April 1, 2024	2,075	54	2,862	169	580	62,551	162	913	11,787	279	6	(262)	81,176
Changes in equity for the nine months ended December 31, 2024													
Profit for the period	-	-	-	-	-	18,939	-	-	-	-	-	-	18,939
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	63	63
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	-	-	(11)	-	-	(11)
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	-	-	-	33	-	33
Fair value changes on investments, net*	-	-	-	-	-	-	-	-	-	-	-	128	128
Total comprehensive income for the period	-	-	-	-	-	18,939	-	-	-	(11)	33	191	19,152
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	337	-	-	(337)	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve to retained earnings	-	-	-	-	-	2,999	-	-	(2,999)	-	-	-	-
Transferred to Special Economic Zone Re-investment reserve	-	-	-	-	-	(74)	-	-	74	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.11)	-	-	-	-	253	-	-	(253)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	21	(21)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.11)	1	-	-	-	2	-	-	-	-	-	-	-	3
Employee stock compensation expense (Refer to note 2.11)	-	-	-	-	-	-	-	591	-	-	-	-	591
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	12	-	-	-	-	12
Dividends	-	-	-	-	-	(20,345)	-	-	-	-	-	-	(20,345)
Balance as at December 31, 2024	2,076	54	2,862	169	835	64,407	183	1,242	8,525	268	39	(71)	80,589

**INFOSYS LIMITED**
**Condensed Standalone Statement of Changes in Equity (contd.)**
*(In ₹ crore)*

Particulars	Other Equity												Total equity attributable to equity holders of the Company
	Equity Share Capital	Capital reserve		Capital redemption reserve	Reserves & Surplus		General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve <sup>(1)</sup>	Other comprehensive income			
		Capital reserve	Other reserves <sup>(2)</sup>		Securities Premium	Retained earnings				Equity Instruments through other comprehensive income	Effective portion of Cash flow hedges	Other items of other comprehensive income / (loss)	
Balance as at April 1, 2025	2,076	54	2,862	169	1,054	71,520	359	1,069	8,041	298	(18)	(152)	87,332
Changes in equity for the nine months ended December 31, 2025													
Profit for the period	-	-	-	-	-	21,236	-	-	-	-	-	-	21,236
Remeasurement of the net defined benefit liability/asset, net*	-	-	-	-	-	-	-	-	-	-	-	(40)	(40)
Equity instruments through other comprehensive income, net*	-	-	-	-	-	-	-	-	-	23	-	-	23
Fair value changes on derivatives designated as cash flow hedge, net*	-	-	-	-	-	-	-	-	-	-	10	-	10
Fair value changes on investments, net*	-	-	-	-	-	-	-	-	-	-	-	65	65
Total comprehensive income for the period	-	-	-	-	-	21,236	-	-	-	23	10	25	21,294
Buyback of equity shares (Refer to note 2.11)	(50)	-	-	-	(1,244)	(16,346)	(360)	-	-	-	-	-	(18,000)
Transaction cost relating to buyback (Refer to note 2.11)	-	-	-	-	(18)	(26)	-	-	-	-	-	-	(44)
Amount transferred to capital redemption reserve upon buyback (Refer to note 2.11)	-	-	-	50	-	-	(50)	-	-	-	-	-	-
Transferred to Special Economic Zone Re-investment reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve on utilization	-	-	-	-	-	709	-	-	(709)	-	-	-	-
Transferred from Special Economic Zone Re-investment reserve to retained earnings	-	-	-	-	-	1,956	-	-	(1,956)	-	-	-	-
Transferred on account of exercise of stock options (Refer to note 2.11)	-	-	-	-	266	-	-	(266)	-	-	-	-	-
Transferred on account of options not exercised	-	-	-	-	-	-	63	(63)	-	-	-	-	-
Shares issued on exercise of employee stock options (Refer to note 2.11)	1	-	-	-	-	-	-	-	-	-	-	-	1
Employee stock compensation expense (Refer to note 2.11)	-	-	-	-	-	-	-	689	-	-	-	-	689
Income tax benefit arising on exercise of stock options	-	-	-	-	-	-	-	14	-	-	-	-	14
Dividends	-	-	-	-	-	(18,694)	-	-	-	-	-	-	(18,694)
Balance as at December 31, 2025	2,027	54	2,862	219	58	60,355	12	1,443	5,376	321	(8)	(127)	72,592

\*net of tax

<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> Profit / loss on transfer of business between entities under common control taken to reserve.

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No:

117366W/W-100018

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

Vikas Bagaria

Partner

Membership No. 060408

Nandan M. Nilekani

Chairman

DIN: 00041245

Salil Parekh

Chief Executive Officer

and Managing Director

DIN: 01876159

Bobby Parikh

Director

DIN: 00019437

Bengaluru

January 14, 2026

Jayesh Sanghrajka

Chief Financial Officer

A.G.S. Manikantha

Company Secretary

Membership No. A21918

## INFOSYS LIMITED

### Condensed Standalone 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.

Particulars	Note No.	(In ₹ crore)	
		Nine months ended December 31,	
		2025	2024
<b>Cash flow from operating activities</b>			
Profit for the period		21,236	18,939
<b>Adjustments to reconcile net profit to net cash provided by operating activities</b>			
Depreciation and Amortization		1,794	2,029
Income tax expense	2.16	7,564	7,440
Impairment loss recognized / (reversed) under expected credit loss model		114	86
Finance cost		153	170
Interest and dividend income		(4,463)	(2,888)
Stock compensation expense		622	537
Provision for post sale client support		(78)	111
Exchange differences on translation of assets and liabilities, net		482	106
Other adjustments		432	107
<b>Changes in assets and liabilities</b>			
Trade receivables and unbilled revenue		(5,619)	(3,984)
Loans, other financial assets and other assets		(1,892)	(784)
Trade payables		823	222
Other financial liabilities, other liabilities and provisions		4,405	2,942
<b>Cash generated from operations</b>		<b>25,573</b>	<b>25,033</b>
Income taxes (paid)/received		(5,180)	(2,106)
<b>Net cash generated by operating activities</b>		<b>20,393</b>	<b>22,927</b>
<b>Cash flow from investing activities</b>			
Expenditure on property, plant and equipment		(1,371)	(1,018)
Deposits placed with corporation		(592)	(915)
Redemption of deposits placed with corporation		389	531
Interest and dividend received		2,083	1,465
Dividend received from subsidiary		2,676	1,322
Loan given to subsidiaries		-	(10)
Loan repaid by subsidiaries		10	-
Payment of contingent consideration pertaining to acquisition of business		(13)	-
Investment in subsidiaries		(785)	(4,360)
Payment towards acquisition		-	(184)
Receipt towards business transfer for entities under common control		-	-
Payments to acquire investments			
Mutual fund units		(51,792)	(49,723)
Commercial papers		(2,331)	(2,273)
Certificates of deposit		(8,001)	(2,246)
Tax free bonds and government bonds		(32)	-
Government Securities		(1,277)	-
Non-convertible debentures		(2,360)	(1,361)
Other investments		(2)	(25)
Proceeds on sale of investments			
Mutual fund units		51,970	49,790
Commercial papers		4,900	6,660
Certificates of deposit		8,592	4,945
Non-convertible debentures		3,818	1,290
Government Securities		3,165	200
Tax free bonds and government bonds		1,269	-
Other investments		-	11
Escrow and deposits pertaining to buyback		(1,815)	-
Redemption of escrow and other deposits pertaining to buyback		1,815	-
<b>Net cash (used in) / generated from investing activities</b>		<b>10,316</b>	<b>4,099</b>



(In ₹ crore)			
Particulars	Note No.	Nine months ended December 31,	
		2025	2024
<b>Cash flow from financing activities</b>			
Payment of Lease Liabilities		(661)	(687)
Shares issued on exercise of employee stock options		1	3
Other payments		(113)	(168)
Payment of dividends		(18,695)	(20,336)
Buyback of equity shares including transaction cost		(18,053)	-
<b>Net cash used in financing activities</b>		<b>(37,521)</b>	<b>(21,188)</b>
Net increase / (decrease) in cash and cash equivalents		(6,812)	5,838
Effect of exchange rate changes on cash and cash equivalents		8	(8)
Cash and cash equivalents at the beginning of the period	2.8	14,265	8,191
<b>Cash and cash equivalents at the end of the period</b>	<b>2.8</b>	<b>7,461</b>	<b>14,021</b>
<b>Supplementary information:</b>			
Restricted cash balance	2.8	55	58

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No:

117366W/W-100018

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

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
DIN: 01876159

Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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

## INFOSYS LIMITED

### Overview and Notes to the Interim Condensed Standalone Financial Statements

#### 1. Overview

##### 1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

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

The interim condensed standalone financial statements are approved for issue by the Company's Board of Directors on January 14, 2026.

##### 1.2 Basis of preparation of financial statements

These interim condensed standalone financial statements are prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values and defined benefit liability/(asset) which is recognised at the present value of defined benefit obligation less fair value of plan assets, the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). Accordingly, these interim condensed standalone financial statements do not include all the information required for a complete set of financial statements. These interim condensed standalone financial statements should be read in conjunction with the standalone financial statements and related notes included in the Company's Annual Report for the year ended March 31, 2025. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

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

##### 1.3 Use of estimates and judgments

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

##### 1.4 Critical accounting estimates and judgments

###### a. Revenue recognition

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

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

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

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

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

**b. Income taxes**

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

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

In assessing the realizability of deferred income tax assets, Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. (Refer to note 2.16).

**c. Property, plant and equipment**

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

## 2. Notes to the Interim Condensed Standalone Financial Statements

### 2.1 PROPERTY, PLANT AND EQUIPMENT

#### Accounting Policy

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

The estimated useful lives of assets are as follows:

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

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

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

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

#### Impairment

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

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

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2025 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings <sup>(1)(2)</sup>	Plant and machinery <sup>(2)</sup>	Office Equipment <sup>(2)</sup>	Computer equipment <sup>(2)</sup>	Furniture and fixtures <sup>(2)</sup>	Leasehold Improvements	Vehicles	Total
Gross carrying value as at October 1, 2025	1,497	10,619	3,261	1,452	8,030	2,092	809	43	27,803
Additions	7	19	25	9	325	28	14	-	427
Deletions*	(66)	(6)	(6)	(10)	(361)	(15)	(29)	-	(493)
Gross carrying value as at December 31, 2025	1,438	10,632	3,280	1,451	7,994	2,105	794	43	27,737
Accumulated depreciation as at October 1, 2025	-	(5,163)	(2,956)	(1,230)	(6,129)	(1,806)	(651)	(40)	(17,975)
Depreciation	-	(101)	(40)	(24)	(216)	(35)	(19)	-	(435)
Accumulated depreciation on deletions*	-	-	6	10	358	15	29	-	418
Accumulated depreciation as at December 31, 2025	-	(5,264)	(2,990)	(1,244)	(5,987)	(1,826)	(641)	(40)	(17,992)
Carrying value as at October 1, 2025	1,497	5,456	305	222	1,901	286	158	3	9,828
Carrying value as at December 31, 2025	1,438	5,368	290	207	2,007	279	153	3	9,745

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings <sup>(1)(2)</sup>	Plant and machinery <sup>(2)</sup>	Office Equipment <sup>(2)</sup>	Computer equipment <sup>(2)</sup>	Furniture and fixtures <sup>(2)</sup>	Leasehold Improvements	Vehicles	Total
Gross carrying value as at October 1, 2024	1,430	10,660	3,240	1,401	7,398	2,154	943	45	27,271
Additions	-	5	5	34	189	15	19	-	267
Deletions**	-	(42)	(4)	(14)	(148)	(7)	(17)	-	(232)
Gross carrying value as at December 31, 2024	1,430	10,623	3,241	1,421	7,439	2,162	945	45	27,306
Accumulated depreciation as at October 1, 2024	-	(4,771)	(2,817)	(1,172)	(5,810)	(1,767)	(753)	(42)	(17,132)
Depreciation	-	(102)	(43)	(25)	(259)	(41)	(31)	-	(501)
Accumulated depreciation on deletions**	-	6	4	14	148	7	14	-	193
Accumulated depreciation as at December 31, 2024	-	(4,867)	(2,856)	(1,183)	(5,921)	(1,801)	(770)	(42)	(17,440)
Carrying value as at October 1, 2024	1,430	5,889	423	229	1,588	387	190	3	10,139
Carrying value as at December 31, 2024	1,430	5,756	385	238	1,518	361	175	3	9,866

The changes in the carrying value of property, plant and equipment for the Nine months ended December 31, 2025 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings <sup>(1)(2)</sup>	Plant and machinery <sup>(2)</sup>	Office Equipment <sup>(2)</sup>	Computer equipment <sup>(2)</sup>	Furniture and fixtures <sup>(2)</sup>	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2025	1,477	10,621	3,238	1,423	7,917	2,126	781	46	27,629
Additions	27	22	55	52	813	54	42	1	1,066
Deletions*	(66)	(11)	(13)	(24)	(736)	(75)	(29)	(4)	(958)
Gross carrying value as at December 31, 2025	1,438	10,632	3,280	1,451	7,994	2,105	794	43	27,737
Accumulated depreciation as at April 1, 2025	-	(4,964)	(2,888)	(1,195)	(6,062)	(1,796)	(611)	(43)	(17,559)
Depreciation	-	(301)	(115)	(72)	(648)	(105)	(59)	(1)	(1,301)
Accumulated depreciation on deletions*	-	1	13	23	723	75	29	4	868
Accumulated depreciation as at December 31, 2025	-	(5,264)	(2,990)	(1,244)	(5,987)	(1,826)	(641)	(40)	(17,992)
Carrying value as at April 1, 2025	1,477	5,657	350	228	1,855	330	170	3	10,070
Carrying value as at December 31, 2025	1,438	5,368	290	207	2,007	279	153	3	9,745

\*During the three months and nine months ended December 31, 2025, certain assets which were not in use having gross book value of ₹324 crore (net book value: ₹Nil) and ₹734 crore (net book value: ₹Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the Nine months ended December 31, 2024 are as follows:

(In ₹ crore)

Particulars	Land-Freehold	Buildings <sup>(1)(2)</sup>	Plant and machinery <sup>(2)</sup>	Office Equipment <sup>(2)</sup>	Computer equipment <sup>(2)</sup>	Furniture and fixtures <sup>(2)</sup>	Leasehold Improvements	Vehicles	Total
Gross carrying value as at April 1, 2024	1,430	10,679	3,214	1,370	7,379	2,160	963	45	27,240
Additions	-	29	39	82	437	41	51	1	680
Deletions**	-	(85)	(12)	(31)	(377)	(39)	(69)	(1)	(614)
Gross carrying value as at December 31, 2024	1,430	10,623	3,241	1,421	7,439	2,162	945	45	27,306
Accumulated depreciation as at April 1, 2024	-	(4,575)	(2,732)	(1,139)	(5,497)	(1,709)	(733)	(42)	(16,427)
Depreciation	-	(304)	(136)	(75)	(796)	(130)	(103)	(1)	(1,545)
Accumulated depreciation on deletions**	-	12	12	31	372	38	66	1	532
Accumulated depreciation as at December 31, 2024	-	(4,867)	(2,856)	(1,183)	(5,921)	(1,801)	(770)	(42)	(17,440)
Carrying value as at April 1, 2024	1,430	6,104	482	231	1,882	451	230	3	10,813
Carrying value as at December 31, 2024	1,430	5,756	385	238	1,518	361	175	3	9,866

\*\*During the three months and nine months ended December 31, 2024, certain assets which were not in use having gross book value of ₹142 crore (net book value: ₹Nil) and ₹335 crore (net book value: ₹Nil), respectively were retired.

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

<sup>(2)</sup> Includes certain assets provided on cancellable operating lease to subsidiaries.

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

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

## 2.2 GOODWILL AND INTANGIBLE ASSETS

### 2.2.1 Goodwill

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

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
Carrying value at the beginning	211	211
Carrying value at the end	211	211

### 2.2.2 Other Intangible Assets

#### Accounting Policy

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

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

## 2.3 LEASES

### Accounting Policy

#### The Company as a lessee

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

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

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

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

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

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

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

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

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

#### The Company as a lessor

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

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

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

Following are the changes in the carrying value of right-of-use assets for the three months ended December 31, 2025:

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at October 1, 2025	528	2,117	492	3,137
Additions*	-	64	94	158
Deletions	(53)	(5)	(102)	(160)
Depreciation	-	(102)	(52)	(154)
<b>Balance as at December 31, 2025</b>	<b>475</b>	<b>2,074</b>	<b>432</b>	<b>2,981</b>

\* Net of adjustments on account of modifications

Following are the changes in the carrying value of right-of-use assets for the three months ended December 31, 2024:

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at October 1, 2024	532	2,133	604	3,269
Additions*	-	140	21	161
Deletions	-	(74)	(70)	(144)
Depreciation	(1)	(107)	(53)	(161)
<b>Balance as at December 31, 2024</b>	<b>531</b>	<b>2,092</b>	<b>502</b>	<b>3,125</b>

\* Net of adjustments on account of modifications

Following are the changes in the carrying value of right-of-use assets for the nine months ended December 31, 2025:

Particulars	Category of ROU asset			Total
	Land	Buildings	Computers	
Balance as at April 1, 2025	530	2,105	443	3,078
Additions*	-	294	380	674
Deletions	(53)	(6)	(213)	(272)
Depreciation	(2)	(319)	(178)	(499)
<b>Balance as at December 31, 2025</b>	<b>475</b>	<b>2,074</b>	<b>432</b>	<b>2,981</b>

\* Net of adjustments on account of modifications

Following are the changes in the carrying value of right-of-use assets for the nine months ended December 31, 2024:

Particulars	Category of ROU asset			(In ₹ crore)
	Land	Buildings	Computers	Total
Balance as at April 1, 2024	534	2,266	503	3,303
Additions*	-	218	305	523
Deletions	-	(74)	(139)	(213)
Depreciation	(3)	(318)	(167)	(488)
Balance as at December 31, 2024	531	2,092	502	3,125

\* Net of adjustments on account of modifications

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

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

Particulars	As at		(In ₹ crore)
	December 31, 2025	March 31, 2025	
Current lease liabilities	882	765	
Non-current lease liabilities	2,890	2,694	
Total	3,772	3,459	



## 2.4 INVESTMENTS

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Non-current investments</b>		
Equity instruments of subsidiaries	14,509	13,724
Redeemable Preference shares of subsidiary	2,831	2,831
Preference securities and equity securities	277	251
Target maturity fund units	-	465
Others	65	61
Tax free bonds	409	1,465
Government bonds	-	14
Non-convertible debentures	3,313	3,320
Government Securities	4,630	5,240
<b>Total non-current investments</b>	<b>26,034</b>	<b>27,371</b>
<b>Current investments</b>		
Mutual fund units	1,643	1,185
Commercial Papers	970	3,442
Certificates of deposit	2,800	3,257
Tax free bonds	48	154
Government bonds	47	-
Government Securities	274	1,560
Non-convertible debentures	103	1,549
<b>Total current investments</b>	<b>5,885</b>	<b>11,147</b>
<b>Total carrying value</b>	<b>31,919</b>	<b>38,518</b>

Particulars	(In ₹ crore, except as otherwise stated)	
	As at	
	December 31, 2025	March 31, 2025
<b>Non-current investments</b>		
<b>Unquoted</b>		
<b>Investment carried at cost</b>		
Investments in equity instruments of subsidiaries		
Infosys BPM Limited	662	662
33,828 (33,828) equity shares of ₹10,000/- each, fully paid up		
Infosys Technologies (China) Co. Limited	369	369
Infosys Technologies, S. de R.L. de C.V., Mexico	65	65
17,49,99,990 (17,49,99,990) equity shares of MXN 1 par value, fully paid up		
Infosys Technologies (Sweden) AB	76	76
1,000 (1,000) equity shares of SEK 100 par value, fully paid		
Infosys Technologies (Shanghai) Company Limited	1,010	1,010
Infosys Public Services, Inc.	99	99
3,50,00,000 (3,50,00,000) shares of USD 0.50 par value, fully paid		
Infosys Consulting Holding AG	1,323	1,323
23,350 (23,350) - Class A shares of CHF 1,000 each and		
26,460 (26,460) - Class B Shares of CHF 100 each, fully paid up		
EdgeVerve Systems Limited	1,312	1,312
1,31,18,40,000 (1,31,18,40,000) equity shares of ₹10/- each, fully paid up		
Infosys Nova Holdings LLC <sup>2</sup>	3,308	3,017
Infosys Singapore Pte Ltd	4,821	4,327
2,88,39,411 (2,73,19,411) shares		
Brilliant Basics Holding Limited	59	59
1,346 (1,346) shares of GBP 0.005 each, fully paid up		
Infosys Arabia Limited	2	2
70 (70) shares		
Panaya Inc.	582	582
2 (2) shares of USD 0.01 per share, fully paid up		
Infosys Chile SpA	7	7
100 (100) shares		
Infosys Luxembourg S.a r.l.	26	26
30,000 (30,000) shares		
Infosys Austria GmbH	-	-
80,000 (80,000) shares of EUR 1 par value, fully paid up		
Infosys Consulting Brazil	337	337
27,50,71,070 (27,50,71,070) shares of BRL 1 per share, fully paid up		
Infosys Consulting S.R.L. (Romania)	34	34
99,183 (99,183) shares of RON 100 per share, fully paid up		
Infosys Limited Bulgaria EOOD	2	2
4,58,000 (4,58,000) shares of BGN 1 per share, fully paid up		
Infosys Germany Holdings GmbH	2	2
25,000 (25,000) shares EUR 1 per share, fully paid up		
Infosys Green Forum	1	1
10,00,000 (10,00,000) shares ₹10 per share, fully paid up		
Infosys Automotive and Mobility GmbH	15	15
Infosys Turkey Bilgi Teknolojileri Limited Sirketi	79	79
27,70,326 (27,70,326) share Turkish Liras 100 (10,000) per share, fully paid up		
Infosys Consulting S.R.L. (Argentina)	2	2
2,94,500 (2,94,500) shares ARS 100 per share, fully paid up		
Infosys Business Solutions LLC	8	8
10,000 (10,000) shares USD 100 per share, fully paid up		
Idunn Information Technology Private Limited	82	82
3,27,788 (3,27,788) shares ₹ 10 per share fully paid up		
InSemi Technology Services Private Limited	198	198
10,33,440 (10,33,440) shares ₹ 10 per share fully paid up		
in-tech Group India Private Limited	15	15
10,000 (10,000) shares ₹ 10 per share fully paid up		
Infosys Services (Thailand) Limited	13	13
49,99,998 (49,99,998) shares THB 10 per share fully paid up		
Investments in Redeemable Preference shares of subsidiary		
Infosys Singapore Pte Ltd	2,831	2,831
51,02,00,000 (51,02,00,000 ) shares		
	<b>17,340</b>	<b>16,555</b>

(In ₹ crore, except as otherwise stated)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Investments carried at fair value through profit or loss</b>		
Target maturity fund units	-	465
Equity and Preference securities	25	25
Others <sup>(1)</sup>	65	61
	<b>90</b>	<b>551</b>
<b>Investments carried at fair value through other comprehensive income</b>		
Preference securities	173	167
Equity securities	2	2
	<b>175</b>	<b>169</b>
<b>Quoted</b>		
<b>Investments carried at amortized cost</b>		
Tax free bonds	409	1,465
Government bonds	-	14
	<b>409</b>	<b>1,479</b>
<b>Investments carried at fair value through other comprehensive income</b>		
Non-convertible debentures	3,313	3,320
Equity Securities	77	57
Government Securities	4,630	5,240
	<b>8,020</b>	<b>8,617</b>
<b>Total non-current investments</b>	<b>26,034</b>	<b>27,371</b>
<b>Current investments</b>		
<b>Unquoted</b>		
<b>Investments carried at fair value through profit or loss</b>		
Mutual fund units	1,643	1,185
	<b>1,643</b>	<b>1,185</b>
<b>Investments carried at fair value through other comprehensive income</b>		
Commercial Papers	970	3,442
Certificates of deposit	2,800	3,257
	<b>3,770</b>	<b>6,699</b>
<b>Quoted</b>		
<b>Investments carried at amortized cost</b>		
Tax free bonds	48	154
Government bonds	47	-
	<b>95</b>	<b>154</b>
<b>Investments carried at fair value through other comprehensive income</b>		
Government Securities	274	1,560
Non-convertible debentures	103	1,549
	<b>377</b>	<b>3,109</b>
<b>Total current investments</b>	<b>5,885</b>	<b>11,147</b>
<b>Total investments</b>	<b>31,919</b>	<b>38,518</b>
Aggregate amount of quoted investments	8,901	13,359
Market value of quoted investments (including interest accrued), current	474	3,266
Market value of quoted investments (including interest accrued), non-current	8,445	10,269
Aggregate amount of unquoted investments	23,018	25,159
<sup>a</sup> Aggregate amount of impairment in value of investments	94	94
Reduction in the fair value of assets held for sale	854	854
Investments carried at cost	17,340	16,555
Investments carried at amortized cost	504	1,633
Investments carried at fair value through other comprehensive income	12,342	18,594
Investments carried at fair value through profit or loss	1,733	1,736

(1) Uncalled capital commitments outstanding as of December 31, 2025 and March 31, 2025 was ₹26 crore and ₹27 crore, respectively.

Refer to note 2.10 for accounting policies on financial instruments.

**Method of fair valuation:**

(In ₹ crore)

Class of investment	Method	Fair value as at	
		December 31, 2025	March 31, 2025
Mutual fund units - carried at fair value through profit or loss	Quoted price	1,643	1,185
Target maturity fund units - carried at fair value through profit or loss	Quoted price	-	465
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	521	1,796
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	3,416	4,869
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	4,904	6,800
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	970	3,442
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	2,800	3,257
Quoted equity securities - carried at fair value through other comprehensive income	Quoted price	77	57
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	175	169
Unquoted equity and preference securities - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	25	25
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	65	61
<b>Total</b>		<b>14,596</b>	<b>22,126</b>

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

## 2.5 LOANS

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non- Current</b>		
Loan to subsidiary	-	10
Loans considered good - Unsecured		
Other Loans		
Loans to employees	7	16
<b>Total non - current loans</b>	<b>7</b>	<b>26</b>
<b>Current</b>		
Loans considered good - Unsecured		
Other Loans		
Loans to employees	187	207
<b>Total current loans</b>	<b>187</b>	<b>207</b>
<b>Total Loans</b>	<b>194</b>	<b>233</b>

## 2.6 OTHER FINANCIAL ASSETS

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current</b>		
Security deposits <sup>(1)</sup>	212	205
Unbilled revenues <sup>(1)(5)#</sup>	1,770	1,904
Net investment in lease <sup>(1)</sup>	311	241
<b>Total non-current other financial assets</b>	<b>2,293</b>	<b>2,350</b>
<b>Current</b>		
Security deposits <sup>(1)</sup>	10	21
Restricted deposits <sup>(1)*</sup>	2,918	2,716
Unbilled revenues <sup>(1)(5)#</sup>	6,125	5,681
Interest accrued but not due <sup>(1)</sup>	265	739
Foreign currency forward and options contracts <sup>(2)(3)</sup>	40	171
Net investment in lease <sup>(1)</sup>	296	228
Others <sup>(1)(4)</sup>	3,682	3,013
<b>Total current other financial assets</b>	<b>13,336</b>	<b>12,569</b>
<b>Total other financial assets</b>	<b>15,629</b>	<b>14,919</b>
<sup>(1)</sup> Financial assets carried at amortized cost	15,589	14,748
<sup>(2)</sup> Financial assets carried at fair value through other comprehensive income	24	28
<sup>(3)</sup> Financial assets carried at fair value through Profit or Loss	16	143
<sup>(4)</sup> Includes dues from subsidiaries	3,448	2,863
<sup>(5)</sup> Includes dues from subsidiaries	140	165

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

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

## 2.7 TRADE RECEIVABLES

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Trade Receivable considered good - Unsecured <sup>(1)</sup>	32,056	26,807
Less: Allowance for expected credit loss	498	394
Trade Receivable considered good - Unsecured	31,558	26,413
Trade Receivable - credit impaired - Unsecured	195	169
Less: Allowance for credit impairment	195	169
Trade Receivable - credit impaired - Unsecured	-	-
<b>Total trade receivables <sup>(2)</sup></b>	<b>31,558</b>	<b>26,413</b>
<sup>(1)</sup> Includes dues from subsidiaries	429	250
<sup>(2)</sup> Includes dues from companies where directors are interested	-	-

## 2.8 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
Balances with banks		
In current and deposit accounts	7,461	14,265
Cash on hand	-	-
<b>Total Cash and cash equivalents</b>	<b>7,461</b>	<b>14,265</b>
Balances with banks in unpaid dividend accounts	44	45
Deposit with more than 12 months maturity	-	-

Cash and cash equivalents as at December 31, 2025 and March 31, 2025 include restricted cash and bank balances of ₹55 crore and ₹45 crore, respectively.

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

## 2.9 OTHER ASSETS

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current</b>		
Capital advances	178	206
Advances other than capital advances		
Others		
Prepaid expenses	489	154
Defined benefit plan assets	-	257
Deferred contract cost		
Cost of obtaining a contract	318	299
Cost of fulfillment	549	676
Unbilled revenues <sup>(2)</sup>	112	119
Withholding taxes and others <sup>(3)</sup>	582	512
<b>Total non-current other assets</b>	<b>2,228</b>	<b>2,223</b>
<b>Current</b>		
Advances other than capital advances		
Payment to vendors for supply of goods	196	373
Others		
Prepaid expenses <sup>(1)</sup>	2,844	2,003
Unbilled revenues <sup>(2)</sup>	4,137	4,284
Deferred contract cost		
Cost of obtaining a contract	245	212
Cost of fulfillment	555	428
Withholding taxes and others <sup>(3)</sup>	2,490	2,309
Other receivables <sup>(1)</sup>	21	9
<b>Total current other assets</b>	<b>10,488</b>	<b>9,618</b>
<b>Total other assets</b>	<b>12,716</b>	<b>11,841</b>

<sup>(1)</sup> Includes dues from subsidiaries

<sup>(2)</sup> Classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

<sup>(3)</sup> Withholding taxes and others primarily consist of input tax credits and VAT recoverable from tax authorities.

## 2.10 FINANCIAL INSTRUMENTS

### Accounting Policy

#### 2.10.1 Initial recognition

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

#### 2.10.2 Subsequent measurement

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

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

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

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

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

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

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

###### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss.

###### (v) Investment in subsidiaries

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

##### b. Derivative financial instruments

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

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

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

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

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

###### (ii) Cash flow hedge

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

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

#### 2.10.3 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, option pricing model, market multiples, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

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

## 2.10.5 Impairment

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

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

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

## Financial instruments by category

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

the carrying value and fair value of financial instruments by categories as at December 31, 2022 are as follows:

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)	7,461	-	-	-	-	7,461	7,461
Investments (Refer to note 2.4)							
Preference securities, Equity securities and others	-	25	65	252	-	342	342
Tax free bonds and government bonds	504	-	-	-	-	504	521 <sup>(1)</sup>
Mutual fund units	-	-	1,643	-	-	1,643	1,643
Commercial Papers	-	-	-	-	970	970	970
Certificates of deposit	-	-	-	-	2,800	2,800	2,800
Non convertible debentures	-	-	-	-	3,416	3,416	3,416
Government Securities	-	-	-	-	4,904	4,904	4,904
Trade receivables (Refer to note 2.7)	31,558	-	-	-	-	31,558	31,558
Loans (Refer to note 2.5)	194	-	-	-	-	194	194
Other financial assets (Refer to note 2.6)	15,589	-	16	-	24	15,629	15,612 <sup>(2)</sup>
<b>Total</b>	<b>55,306</b>	<b>25</b>	<b>1,724</b>	<b>252</b>	<b>12,114</b>	<b>69,421</b>	<b>69,421</b>
<b>Liabilities:</b>							
Trade payables (Refer to note 2.13)	3,551	-	-	-	-	3,551	3,551
Lease liabilities (Refer to note 2.3)	3,772	-	-	-	-	3,772	3,772
Other financial liabilities (Refer to note 2.12)	13,937	-	432	-	20	14,389	14,389
<b>Total</b>	<b>21,260</b>	<b>-</b>	<b>432</b>	<b>-</b>	<b>20</b>	<b>21,712</b>	<b>21,712</b>

(In ₹ crore)

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹17 crore

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

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

(In ₹ crore)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents (Refer to note 2.8)	14,265	-	-	-	-	14,265	14,265
Investments (Refer to note 2.4)							
Preference securities, Equity securities and others	-	25	61	226	-	312	312
Tax free bonds and government bonds	1,633	-	-	-	-	1,633	1,796 <sup>(1)</sup>
Target maturity fund units	-	-	465	-	-	465	465
Mutual fund units	-	-	1,185	-	-	1,185	1,185
Commercial Papers	-	-	-	-	3,442	3,442	3,442
Certificates of deposit	-	-	-	-	3,257	3,257	3,257
Non convertible debentures	-	-	-	-	4,869	4,869	4,869
Government Securities	-	-	-	-	6,800	6,800	6,800
Trade receivables (Refer to note 2.7)	26,413	-	-	-	-	26,413	26,413
Loans (Refer to note 2.5)	233	-	-	-	-	233	233
Other financial assets (Refer to note 2.6)	14,748	-	143	-	28	14,919	14,839 <sup>(2)</sup>
<b>Total</b>	<b>57,292</b>	<b>25</b>	<b>1,854</b>	<b>226</b>	<b>18,396</b>	<b>77,793</b>	<b>77,876</b>
<b>Liabilities:</b>							
Trade payables (Refer to note 2.13)	2,728	-	-	-	-	2,728	2,728
Lease Liabilities (Refer to note 2.3)	3,459	-	-	-	-	3,459	3,459
Other financial liabilities (Refer to note 2.12)	13,593	-	54	-	33	13,680	13,680
<b>Total</b>	<b>19,780</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>33</b>	<b>19,867</b>	<b>19,867</b>

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹80 crore

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

#### Fair value hierarchy

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

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

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

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at December 31, 2025 is as follows:

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at December 31, 2025 is as follows:

		(In ₹ crore)		
Particulars	As at December 31, 2025	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.4)</b>				
Investments in tax free bonds	473	425	48	-
Investments in government bonds	48	48	-	-
Investments in mutual fund units	1,643	1,643	-	-
Investments in target maturity fund units	-	-	-	-
Investments in certificates of deposit	2,800	-	2,800	-
Investments in commercial papers	970	-	970	-
Investments in non convertible debentures	3,416	3,416	-	-
Investments in government securities	4,904	4,832	72	-
Investments in equity securities	79	77	-	2
Investments in preference securities	198	-	-	198
Other investments	65	-	-	65
<b>Others</b>				
Derivative financial instruments - gains (Refer to note 2.6)	40	-	40	-
<b>Liabilities</b>				
Derivative financial instruments - loss (Refer to note 2.12)	372	-	372	-
Liability towards contingent consideration (Refer to note 2.12) <sup>(1)</sup>	80	-	-	80

<sup>(1)</sup> Discount rate ranges from 3% to 6%

During the nine months ended December 31, 2025, tax free bonds of ₹60 crore was transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, state government securities of ₹36 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2025 was as follows:

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2025 was as follows.

Particulars	As at March 31, 2025	(In ₹ crore)		
		Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.4)</b>				
Investments in tax free bonds	1,781	1,227	554	-
Investments in target maturity fund units	465	465	-	-
Investments in government bonds	15	15	-	-
Investments in mutual fund units	1,185	1,185	-	-
Investments in certificates of deposit	3,257	-	3,257	-
Investments in commercial papers	3,442	-	3,442	-
Investments in non convertible debentures	4,869	4,869	-	-
Investments in government securities	6,800	6,763	37	-
Investments in equity securities	59	57	-	2
Investments in preference securities	192	-	-	192
Other investments	61	-	-	61
<b>Others</b>				
Derivative financial instruments - gains (Refer to note 2.6)	171	-	171	-
<b>Liabilities</b>				
Derivative financial instruments - loss (Refer note 2.12)	56	-	56	-
Liability towards contingent consideration (Refer to note 2.12) <sup>(1)</sup>	31	-	-	31

<sup>(1)</sup> Discount rate - 6 %

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

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

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

## 2.11 EQUITY

### Accounting policy

#### Ordinary Shares

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

#### Description of reserves

##### Capital redemption reserve

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

##### Retained earnings

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

##### Securities premium

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

##### Share options outstanding account

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

##### Special Economic Zone Re-investment reserve

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

##### Other components of equity

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

##### Cash flow hedge reserve

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

## 2.11.1 EQUITY SHARE CAPITAL

Particulars	(In ₹ crore, except as otherwise stated)	
	As at	
	December 31, 2025	March 31, 2025
<b>Authorized</b>		
Equity shares, ₹5/- par value		
480,00,00,000 (480,00,00,000) equity shares	2,400	2,400
<b>Issued, Subscribed and Paid-Up</b>		
Equity shares, ₹5/- par value <sup>(1)</sup>	2,027	2,076
405,46,67,899 (415,32,63,455) equity shares fully paid-up		
	<b>2,027</b>	<b>2,076</b>

<sup>(1)</sup> Refer to note 2.20 for details of basic and diluted shares

Forfeited shares amounted to ₹1,500/- (₹1,500/-)

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

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

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

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

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

Particulars	(In ₹ crore, except as stated otherwise)			
	As at December 31, 2025		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
<b>As at the beginning of the period</b>	<b>4,15,32,63,455</b>	<b>2,076</b>	<b>4,15,08,67,464</b>	<b>2,075</b>
Add: Shares issued on exercise of employee stock options	1,404,444	1	2,395,991	1
Less: Shares bought back	100,000,000	50	-	-
<b>As at the end of the period</b>	<b>4,05,46,67,899</b>	<b>2,027</b>	<b>4,15,32,63,455</b>	<b>2,076</b>

##### Capital allocation policy

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

Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any). Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes

##### Buyback completed in December 2025

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

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of December 31, 2025, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.



## 2.11.2 DIVIDEND

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

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

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

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Interim dividend for fiscal 2026	23.00	-	23.00	-
Final dividend for fiscal 2025	-	-	22.00	-
Interim dividend for fiscal 2025	-	21.00	-	21.00
Special dividend for fiscal 2024	-	-	-	8.00
Final dividend for fiscal 2024	-	-	-	20.00

The Board of Directors in their meeting held on April 17, 2025 recommended a final dividend of ₹22/- per equity share for the financial year ended March 31, 2025. The same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 25, 2025 which resulted in a net cash outflow of ₹9,139 crore. The final dividend was paid on June 30, 2025.

The Board of Directors in their meeting held on October 16, 2025 declared an interim dividend of ₹23/- per equity share which resulted in a net cash outflow of ₹9,555 crore.

## 2.11.3 Employee Stock Option Plan (ESOP):

### Accounting Policy

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

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

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

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

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

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

Controlled trust holds 8,984,436 and 96,55,927 shares as at December 31, 2025 and March 31, 2025, respectively under the 2015 plan. Out of these shares, 2,00,000 equity shares each have been earmarked for welfare activities of the employees as at December 31, 2025 and March 31, 2025.

The following is the summary of grants made during the three months and nine months ended December 31, 2025 and December 31, 2024:

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>2015 Plan: RSU</b>				
Equity settled RSUs				
Key Management Personnel (KMP)	-	-	277,077	295,168
Employees other than KMP	109,893	22,880	117,293	152,220
	<b>109,893</b>	<b>22,880</b>	<b>394,370</b>	<b>447,388</b>
<b>2015 Plan: Employee Stock Options (ESOPs)</b>				
Equity settled RSUs				
Key Management Personnel (KMP)	-	-	237,370	-
Employees other than KMP	-	-	5,412,790	-
	-	-	<b>5,650,160</b>	-
Cash settled RSUs				
Key Management Personnel (KMP)	-	-	-	-
Employees other than KMP	-	-	108,180	-
	-	-	<b>108,180</b>	-
<b>Total Grants under 2015 Plan</b>	<b>109,893</b>	<b>22,880</b>	<b>6,152,710</b>	<b>447,388</b>
<b>2019 Plan: RSU</b>				
Equity settled RSUs				
Key Management Personnel (KMP)	-	-	66,366	70,699
Employees other than KMP	3,065	-	3,065	6,848
	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>
<b>Total Grants under 2019 Plan</b>	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>

**Notes on grants to KMP:**

**CEO & MD**

**Under the 2015 plan:**

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

- 2,30,621 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 13,273 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 33,183 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore. These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of December 31, 2025, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with Ind AS 102, Share based payment. The grant date for this purpose in accordance with Ind AS 102, Share based payment is July 1, 2022.

**Under the 2019 plan:**

The Board, on April 17, 2025, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2026 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 66,366 performance based RSU's were granted effective May 2, 2025.

**Other KMP**

**Under the 2015 plan:**

During the nine months ended December 31, 2025, based on recommendations of Nomination and Remuneration Committee, the Board approved time based grants of 237,370 ESOPs to Other KMP under the 2015 Plan. These stock options will vest over a period of 4 years and shall be exercisable within the period as approved by the Committee. The exercise price of the stock options would be the market price as on the date grant.

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

Particulars	(in ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Granted to:				
KMP	17	17	53	52
Employees other than KMP	186	150	569	485
<b>Total<sup>(1)</sup></b>	<b>203</b>	<b>167</b>	<b>622</b>	<b>537</b>
<sup>(1)</sup> Cash settled stock compensation expense included in the above	2	2	5	7

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

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

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

Particulars	For options granted in					
	Fiscal 2026- Equity Shares-RSU	Fiscal 2026- ADR RSU	Fiscal 2026- Equity Shares- ESOP	Fiscal 2026- ADS-ESOP	Fiscal 2025- Equity Shares-RSU	Fiscal 2025- ADS-RSU
Weighted average share price (₹) / (\$ ADS)	1,505	16.57	1,554	17.93	1,437	18.42
Exercise price (₹) / (\$ ADS)	5.00	0.10	1,554	17.93	5.00	0.07
Expected volatility (%)	23-26	25-26	25-28	26-30	21-26	23-28
Expected life of the option (years)	1-4	1-4	3-7	3-7	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	6	4	6	4	7	4-5
Weighted average fair value as on grant date (₹) / (\$ ADS)	1,354	15.16	390	4.09	1,319	16.94

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

## 2.12 OTHER FINANCIAL LIABILITIES

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current</b>		
Others		
Compensated absences	97	90
Accrued compensation to employees <sup>(1)</sup>	10	5
Accrued expenses <sup>(1)</sup>	1,545	1,876
Payable for acquisition of business - Contingent consideration <sup>(2)</sup>	60	20
<b>Total non-current other financial liabilities</b>	<b>1,712</b>	<b>1,991</b>
<b>Current</b>		
Unpaid dividends <sup>(1)</sup>	44	45
Others		
Accrued compensation to employees <sup>(1)</sup>	3,664	3,781
Accrued expenses <sup>(1)(4)</sup>	7,438	6,210
Capital creditors <sup>(1)</sup>	338	470
Compensated absences	2,713	2,322
Payable for acquisition of business - Contingent consideration <sup>(2)</sup>	20	11
Other payables <sup>(1)(5)</sup>	898	1,206
Foreign currency forward and options contracts <sup>(2)(3)</sup>	372	56
<b>Total current other financial liabilities</b>	<b>15,487</b>	<b>14,101</b>
<b>Total other financial liabilities</b>	<b>17,199</b>	<b>16,092</b>
<sup>(1)</sup> Financial liability carried at amortized cost	13,937	13,593
<sup>(2)</sup> Financial liability carried at fair value through profit or loss	432	54
<sup>(3)</sup> Financial liability carried at fair value through other comprehensive income	20	33
<sup>(4)</sup> Includes dues to subsidiaries	85	56
<sup>(5)</sup> Includes dues to subsidiaries	762	962

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

## 2.13 TRADE PAYABLES

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
Outstanding dues of micro enterprises and small enterprises	205	8
Outstanding dues of creditors other than micro enterprises and small enterprises <sup>(1)</sup>	3,346	2,720
<b>Total trade payables</b>	<b>3,551</b>	<b>2,728</b>
<sup>(1)</sup> Includes dues to subsidiaries	930	907

## 2.14 OTHER LIABILITIES

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current</b>		
Others		
Accrued defined benefit liability	441	74
Others	32	21
<b>Total non - current other liabilities</b>	<b>473</b>	<b>95</b>
<b>Current</b>		
Unearned revenue	9,086	6,713
Others		
Withholding taxes and others	2,800	2,433
Accrued defined benefit liability	3	3
Others	10	10
<b>Total current other liabilities</b>	<b>11,899</b>	<b>9,159</b>
<b>Total other liabilities</b>	<b>12,372</b>	<b>9,254</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. The Company recognizes a reimbursement asset when, and only when, it is virtually certain that the reimbursement will be received if the Company settles the obligation.

#### a. Post-sales client support

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

#### b. Onerous contracts

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

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

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Others		
Post-sales client support and other provisions	1,203	993
<b>Total provisions</b>	<b>1,203</b>	<b>993</b>

Provision for post sales client support and other provisions majorly represents costs associated with providing post sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the condensed standalone statement of profit and loss.

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

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

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

Income tax expense in the condensed Standalone statement of Profit and Loss comprises:

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Current taxes	2,587	2,785	8,340	8,428
Deferred taxes	(279)	(299)	(776)	(988)
<b>Income tax expense</b>	<b>2,308</b>	<b>2,486</b>	<b>7,564</b>	<b>7,440</b>

Income tax expense for the three months ended December 31, 2025 and December 31, 2024 includes reversals (net of provisions) of ₹28 crore and provisions (net of reversals) of ₹82 crore, respectively. Income tax expense for the nine months ended December 31, 2025 and December 31, 2024 includes provisions (net of reversals) of ₹87 crore and provisions (net of reversals) of ₹215 crore. These provisions and reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

Deferred income tax for the three months and nine months ended December 31, 2025 and December 31, 2024 substantially relates to origination and reversal of temporary differences.

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

## 2.17 REVENUE FROM OPERATIONS

### Accounting Policy

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenue from operations for the three months and nine months ended December 31, 2025 and December 31, 2024 is as follows:

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Revenue from software services	37,730	34,631	109,413	101,648
Revenue from products and platforms	266	284	765	807
<b>Total revenue from operations</b>	<b>37,996</b>	<b>34,915</b>	<b>110,178</b>	<b>102,455</b>

The percentage of revenue from fixed-price contracts for each of the three months ended December 31, 2025 and December 31, 2024 is 59%. The percentage of revenue from fixed-price contracts for each of the nine months ended December 31, 2025 and December 31, 2024 is 58%.

#### Trade receivables and Contract Balances

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

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

## 2.18 OTHER INCOME, NET

### 2.18.1 Other income

#### Accounting Policy

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

### 2.18.2 Foreign currency

#### Accounting Policy

##### Functional currency

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

##### Transactions and translations

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

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

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

#### Government grant

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

Other income for the three months and nine months ended December 31, 2025 and December 31, 2024 is as follows:

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Interest income on financial assets carried at amortized cost				
Tax free bonds and government bonds	6	31	48	91
Deposit with Bank and others	258	277	965	764
Interest income on financial assets carried at fair value through other comprehensive income				
Non-convertible debentures, commercial papers, certificates of deposit and government securities	219	185	774	711
Income on investments carried at fair value through profit or loss				
Gain / (loss) on mutual funds and other investments	72	37	175	194
Income on investments carried at fair value through other comprehensive income	17	-	17	2
Income on investments carried at amortized cost	-	-	81	-
Dividend received from subsidiary	1,278	200	2,676	1,322
Exchange gains/(losses) on foreign currency forward and options contracts	(141)	274	(1,501)	(107)
Exchange gains/(losses) on translation of other assets and liabilities	288	(93)	1,820	281
Miscellaneous income, net*	280	90	372	201
<b>Total other income</b>	<b>2,277</b>	<b>1,001</b>	<b>5,427</b>	<b>3,459</b>

\*Includes profit on sale of property plant and equipment amounting to ₹165 crore for the three months ended December 31, 2025.

## 2.19 EXPENSES

### Accounting Policy

#### 2.19.1 Gratuity and Pension

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

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

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

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

#### 2.19.2 Provident fund

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

#### 2.19.3 Superannuation

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

#### 2.19.4 Compensated absences

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

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<i>Employee benefit expenses</i>				
Salaries including bonus	17,714	16,036	51,676	47,866
Contribution to provident and other funds	582	527	1,733	1,545
Share based payments to employees (Refer to note 2.11)	203	167	622	537
Staff welfare	108	119	323	260
	<b>18,607</b>	<b>16,849</b>	<b>54,354</b>	<b>50,208</b>
<i>Cost of software packages and others</i>				
For own use	566	488	1,619	1,434
Third party items bought for service delivery to clients	1,782	2,489	5,240	6,040
	<b>2,348</b>	<b>2,977</b>	<b>6,859</b>	<b>7,474</b>
<i>Other expenses</i>				
Power and fuel	49	45	149	152
Brand and Marketing	254	229	841	757
Rates and taxes	46	39	168	201
Repairs and Maintenance	286	245	830	732
Consumables	9	6	23	21
Insurance	72	63	201	184
Provision for post-sales client support and others	24	92	(78)	111
Commission to non-whole time directors	5	5	14	13
Impairment loss recognized / (reversed) under expected credit loss model	50	19	114	86
Auditor's remuneration				
Statutory audit fees	2	2	6	6
Contributions towards Corporate Social Responsibility	169	153	412	458
Others	183	42	409	236
	<b>1,149</b>	<b>940</b>	<b>3,089</b>	<b>2,957</b>

#### 2.19.5 Impact of Labour Codes

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



## 2.20 EARNINGS PER EQUITY SHARE

### Accounting Policy

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

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

## 2.21 CONTINGENT LIABILITIES AND COMMITMENTS

### Accounting Policy

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

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Contingent liabilities:</b>		
Claims against the Company, not acknowledged as debts <sup>(1)</sup>	1,997	1,772
[Amount paid to statutory authorities ₹1,314 crore (₹3,815 crore)]		
<b>Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits) <sup>(2)</sup>	1,052	868
Other Commitments*	26	27

\* Uncalled capital pertaining to investments

<sup>(1)</sup> As at December 31, 2025 and March 31, 2025, claims against the Company not acknowledged as debts in respect of income tax matters amounted to ₹1,380 crore and ₹1,290 crore, respectively.

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

Amount paid to statutory authorities against the tax claims amounted to ₹1,306 crore and ₹3,810 crore as at December 31, 2025 and March 31, 2025, respectively.

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

### Legal Proceedings

#### Government Investigation

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

#### Others

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

## 2.22 RELATED PARTY TRANSACTIONS

Refer to the Company's Annual Report for the year ended March 31, 2025 for the full names and other details of the Company's subsidiaries and controlled trusts.

### Changes in Subsidiaries

During the nine months ended December 31, 2025, the following are the changes in the subsidiaries:

- Infosys Energy Consulting Services LLC, a wholly-owned subsidiary of Infosys Nova Holdings LLC was incorporated on April 16, 2025.
- Infosys Saudi Arabia LLC, a wholly-owned subsidiary of Infosys Limited was incorporated on April 21, 2025.
- Infosys Australia Technology Service Pty Ltd, a wholly-owned subsidiary of Infosys Singapore Pte. Limited was incorporated on April 23, 2025.
- On April 30, 2025, Infosys Nova Holdings LLC, a wholly-owned subsidiary of Infosys Limited, acquired 98.21% of voting interests in MRE Consulting Ltd along with its subsidiary MRE Technology Services, LLC. The remaining 1.79% was acquired by Infosys Energy Consulting Services LLC, a Wholly-owned subsidiary of Infosys Nova Holdings LLC.
- On April 30, 2025, Infosys Australia Technology Service Pty Ltd, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in The Missing Link Automation Pty Ltd, The Missing Link Network Integration Pty Ltd and The Missing Link Security Pty Ltd along with its subsidiary The Missing Link Security Ltd
- in-tech Automotive Engineering de. R L de. C V, a wholly-owned subsidiary of in-tech GmbH has been liquidated effective May 07, 2025.
- On May 13, 2025, Infosys Singapore Pte Ltd diluted 2% stake of HIPUS Co., Ltd to Mitsubishi Heavy Industries, Ltd.
- Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM UK Limited was incorporated on July 28, 2025
- Infosys Germany GmbH, a Wholly-owned subsidiary of Infosys Singapore Pte Ltd merged into Infosys Germany SE (formerly known as Blitz 24-893 SE) effective September 24, 2025
- in-tech Engineering services S.R.L, (Wholly-owned subsidiary of in-tech GmbH) merged into ProIT (Wholly-owned subsidiary of in-tech GmbH) effective November 30, 2025

The Company's related party transactions during the three months and nine months ended December 31, 2025 and December 31, 2024 and outstanding balances as at December 31, 2025 and March 31, 2025 are with its subsidiaries with whom the Company generally enters into transactions which are at arms length and in the ordinary course of business.

#### Transactions with key management personnel

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

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Salaries and other short term employee benefits to whole-time directors and executive officers <sup>(1)(2)</sup>	29	28	89	84
Commission and other benefits to non-executive / independent directors	6	5	15	14
<b>Total</b>	<b>35</b>	<b>33</b>	<b>104</b>	<b>98</b>

<sup>(1)</sup> Total employee stock compensation expense for the three months ended December 31, 2025 and December 31, 2024 includes a charge of ₹17 crore and ₹17 crore, respectively, towards key management personnel. For the nine months ended December 31, 2025 and December 31, 2024, includes a charge of ₹53 crore and ₹52 crore respectively, towards key management personnel. (Refer to note 2.11).

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

#### 2.23 SEGMENT REPORTING

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

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

Nandan M. Nilekani  
Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
DIN: 01876159

Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF INFOSYS LIMITED

#### Report on the Audit of the Interim Condensed Consolidated Financial Statements

#### Opinion

We have audited the accompanying interim condensed consolidated financial statements of **INFOSYS LIMITED** (the "Company"), and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the Condensed Consolidated Balance Sheet as at December 31, 2025, the Condensed Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the three months and nine months ended on that date, the Condensed Consolidated Statement of Changes in Equity, and the Condensed Consolidated Statement of Cash Flows for the nine months ended on that date, and notes to the financial statements including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "interim condensed consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim condensed consolidated financial statements give a true and fair view in conformity with the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at December 31, 2025, its consolidated profit, its consolidated total comprehensive income for the three months and nine months ended on that date, its consolidated changes in equity and its consolidated cash flows for the nine months ended on that date.

#### Basis for Opinion

We conducted our audit of the interim condensed consolidated 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 Interim Condensed 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 interim condensed 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 interim condensed consolidated financial statements.

#### Responsibilities of Management and Board of Directors for the Interim Condensed Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with Ind AS 34 and other accounting principles generally accepted in India. The respective Boards of Directors of the entities included in the Group are responsible for maintenance of the adequate accounting records 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 respective interim 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 interim condensed consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the interim condensed consolidated financial statements, the respective Boards of Directors of the entities 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 own respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Interim Condensed Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the interim condensed 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 interim condensed 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 interim condensed consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim condensed 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.



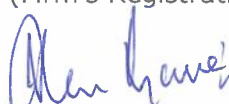
- Evaluate the overall presentation, structure and content of the interim condensed consolidated financial statements, including the disclosures, and whether the interim condensed consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the interim condensed consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the interim condensed consolidated financial statements of which we are independent auditors.

Materiality is the magnitude of misstatements in the interim condensed consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim condensed 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 interim condensed consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the Interim Condensed 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 financial controls 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.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Vikas Bagaria**  
Partner  
(Membership No.060408)  
UDIN:

Place: Bengaluru  
Date: January 14, 2026

# INFOSYS LIMITED AND SUBSIDIARIES

## *Condensed Consolidated Financial Statements under Indian Accounting Standards (Ind AS) for the three months and nine months ended December 31, 2025*

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**INFOSYS LIMITED AND SUBSIDIARIES**
*(In ₹ crore)*

Condensed Consolidated Balance Sheets as at	Note No.	December 31, 2025	March 31, 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2.2	11,551	11,778
Right-of-use assets	2.19	6,115	6,311
Capital work-in-progress		1,277	814
Goodwill	2.3	11,634	10,106
Other intangible assets		3,073	2,766
<b>Financial assets</b>			
Investments	2.4	8,899	11,059
Loans	2.5	9	16
Other financial assets	2.6	3,419	3,511
Deferred tax assets (net)		1,740	1,108
Income tax assets (net)		2,335	1,622
Other non-current assets	2.9	2,874	2,713
<b>Total non-current assets</b>		<b>52,926</b>	<b>51,804</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Investments	2.4	6,911	12,482
Trade receivables	2.7	36,131	31,158
Cash and cash equivalents	2.8	19,915	24,455
Loans	2.5	234	249
Other financial assets	2.6	14,340	13,840
Income tax assets (net)		29	2,975
Other current assets	2.9	12,898	11,940
<b>Total current assets</b>		<b>90,458</b>	<b>97,099</b>
<b>Total assets</b>		<b>143,384</b>	<b>148,903</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	2.11	2,024	2,073
Other equity		81,002	93,745
<b>Total equity attributable to equity holders of the Company</b>		<b>83,026</b>	<b>95,818</b>
Non-controlling interests		427	385
<b>Total equity</b>		<b>83,453</b>	<b>96,203</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Lease liabilities	2.19	5,811	5,772
Other financial liabilities	2.12	1,964	2,141
Deferred tax liabilities (net)		1,594	1,722
Other non-current liabilities	2.13	628	215
<b>Total non-current liabilities</b>		<b>9,997</b>	<b>9,850</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Lease liabilities	2.19	2,985	2,455
Trade payables		4,826	4,164
Other financial liabilities	2.12	20,011	18,138
Other current liabilities	2.13	14,862	11,765
Provisions	2.14	1,753	1,475
Income tax liabilities (net)		5,497	4,853
<b>Total current liabilities</b>		<b>49,934</b>	<b>42,850</b>
<b>Total equity and liabilities</b>		<b>143,384</b>	<b>148,903</b>

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

As per our report of even date attached

for Deloitte Haskins & Sells LLP

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

Chartered Accountants

Firm's Registration No :

117366W/ W-100018

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
DIN: 01876159

Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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

**INFOSYS LIMITED AND SUBSIDIARIES**
*(In ₹ crore, except equity share and per equity share data)*

Condensed Consolidated Statement of Profit and Loss for the	Note No.	Three months ended December 31,		Nine months ended December 31,	
		2025	2024	2025	2024
Revenue from operations	2.16	45,479	41,764	132,248	122,064
Other income, net	2.17	1,139	859	3,163	2,410
<b>Total income</b>		<b>46,618</b>	<b>42,623</b>	<b>135,411</b>	<b>124,474</b>
<b>Expenses</b>					
Employee benefit expenses	2.18	24,122	21,436	70,407	63,934
Cost of technical sub-contractors		4,092	3,302	11,469	9,661
Travel expenses		510	439	1,564	1,375
Cost of software packages and others	2.18	3,982	4,607	11,753	12,012
Communication expenses		159	157	462	473
Consultancy and professional charges		486	459	1,429	1,354
Depreciation and amortization expenses		1,155	1,203	3,478	3,512
Finance cost		100	101	310	314
Other expenses	2.18	1,494	1,249	4,051	3,894
<b>Total expenses</b>		<b>36,100</b>	<b>32,953</b>	<b>104,923</b>	<b>96,529</b>
<b>Profit before exceptional item and tax</b>		<b>10,518</b>	<b>9,670</b>	<b>30,488</b>	<b>27,945</b>
<b>Exceptional item</b>					
Impact of Labour Codes	2.18.1	1,289	—	1,289	—
<b>Profit before tax</b>		<b>9,229</b>	<b>9,670</b>	<b>29,199</b>	<b>27,945</b>
<b>Tax expense:</b>					
Current tax	2.15	2,871	3,202	9,103	9,346
Deferred tax	2.15	(308)	(354)	(869)	(1,113)
<b>Profit for the period</b>		<b>6,666</b>	<b>6,822</b>	<b>20,965</b>	<b>19,712</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of the net defined benefit liability/asset, net		56	(45)	(52)	53
Equity instruments through other comprehensive income, net		(4)	(15)	23	(10)
		<b>52</b>	<b>(60)</b>	<b>(29)</b>	<b>43</b>
<i>Items that will be reclassified subsequently to profit or loss</i>					
Fair value changes on derivatives designated as cash flow hedge, net		4	56	10	32
Exchange differences on translation of foreign operations		354	(483)	2,235	(27)
Fair value changes on investments, net		(23)	10	66	136
		<b>335</b>	<b>(417)</b>	<b>2,311</b>	<b>141</b>
<b>Total other comprehensive income /(loss), net of tax</b>		<b>387</b>	<b>(477)</b>	<b>2,282</b>	<b>184</b>
<b>Total comprehensive income for the period</b>		<b>7,053</b>	<b>6,345</b>	<b>23,247</b>	<b>19,896</b>
<b>Profit attributable to:</b>					
Owners of the Company		6,654	6,806	20,939	19,680
Non-controlling interests		12	16	26	32
		<b>6,666</b>	<b>6,822</b>	<b>20,965</b>	<b>19,712</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		7,040	6,336	23,204	19,863
Non-controlling interests		13	9	43	33
		<b>7,053</b>	<b>6,345</b>	<b>23,247</b>	<b>19,896</b>
<b>Earnings per equity share</b>					
Equity shares of par value ₹5/- each					
Basic (₹)		16.17	16.43	50.64	47.52
Diluted (₹)		16.14	16.39	50.55	47.40
Weighted average equity shares used in computing earnings per equity share					
Basic (in shares)	2.20	4,114,946,425	4,141,941,436	4,134,675,070	4,141,344,081
Diluted (in shares)	2.20	4,121,795,902	4,151,534,784	4,142,266,340	4,151,568,329

*The accompanying notes form an integral part of the interim condensed consolidated financial statements*
*As per our report of even date attached*
*for Deloitte Haskins & Sells LLP*
*for and on behalf of the Board of Directors of Infosys Limited*
*Chartered Accountants*

Firm's Registration No :

117366W/ W-100018

Vikas Bagaria  
Partner  
Membership No. 060408

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Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
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Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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



INFOSYS LIMITED AND SUBSIDIARIES

Condensed Consolidated Statement of Changes in Equity

(In ₹ crore)

Particulars	OTHER EQUITY													Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
	Equity Share capital <sup>(1)</sup>	Reserves & Surplus							Other comprehensive income							
		Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve <sup>(2)</sup>	Other reserves <sup>(3)</sup>	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)			
Balance as at April 1, 2024	2,071	54	169	616	68,405	1,214	913	12,104	22	266	2,552	6	(276)	88,116	345	88,461
Changes in equity for the nine months ended December 31, 2024																
Profit for the period	—	—	—	—	19,680	—	—	—	—	—	—	—	—	19,680	32	19,712
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	53	53	—	53
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	(10)	—	—	—	(10)	—	(10)
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	32	—	32	—	32
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	(28)	—	—	(28)	1	(27)
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	136	136	—	136
Total Comprehensive income for the period	—	—	—	—	19,680	—	—	—	—	(10)	(28)	32	189	19,863	33	19,896
Shares issued on exercise of employee stock options (Refer to Note 2.11)	1	—	—	4	—	—	—	—	—	—	—	—	—	5	—	5
Employee stock compensation expense (Refer to Note 2.11)	—	—	—	—	—	—	591	—	—	—	—	—	—	591	—	591
Transferred on account of exercise of stock options (Refer to note 2.11)	—	—	—	253	—	—	(253)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	21	(21)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	12	—	—	—	—	—	—	12	—	12
Transfer to legal reserve	—	—	—	—	(2)	—	—	—	2	—	—	—	—	—	—	—
Dividends <sup>(1)</sup>	—	—	—	—	(20,295)	—	—	—	—	—	—	—	—	(20,295)	—	(20,295)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(2)	(2)
Transferred to Special Economic Zone Re-investment reserve	—	—	—	—	(74)	—	—	74	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve to retained earnings	—	—	—	—	2,999	—	—	(2,999)	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	377	—	—	(377)	—	—	—	—	—	—	—	—
Balance as at December 31, 2024	2,072	54	169	873	71,090	1,235	1,242	8,802	24	256	2,524	38	(87)	88,292	376	88,668

## Condensed Consolidated Statement of Changes in Equity (contd.)

(In ₹ crore)

Particulars	OTHER EQUITY													Total equity attributable to equity holders of the Company	Non-controlling interest	Total equity
	Equity Share capital <sup>(1)</sup>	Capital reserve	Capital redemption reserve	Securities Premium	Retained earnings	General reserve	Share Options Outstanding Account	Special Economic Zone Re-investment reserve <sup>(2)</sup>	Other reserves <sup>(3)</sup>	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of a foreign operation	Effective portion of Cash Flow Hedges	Other items of other comprehensive income / (loss)			
Balance as at April 1, 2025	2,073	54	169	1,091	78,627	1,412	1,068	8,298	24	285	2,904	(18)	(169)	95,818	385	96,203
<b>Changes in equity for the nine months ended December 31, 2025</b>																
Profit for the period	—	—	—	—	20,939	—	—	—	—	—	—	—	—	20,939	26	20,965
Remeasurement of the net defined benefit liability/asset, net*	—	—	—	—	—	—	—	—	—	—	—	—	(52)	(52)	—	(52)
Equity instruments through other comprehensive income, net*	—	—	—	—	—	—	—	—	—	23	—	—	—	23	—	23
Fair value changes on derivatives designated as cash flow hedge, net*	—	—	—	—	—	—	—	—	—	—	—	10	—	10	—	10
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	—	—	2,218	—	—	2,218	17	2,235
Fair value changes on investments, net*	—	—	—	—	—	—	—	—	—	—	—	—	66	66	—	66
<b>Total Comprehensive income for the period</b>	—	—	—	—	20,939	—	—	—	—	23	2,218	10	14	23,204	43	23,247
Shares issued on exercise of employee stock options (Refer to Note 2.11)	1	—	—	1	—	—	—	—	—	—	—	—	—	2	—	2
Employee stock compensation expense (Refer to Note 2.11)	—	—	—	—	—	—	687	—	—	—	—	—	—	687	—	687
Transferred on account of exercise of stock options (Refer to Note 2.11)	—	—	—	266	—	—	(266)	—	—	—	—	—	—	—	—	—
Transferred on account of options not exercised	—	—	—	—	—	62	(62)	—	—	—	—	—	—	—	—	—
Income tax benefit arising on exercise of stock options	—	—	—	—	—	—	14	—	—	—	—	—	—	14	—	14
Financial liability under option arrangements	—	—	—	—	(10)	—	—	—	—	—	—	—	—	(10)	—	(10)
Changes in the controlling stake of a subsidiary	—	—	—	—	7	—	—	—	—	—	—	—	—	7	2	9
Transfer to legal reserve	—	—	—	—	(9)	—	—	—	9	—	—	—	—	—	—	—
Buyback of equity shares	(50)	—	—	(1,244)	(16,346)	(360)	—	—	—	—	—	—	—	(18,000)	—	(18,000)
Transaction cost relating to buyback*	—	—	—	—	(17)	(26)	—	—	—	—	—	—	—	(43)	—	(43)
Amount transferred to capital redemption reserve upon Buyback	—	—	50	—	—	(50)	—	—	—	—	—	—	—	—	—	—
Dividends <sup>(1)</sup>	—	—	—	—	(18,653)	—	—	—	—	—	—	—	—	(18,653)	—	(18,653)
Dividends paid to non controlling interest of subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(3)	(3)
Transferred to Special Economic Zone Re-investment reserve	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve to retained earnings	—	—	—	—	2,214	—	—	(2,214)	—	—	—	—	—	—	—	—
Transferred from Special Economic Zone Re-investment reserve on utilization	—	—	—	—	709	—	—	(709)	—	—	—	—	—	—	—	—
<b>Balance as at December 31, 2025</b>	<b>2,024</b>	<b>54</b>	<b>219</b>	<b>97</b>	<b>67,452</b>	<b>1,064</b>	<b>1,441</b>	<b>5,375</b>	<b>33</b>	<b>308</b>	<b>5,122</b>	<b>(8)</b>	<b>(155)</b>	<b>83,026</b>	<b>427</b>	<b>83,453</b>

\* Net of tax

<sup>(1)</sup> Net of treasury shares<sup>(2)</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 104A(1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Group for acquiring new plant and machinery for the purpose of its business in the terms of the Sec 104A(2) of the Income Tax Act, 1961.<sup>(3)</sup> Under the Swiss Code of Obligation, few subsidiaries of Infosys Consulting are required to appropriate a certain percentage of the annual profit to legal reserve which may be used only to cover losses or for measures designed to sustain the Company through difficult times, to prevent unemployment or to mitigate its consequences.

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

As per our report of even date attached

for Deloitte Haskins &amp; Sells LLP

Chartered Accountants

Firm's Registration No :

117366W/ W-100018

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

Vikas Bagaria  
Partner  
Membership No. 060408

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Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
DIN: 01876159

Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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

## INFOSYS LIMITED AND SUBSIDIARIES

### Condensed Consolidated Statement of Cash Flows

#### Accounting policy

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

(In ₹ crore)			
Particulars	Note No.	Nine months ended December 31,	
		2025	2024
<b>Cash flow from operating activities</b>			
Profit for the period		20,965	19,712
<b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>			
Income tax expense	2.15	8,234	8,233
Depreciation and amortization		3,478	3,512
Interest and dividend income		(2,152)	(1,847)
Finance cost		310	314
Impairment loss recognized / (reversed) under expected credit loss model		88	100
Exchange differences on translation of assets and liabilities, net		637	64
Stock compensation expense		702	605
Provision for post sale client support		(61)	117
Other adjustments		1,073	557
<b>Changes in assets and liabilities</b>			
Trade receivables and unbilled revenue		(5,411)	(2,839)
Loans, other financial assets and other assets		(1,864)	235
Trade payables		537	(313)
Other financial liabilities, other liabilities and provisions		5,212	1,763
<b>Cash generated from operations</b>		<b>31,748</b>	<b>30,213</b>
Income taxes (paid) / received		(6,310)	(2,864)
<b>Net cash generated by operating activities</b>		<b>25,438</b>	<b>27,349</b>
<b>Cash flows from investing activities</b>			
Expenditure on property, plant and equipment and intangibles		(1,771)	(1,514)
Deposits placed with corporation		(828)	(1,075)
Redemption of deposits placed with Corporation		573	688
Interest and dividend received		2,468	1,750
Payment towards acquisition of business, net of cash acquired	2.1	(637)	(3,155)
Payment of contingent consideration pertaining to acquisition of business		(13)	—
Escrow and other deposits pertaining to Buyback		(1,815)	—
Redemption of escrow and other deposits pertaining to Buyback		1,815	—
Other receipts		15	7
Payments to acquire Investments			
Tax free bonds and government bonds		(59)	(2)
Mutual fund units		(56,082)	(54,887)
Certificates of deposit		(9,130)	(2,793)
Commercial Papers		(2,686)	(2,421)
Non-convertible debentures		(2,767)	(1,361)
Government securities		(1,277)	—
Other Investments		(36)	(43)
Proceeds on sale of Investments			
Tax free bonds and government bonds		1,284	—
Target Maturity funds		487	—
Mutual funds units		56,255	54,843
Certificates of deposit		9,517	5,199
Commercial Papers		5,460	7,135
Non-convertible debentures		4,083	1,506
Government securities		3,265	455
Others		—	11
<b>Net cash generated / (used in) from investing activities</b>		<b>8,121</b>	<b>4,343</b>

Particulars	Note No.	Nine months ended December 31,	
		2025	2024
<b>Cash flows from financing activities</b>			
Payment of lease liabilities		(2,021)	(1,775)
Payment of dividends		(18,654)	(20,286)
Loan repayment of in-tech Holding GmbH		—	(985)
Payment of dividend to non-controlling interest of subsidiary		(3)	(2)
Shares issued on exercise of employee stock options		2	5
Buyback of equity shares including transaction costs		(18,053)	—
Other payments		(224)	(455)
<b>Net cash used in financing activities</b>		<b>(38,953)</b>	<b>(23,498)</b>
Net increase / (decrease) in cash and cash equivalents		(5,394)	8,194
Effect of exchange rate changes on cash and cash equivalents		854	(176)
<b>Cash and cash equivalents at the beginning of the period</b>	2.8	<b>24,455</b>	<b>14,786</b>
<b>Cash and cash equivalents at the end of the period</b>	2.8	<b>19,915</b>	<b>22,804</b>
<b>Supplementary information:</b>			
Restricted cash balance	2.8	409	424

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

*As per our report of even date attached*

*for Deloitte Haskins & Sells LLP*

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

*Chartered Accountants*

Firm's Registration No :

117366W/ W-100018

Vikas Bagaria  
Partner  
Membership No. 060408

Nandan M. Nilekani  
Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
DIN: 01876159

Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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

## INFOSYS LIMITED AND SUBSIDIARIES

### Overview and notes to the Interim Condensed Consolidated Financial Statements

#### 1. Overview

##### 1.1 Company overview

Infosys Limited ('the Company' or Infosys) provides consulting, technology, outsourcing and next-generation digital services, to enable clients to execute strategies for their digital transformation. Infosys strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. Infosys strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

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

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

The Group's interim condensed consolidated financial statements are approved for issue by the Company's Board of Directors on January 14, 2026.

##### 1.2 Basis of preparation of financial statements

These interim condensed consolidated financial statements are prepared in compliance with Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values and defined benefit liability/(asset) which is recognised at the present value of defined benefit obligation less fair value of plan assets, the provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). Accordingly, these interim condensed consolidated financial statements do not include all the information required for a complete set of financial statements. These interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company's Annual Report for the year ended March 31, 2025. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

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

##### 1.3 Basis of consolidation

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

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

##### 1.4 Use of estimates and judgments

The preparation of the interim condensed consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in *Note no. 1.5*. Critical accounting estimates and judgments could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the interim condensed consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the interim condensed consolidated financial statements.

##### 1.5 Critical accounting estimates and judgments

###### a. Revenue recognition

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

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

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

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

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

#### **b. Income taxes**

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

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

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

#### **c. Business combinations and intangible assets**

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

#### **d. Property, plant and equipment**

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

#### **e. Impairment of Goodwill**

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

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

## 2. Notes to the Interim Condensed Consolidated Financial Statements

### 2.1 BUSINESS COMBINATIONS

#### Accounting policy

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

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

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

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

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

#### Acquisition

During the nine months ended December 31, 2025 the Group, completed two business combinations by acquiring 100% partnership interests/voting interests

1) MRE Consulting Ltd., a leading Energy and business consulting services company, headquartered in Texas, U.S. on April 30, 2025, which is expected to bring newer capabilities for the Group in trading and risk management, especially in the energy sector.

2) The Missing Link Security Pty. Ltd., The Missing Link Security Limited and The Missing Link Automation Pty. Ltd. (collectively known as "The Missing Link"), a leading Cybersecurity service provider headquartered in Australia on April 30, 2025, which is expected to further strengthen the Group's capabilities in the cybersecurity sector and bolster its presence in the fast growing Australian Market.

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

(In ₹ crore)			
Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets <sup>(1)</sup>	116	-	116
Intangible assets:			
Customer related <sup>#</sup>	-	222	222
Vendor relationship <sup>#</sup>	-	55	55
Brand <sup>#</sup>	-	20	20
Deferred tax liabilities on intangible assets	-	(46)	(46)
<b>Total</b>	<b>116</b>	<b>251</b>	<b>367</b>
Goodwill			444
<b>Total purchase price</b>			<b>811</b>

<sup>(1)</sup> Includes cash and cash equivalents acquired of ₹102 crore.

<sup>#</sup> The estimated useful life is around 1 year to 7 years

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

Goodwill amounting to ₹79 crore is expected to be deductible for tax purposes.

The total purchase consideration of ₹811 crore includes upfront cash consideration of ₹741 crore and contingent consideration with an estimated fair value of ₹70 crore as on the date of acquisition.

At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the probabilities assigned towards achievement of financial targets and discount rates ranging from 2% - 3%. The undiscounted value of contingent consideration as of December 31, 2025 was approximately ₹81 crore.

Additionally, these acquisitions have retention bonus and management incentives payable to the employees of the acquiree over 2-3 years, subject to their continuous employment with the Group and achievement of financial targets for the respective years. Retention bonus and management incentives are recognized in employee benefit expenses in the Consolidated Statement of Profit and Loss over the period of service.

Fair value of trade receivables acquired is ₹194 crore as of acquisition date and as of December 31, 2025, the amounts are substantially collected.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred. The transaction costs of ₹34 crore related to the acquisition have been included under administrative expenses in the Consolidated Statement of Profit and Loss for the nine months ended December 31, 2025.

#### Proposed Acquisition

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

## 2.2 PROPERTY, PLANT AND EQUIPMENT

### Accounting policy

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

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

<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

<sup>(2)</sup> Includes Solar plant with a useful life of 25 years

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

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

### Impairment

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

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

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2025 are as follows:

(In ₹ crore)									
Particulars	Land - Freehold	Buildings <sup>(1)</sup>	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at October 1, 2025	1,499	11,781	3,493	1,672	9,554	2,317	1,364	45	31,725
Additions	7	20	26	17	419	34	13	—	536
Deletions**	(66)	(6)	(11)	(14)	(488)	(20)	(40)	—	(645)
Translation difference	—	30	4	3	10	1	8	—	56
Gross carrying value as at December 31, 2025	1,440	11,825	3,512	1,678	9,495	2,332	1,345	45	31,672
Accumulated depreciation as at October 1, 2025	—	(5,598)	(2,899)	(1,387)	(7,156)	(1,949)	(1,100)	(40)	(20,129)
Depreciation	—	(113)	(46)	(29)	(270)	(43)	(27)	—	(528)
Accumulated depreciation on deletions**	—	—	10	14	483	20	40	—	567
Translation difference	—	(10)	(3)	(2)	(6)	(2)	(8)	—	(31)
Accumulated depreciation as at December 31, 2025	—	(5,721)	(2,938)	(1,404)	(6,949)	(1,974)	(1,095)	(40)	(20,121)
Carrying value as at October 1, 2025	1,499	6,183	594	285	2,398	368	264	5	11,596
Carrying value as at December 31, 2025	1,440	6,104	574	274	2,546	358	250	5	11,551

The changes in the carrying value of property, plant and equipment for the three months ended December 31, 2024 are as follows:

(In ₹ crore)									
Particulars	Land - Freehold	Buildings <sup>(1)</sup>	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles	Total
Gross carrying value as at October 1, 2024	1,432	11,800	3,465	1,578	8,714	2,367	1,449	47	30,852
Additions	—	6	8	51	266	24	36	1	392
Deletions*	—	(65)	(13)	(18)	(228)	(15)	(26)	—	(365)
Translation difference	—	(25)	(1)	(3)	(18)	(5)	(8)	—	(60)
Gross carrying value as at December 31, 2024	1,432	11,716	3,459	1,608	8,734	2,371	1,451	48	30,819
Accumulated depreciation as at October 1, 2024	—	(5,151)	(2,735)	(1,309)	(6,771)	(1,899)	(1,165)	(42)	(19,072)
Depreciation	—	(111)	(44)	(30)	(309)	(44)	(39)	(1)	(578)
Accumulated depreciation on deletions*	—	6	3	18	224	10	24	—	285
Translation difference	—	9	2	2	10	3	9	—	35
Accumulated depreciation as at December 31, 2024	—	(5,247)	(2,774)	(1,319)	(6,846)	(1,930)	(1,171)	(43)	(19,330)
Carrying value as at October 1, 2024	1,432	6,649	730	269	1,943	468	284	5	11,780
Carrying value as at December 31, 2024	1,432	6,469	685	289	1,888	441	280	5	11,489



The changes in the carrying value of property, plant and equipment for the nine months ended December 31, 2025 are as follows:

Particulars	(In ₹ crore)							
	Land - Freehold	Buildings <sup>(1)</sup>	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles
<b>Gross carrying value as at April 1, 2025</b>	<b>1,479</b>	<b>11,721</b>	<b>3,461</b>	<b>1,628</b>	<b>9,306</b>	<b>2,340</b>	<b>1,307</b>	<b>48</b>
Additions	27	29	61	68	1,038	68	45	1
Additions on Business Combinations (Refer to note 2.1)	—	—	—	—	3	—	—	—
Deletions**	(66)	(11)	(19)	(30)	(923)	(92)	(42)	(4)
Translation difference	—	86	9	12	71	16	35	—
<b>Gross carrying value as at December 31, 2025</b>	<b>1,440</b>	<b>11,825</b>	<b>3,512</b>	<b>1,678</b>	<b>9,495</b>	<b>2,332</b>	<b>1,345</b>	<b>45</b>
<b>Accumulated depreciation as at April 1, 2025</b>	<b>—</b>	<b>(5,358)</b>	<b>(2,813)</b>	<b>(1,337)</b>	<b>(7,013)</b>	<b>(1,929)</b>	<b>(1,019)</b>	<b>(43)</b>
Depreciation	—	(336)	(135)	(89)	(800)	(124)	(85)	(1)
Accumulated depreciation on deletions**	—	1	18	30	907	91	42	4
Translation difference	—	(28)	(8)	(8)	(43)	(12)	(33)	—
<b>Accumulated depreciation as at December 31, 2025</b>	<b>—</b>	<b>(5,721)</b>	<b>(2,938)</b>	<b>(1,404)</b>	<b>(6,949)</b>	<b>(1,974)</b>	<b>(1,095)</b>	<b>(40)</b>
<b>Carrying value as at April 1, 2025</b>	<b>1,479</b>	<b>6,363</b>	<b>648</b>	<b>291</b>	<b>2,293</b>	<b>411</b>	<b>288</b>	<b>5</b>
<b>Carrying value as at December 31, 2025</b>	<b>1,440</b>	<b>6,104</b>	<b>574</b>	<b>274</b>	<b>2,546</b>	<b>358</b>	<b>250</b>	<b>5</b>

\*\* During the three months and nine months ended December 31, 2025, certain assets which were not in use having gross book value of ₹ 369 crore (net book value: ₹ Nil) and ₹ 842 crore (net book value: ₹ Nil), respectively were retired.

The changes in the carrying value of property, plant and equipment for the nine months ended December 31, 2024 are as follows:

Particulars	(In ₹ crore)							
	Land - Freehold	Buildings <sup>(1)</sup>	Plant and machinery	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold Improvements	Vehicles
<b>Gross carrying value as at April 1, 2024</b>	<b>1,432</b>	<b>11,770</b>	<b>3,428</b>	<b>1,528</b>	<b>8,611</b>	<b>2,326</b>	<b>1,447</b>	<b>45</b>
Additions	—	38	52	108	620	81	99	2
Additions on Business Combinations (Refer to note 2.1)	—	1	—	11	6	23	—	2
Deletions*	—	(107)	(22)	(39)	(493)	(55)	(101)	(1)
Translation difference	—	14	1	—	(10)	(4)	6	—
<b>Gross carrying value as at December 31, 2024</b>	<b>1,432</b>	<b>11,716</b>	<b>3,459</b>	<b>1,608</b>	<b>8,734</b>	<b>2,371</b>	<b>1,451</b>	<b>48</b>
<b>Accumulated depreciation as at April 1, 2024</b>	<b>—</b>	<b>(4,921)</b>	<b>(2,630)</b>	<b>(1,269)</b>	<b>(6,380)</b>	<b>(1,837)</b>	<b>(1,138)</b>	<b>(42)</b>
Depreciation	—	(335)	(156)	(88)	(957)	(146)	(127)	(2)
Accumulated depreciation on deletions*	—	12	12	38	483	50	99	1
Translation difference	—	(3)	—	—	8	3	(5)	—
<b>Accumulated depreciation as at December 31, 2024</b>	<b>—</b>	<b>(5,247)</b>	<b>(2,774)</b>	<b>(1,319)</b>	<b>(6,846)</b>	<b>(1,930)</b>	<b>(1,171)</b>	<b>(43)</b>
<b>Carrying value as at April 1, 2024</b>	<b>1,432</b>	<b>6,849</b>	<b>798</b>	<b>259</b>	<b>2,231</b>	<b>489</b>	<b>309</b>	<b>3</b>
<b>Carrying value as at December 31, 2024</b>	<b>1,432</b>	<b>6,469</b>	<b>685</b>	<b>289</b>	<b>1,888</b>	<b>441</b>	<b>280</b>	<b>5</b>

\* During the three months and nine months ended December 31, 2024, certain assets which were not in use having gross book value of ₹171 crore (net book value: ₹ Nil) and ₹400 crore (net book value: ₹ Nil), respectively were retired.

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

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

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

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

## 2.3 GOODWILL AND OTHER INTANGIBLE ASSETS

### 2.3.1 Goodwill

#### Accounting policy

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

#### Impairment

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

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

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Carrying value at the beginning</b>	<b>10,106</b>	<b>7,303</b>
Goodwill on acquisitions (Refer to note 2.1)	444	2,593
Translation differences	1,084	210
<b>Carrying value at the end</b>	<b>11,634</b>	<b>10,106</b>

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU or groups of CGUs, which benefit from the synergies of the acquisition.

### 2.3.2 Intangible Assets

#### Accounting policy

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

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

#### Impairment

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

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

## 2.4 INVESTMENTS

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current Investments</b>		
<b>Unquoted</b>		
Investments carried at fair value through other comprehensive income		
Preference securities	173	167
Equity securities	2	2
	<b>175</b>	<b>169</b>
Investments carried at fair value through profit or loss		
Target maturity fund units	—	465
Equity and Preference securities	25	25
Others <sup>(1)</sup>	242	196
	<b>267</b>	<b>686</b>
<b>Quoted</b>		
Investments carried at amortized cost		
Government bonds	23	16
Tax free bonds	409	1,465
	<b>432</b>	<b>1,481</b>
Investments carried at fair value through other comprehensive income		
Non convertible debentures	3,313	3,320
Equity securities	77	57
Government securities	4,635	5,346
	<b>8,025</b>	<b>8,723</b>
<b>Total non-current investments</b>	<b>8,899</b>	<b>11,059</b>
<b>Current Investments</b>		
<b>Unquoted</b>		
Investments carried at fair value through profit or loss		
Mutual fund units	1,970	1,957
	<b>1,970</b>	<b>1,957</b>
Investments carried at fair value through other comprehensive income		
Commercial Paper	970	3,641
Certificates of deposit	3,264	3,504
	<b>4,234</b>	<b>7,145</b>
<b>Quoted</b>		
Investments carried at amortized cost		
Government bonds	53	15
Tax free bonds	48	154
	<b>101</b>	<b>169</b>
Investments carried at fair value through other comprehensive income		
Non convertible debentures	231	1,549
Government securities	375	1,662
	<b>606</b>	<b>3,211</b>
<b>Total current investments</b>	<b>6,911</b>	<b>12,482</b>
<b>Total investments</b>	<b>15,810</b>	<b>23,541</b>
Aggregate amount of quoted investments	9,164	13,584
Market value of quoted investments (including interest accrued), current	704	3,369
Market value of quoted investments (including interest accrued), non current	8,479	10,392
Aggregate amount of unquoted investments	6,646	9,957
Investments carried at amortized cost	533	1,650
Investments carried at fair value through other comprehensive income	13,040	19,248
Investments carried at fair value through profit or loss	2,237	2,643

<sup>(1)</sup> Uncalled capital commitments outstanding as at December 31, 2025 and March 31, 2025 was ₹94 crore and ₹122 crore, respectively.

Refer to Note 2.10 for Accounting policies on Financial Instruments.

### Method of fair valuation:

(In ₹ crore)

Class of investment	Method	Fair value as at	
		December 31, 2025	March 31, 2025
Mutual fund units - carried at fair value through profit or loss	Quoted price	1,970	1,957
Target maturity fund units - carried at fair value through profit or loss	Quoted price	—	465
Tax free bonds and government bonds - carried at amortized cost	Quoted price and market observable inputs	551	1,812
Non-convertible debentures - carried at fair value through other comprehensive income	Quoted price and market observable inputs	3,544	4,869
Government securities - carried at fair value through other comprehensive income	Quoted price and market observable inputs	5,010	7,008
Commercial Papers - carried at fair value through other comprehensive income	Market observable inputs	970	3,641
Certificates of deposit - carried at fair value through other comprehensive income	Market observable inputs	3,264	3,504
Quoted Equity securities - carried at fair value through other comprehensive income	Quoted price	77	57
Unquoted equity and preference securities - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	25	25
Unquoted equity and preference securities - carried at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model	175	169
Others - carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model	242	196
<b>Total</b>		<b>15,828</b>	<b>23,703</b>

Note: 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	
	December 31, 2025	March 31, 2025
<b>Non Current</b>		
Loans considered good - Unsecured		
Other loans		
Loans to employees	9	16
	<b>9</b>	<b>16</b>
Loans credit impaired - Unsecured		
Other loans		
Loans to employees	3	3
Less: Allowance for credit impairment	(3)	(3)
	<b>—</b>	<b>—</b>
<b>Total non-current loans</b>	<b>9</b>	<b>16</b>
<b>Current</b>		
Loans considered good - Unsecured		
Other loans		
Loans to employees	234	249
<b>Total current loans</b>	<b>234</b>	<b>249</b>
<b>Total loans</b>	<b>243</b>	<b>265</b>

## 2.6 OTHER FINANCIAL ASSETS

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Non Current</b>		
Security deposits <sup>(1)</sup>	276	273
Unbilled revenues <sup>(1)#</sup>	1,858	2,031
Restricted deposits <sup>(1)*</sup>	116	82
Net investment in lease <sup>(1)</sup>	1,156	1,106
Others <sup>(1)</sup>	13	19
<b>Total non-current other financial assets</b>	<b>3,419</b>	<b>3,511</b>
<b>Current</b>		
Security deposits <sup>(1)</sup>	68	65
Restricted deposits <sup>(1)*</sup>	3,170	2,949
Unbilled revenues <sup>(1)#</sup>	8,679	8,183
Interest accrued but not due <sup>(1)</sup>	362	842
Foreign currency forward and options contracts <sup>(2) (3)</sup>	49	192
Net investment in lease <sup>(1)</sup>	1,465	1,139
Others <sup>(1)</sup>	547	470
<b>Total current other financial assets</b>	<b>14,340</b>	<b>13,840</b>
<b>Total other financial assets</b>	<b>17,759</b>	<b>17,351</b>
<sup>(1)</sup> Financial assets carried at amortized cost	17,710	17,159
<sup>(2)</sup> Financial assets carried at fair value through other comprehensive income	24	28
<sup>(3)</sup> Financial assets carried at fair value through profit or loss	25	164

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

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

## 2.7 TRADE RECEIVABLES

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Trade Receivable considered good - Unsecured	36,748	31,670
Less: Allowance for expected credit loss	617	512
Trade Receivable considered good - Unsecured	<b>36,131</b>	<b>31,158</b>
Trade Receivable - credit impaired - Unsecured	225	206
Less: Allowance for credit impairment	225	206
Trade Receivable - credit impaired - Unsecured	<b>—</b>	<b>—</b>
<b>Total trade receivables</b>	<b>36,131</b>	<b>31,158</b>

## 2.8 CASH AND CASH EQUIVALENTS

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
Balances with banks		
In current and deposit accounts	19,915	24,455
Cash on hand	—	—
<b>Total cash and cash equivalents</b>	<b>19,915</b>	<b>24,455</b>
Balances with banks in unpaid dividend accounts	44	45
Deposit with more than 12 months maturity	53	75

Cash and cash equivalents as at December 31, 2025 and March 31, 2025 include restricted cash and bank balances of ₹409 crore and ₹424 crore respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the company.

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

## 2.9 OTHER ASSETS

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current</b>		
Capital advances	182	208
Advances other than capital advances		
Others		
Withholding taxes and others*	612	534
Unbilled revenues #	159	201
Defined benefit plan assets	12	297
Prepaid expenses	522	282
Deferred Contract Cost		
Cost of obtaining a contract	505	312
Cost of fulfillment	882	879
<b>Total non-current other assets</b>	<b>2,874</b>	<b>2,713</b>
<b>Current</b>		
Advances other than capital advances		
Payment to vendors for supply of goods	256	413
Others		
Unbilled revenues #	4,597	4,668
Withholding taxes and others*	3,021	2,841
Prepaid expenses	3,925	3,080
Deferred Contract Cost		
Cost of obtaining a contract	348	343
Cost of fulfillment	617	504
Other receivables	134	91
<b>Total current other assets</b>	<b>12,898</b>	<b>11,940</b>
<b>Total other assets</b>	<b>15,772</b>	<b>14,653</b>

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

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

## 2.10 FINANCIAL INSTRUMENTS

### Accounting policy

#### 2.10.1 Initial recognition

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

#### 2.10.2 Subsequent measurement

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

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

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

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for certain investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

###### *(iii) Financial assets carried at fair value through profit or loss (FVTPL)*

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

###### *(iv) Financial liabilities*

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration and financial liability under option arrangements recognized in a business combination which is subsequently measured at fair value through profit or loss.

##### b. Derivative financial instruments

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

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

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

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

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

###### *(ii) Cash flow hedge*

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

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

#### 2.10.3 Derecognition of financial instruments

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

## 2.10.4 Fair value of financial instruments

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

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

## 2.10.5 Impairment

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

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

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment loss or gain in Interim condensed Consolidated Statement of Profit and Loss.

### Financial instruments by category

The carrying value and fair value of financial instruments by categories as at December 31, 2025 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)	19,915	—	—	—	—	19,915	19,915	
Investments (Refer to Note 2.4)								
Equity and preference securities	—	25	—	252	—	277	277	
Tax free bonds and government bonds	533	—	—	—	—	533	551	
Mutual fund units	—	—	1,970	—	—	1,970	1,970	
Non convertible debentures	—	—	—	—	3,544	3,544	3,544	
Government securities	—	—	—	—	5,010	5,010	5,010	
Commercial paper	—	—	—	—	970	970	970	
Certificates of deposit	—	—	—	—	3,264	3,264	3,264	
Other investments	—	—	242	—	—	242	242	
Trade receivables (Refer to Note 2.7)	36,131	—	—	—	—	36,131	36,131	
Loans (Refer to Note 2.5)	243	—	—	—	—	243	243	
Other financials assets (Refer to Note 2.6)	17,710	—	25	—	24	17,759	17,741	
<b>Total</b>	<b>74,532</b>	<b>25</b>	<b>2,237</b>	<b>252</b>	<b>12,812</b>	<b>89,858</b>	<b>89,858</b>	
<b>Liabilities:</b>								
Trade payables	4,826	—	—	—	—	4,826	4,826	
Lease liabilities (Refer to Note 2.19)	8,796	—	—	—	—	8,796	8,796	
Financial Liability under option arrangements (Refer to Note 2.12)	—	—	756	—	—	756	756	
Other financial liabilities (Refer to Note 2.12)	17,167	—	469	—	20	17,656	17,656	
<b>Total</b>	<b>30,789</b>	<b>—</b>	<b>1,225</b>	<b>—</b>	<b>20</b>	<b>32,034</b>	<b>32,034</b>	

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹18 crore

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

							(In ₹ crore)
Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents <i>(Refer to Note 2.8)</i>	24,455	—	—	—	—	24,455	24,455
<b>Investments <i>(Refer to Note 2.4)</i></b>							
Equity and preference securities	—	25	—	226	—	251	251
Tax free bonds and government bonds	1,650	—	—	—	—	1,650	1,812
Mutual fund units	—	—	1,957	—	—	1,957	1,957
Target maturity fund units	—	—	465	—	—	465	465
Non convertible debentures	—	—	—	—	4,869	4,869	4,869
Government securities	—	—	—	—	7,008	7,008	7,008
Commercial paper	—	—	—	—	3,641	3,641	3,641
Certificates of deposit	—	—	—	—	3,504	3,504	3,504
Other investments	—	—	196	—	—	196	196
Trade receivables <i>(Refer to Note 2.7)</i>	31,158	—	—	—	—	31,158	31,158
Loans <i>(Refer to Note 2.5)</i>	265	—	—	—	—	265	265
Other financial assets <i>(Refer to Note 2.6)</i>	17,159	—	164	—	28	17,351	17,271
<b>Total</b>	<b>74,687</b>	<b>25</b>	<b>2,782</b>	<b>226</b>	<b>19,050</b>	<b>96,770</b>	<b>96,852</b>
<b>Liabilities:</b>							
Trade payables	4,164	—	—	—	—	4,164	4,164
Lease liabilities <i>(Refer to Note 2.19)</i>	8,227	—	—	—	—	8,227	8,227
Financial Liability under option arrangements <i>(Refer to Note 2.12)</i>	—	—	667	—	—	667	667
Other financial liabilities <i>(Refer to Note 2.12)</i>	16,511	—	61	—	33	16,605	16,605
<b>Total</b>	<b>28,902</b>	<b>—</b>	<b>728</b>	<b>—</b>	<b>33</b>	<b>29,663</b>	<b>29,663</b>

<sup>(1)</sup> On account of fair value changes including interest accrued

<sup>(2)</sup> Excludes interest accrued on tax free bonds and government bonds carried at amortized cost of ₹80 crore

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

#### Fair value hierarchy

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

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

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

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at December 31, 2025 is as follows:

Particulars	As at December 31, 2025	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.4)</b>				
Investments in mutual fund units	1,970	1,970	—	—
Investments in target maturity fund units	—	—	—	—
Investments in tax free bonds	475	427	48	—
Investments in government bonds	76	76	—	—
Investments in non convertible debentures	3,544	3,544	—	—
Investments in government securities	5,010	4,938	72	—
Investments in equity securities	79	77	—	2
Investments in preference securities	198	—	—	198
Investments in commercial paper	970	—	970	—
Investments in certificates of deposit	3,264	—	3,264	—
Other investments	242	—	—	242
<b>Others</b>				
Derivative financial instruments - gain (Refer to Note 2.6)	49	—	49	—
<b>Liabilities</b>				
Derivative financial instruments - loss (Refer to Note 2.12)	392	—	392	—
Financial liability under option arrangements (Refer to Note 2.12) <sup>(1)</sup>	756	—	—	756
Liability towards contingent consideration (Refer to Note 2.12) <sup>(2)</sup>	97	—	—	97

<sup>(1)</sup> Discount rate ranges from 9% to 15%

<sup>(2)</sup> Discount rate ranges from 3% to 6%

During the nine months ended December 31, 2025, tax free bonds of ₹60 crore was transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, state government securities of ₹36 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.



The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2025 was as follows:

(In ₹ crore)

Particulars	As at March 31, 2025	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
<b>Investments (Refer to note 2.4)</b>				
Investments in mutual fund units	1,957	1,957	—	—
Investments in target maturity fund units	465	465	—	—
Investments in tax free bonds	1,781	1,227	554	—
Investments in government bonds	31	31	—	—
Investments in non convertible debentures	4,869	4,869	—	—
Investments in government securities	7,008	6,972	36	—
Investments in equity securities	59	57	—	2
Investments in preference securities	192	—	—	192
Investments in commercial paper	3,641	—	3,641	—
Investments in certificates of deposit	3,504	—	3,504	—
Other investments	196	—	—	196
<b>Others</b>				
Derivative financial instruments - gain (Refer to Note 2.6)	192	—	192	—
<b>Liabilities</b>				
Derivative financial instruments - loss (Refer to Note 2.12)	63	—	63	—
Financial liability under option arrangements (Refer to Note 2.12) <sup>(1)</sup>	667	—	—	667
Liability towards contingent consideration (Refer to Note 2.12) <sup>(2)</sup>	31	—	—	31

<sup>(1)</sup> Discount rate ranges from 9% to 15%

<sup>(2)</sup> Discount rate - 6%

During the year ended March 31, 2025, government securities and non convertible debentures of ₹297 crore was transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price. Further, non convertible debentures and tax free bonds of ₹554 crore were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

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

## 2.11 EQUITY

### Accounting policy

#### Ordinary Shares

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

#### Treasury Shares

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

#### Description of reserves

##### Capital Redemption Reserve

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

##### Retained earnings

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

##### Securities premium

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

##### Share options outstanding account

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

##### Special Economic Zone Re-investment reserve

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

##### Other components of equity

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

##### Currency translation reserve

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

##### Cash flow hedge reserve

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

### EQUITY SHARE CAPITAL

Particulars	<i>(In ₹ crore, except as otherwise stated)</i>	
	As at	
	December 31, 2025	March 31, 2025
<b>Authorized</b>		
Equity shares, ₹5 par value		
480,00,00,000 (480,00,00,000) equity shares	2,400	2,400
<b>Issued, Subscribed and Paid-Up</b>		
Equity shares, ₹5 par value <sup>(1)</sup>	2,024	2,073
404,56,83,463 (414,36,07,528) equity shares fully paid-up <sup>(2)</sup>		
	<b>2,024</b>	<b>2,073</b>

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

<sup>(1)</sup> Refer to Note 2.20 for details of basic and diluted shares

<sup>(2)</sup> Net of treasury shares 89,84,436 (96,55,927)

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

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

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

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

The reconciliation of the number of shares outstanding and the amount of share capital as at December 31, 2025 and March 31, 2025 are as follows:

Particulars	(In ₹ crore, except as stated otherwise)			
	As at December 31, 2025		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
<b>As at the beginning of the period</b>	<b>414,36,07,528</b>	<b>2,073</b>	<b>413,99,50,635</b>	<b>2,071</b>
Add: Shares issued on exercise of employee stock options	20,75,935	1	36,56,893	2
Less: Shares bought back	100,000,000	50	—	—
<b>As at the end of the period</b>	<b>404,56,83,463</b>	<b>2,024</b>	<b>414,36,07,528</b>	<b>2,073</b>

#### Capital allocation policy

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

Under this policy, the Company expects to progressively increase its annual dividend per share (excluding special dividend if any). Free cash flow is defined as net cash provided by operating activities less capital expenditure as per the consolidated statement of cash flows prepared under IFRS. Dividend and buyback include applicable taxes.

#### Buyback completed in December 2025

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

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of December 31, 2025, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirements.

#### Dividend

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

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

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

Particulars	(in ₹)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Interim dividend for fiscal 2026	23.00	—	23.00	—
Final dividend for fiscal 2025	—	—	22.00	—
Interim dividend for fiscal 2025	—	21.00	—	21.00
Special dividend for fiscal 2024	—	—	—	8.00
Final dividend for fiscal 2024	—	—	—	20.00

The Board of Directors in their meeting held on April 17, 2025 recommended a final dividend of ₹22/- per equity share for the financial year ended March 31, 2025. The same was approved by the shareholders at the Annual General Meeting (AGM) of the Company held on June 25, 2025 which resulted in a net cash outflow of ₹9,119 crore, excluding dividend paid on treasury shares. The final dividend was paid on June 30, 2025.

The Board of Directors in their meeting held on October 16, 2025 declared an interim dividend of ₹23/- per equity share which resulted in a net cash outflow of ₹9,534 crore, excluding dividend paid on treasury shares.

#### Employee Stock Option Plan (ESOP):

##### Accounting policy

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

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

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

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

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

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

Controlled trust holds 89,84,436 and 96,55,927 shares as at December 31, 2025 and March 31, 2025, respectively, under the 2015 Plan. Out of these shares, 200,000 equity shares each have been earmarked for welfare activities of the employees as at December 31, 2025 and March 31, 2025.

The following is the summary of grants made during the three months and nine months ended December 31, 2025 and December 31, 2024:

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>2015 Plan: RSU</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	277,077	295,168
Employees other than KMP	109,893	22,880	117,293	152,220
	<b>109,893</b>	<b>22,880</b>	<b>394,370</b>	<b>447,388</b>
<b>2015 Plan: Employee Stock Options (ESOPs)</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	237,370	-
Employees other than KMP	-	-	5,412,790	-
	-	-	<b>5,650,160</b>	-
<b>Cash settled RSUs</b>				
Key Management Personnel (KMP)	-	-	-	-
Employees other than KMP	-	-	108,180	-
	-	-	<b>108,180</b>	-
<b>Total Grants under 2015 Plan</b>	<b>109,893</b>	<b>22,880</b>	<b>6,152,710</b>	<b>447,388</b>
<b>2019 Plan: RSU</b>				
<b>Equity settled RSUs</b>				
Key Management Personnel (KMP)	-	-	66,366	70,699
Employees other than KMP	3,065	-	3,065	6,848
	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>
<b>Total Grants under 2019 Plan</b>	<b>3,065</b>	-	<b>69,431</b>	<b>77,547</b>

**Notes on grants to KMP:**

**CEO & MD**

**Under the 2015 Plan:**

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

- 2,30,621 performance-based RSUs (Annual performance equity grant) of fair value of ₹34.75 crore. These RSUs will vest in line with the employment agreement based on achievement of certain performance targets.
- 13,273 performance-based grant of RSUs (Annual performance equity ESG grant) of fair value of ₹2 crore. These RSUs will vest in line with the employment agreement based on achievement of certain environment, social and governance milestones as determined by the Board.
- 33,183 performance-based grant of RSUs (Annual performance Equity TSR grant) of fair value of ₹5 crore. These RSUs will vest in line with the employment agreement based on Company's performance on cumulative relative TSR over the years and as determined by the Board.

Though the annual time based grants and annual performance equity TSR grant for the remaining employment term ending on March 31, 2027 have not been granted as of December 31, 2025, since the service commencement date precedes the grant date, the company has recorded employment stock compensation expense in accordance with Ind AS 102, Share based payment. The grant date for this purpose in accordance with Ind AS 102, Share based payment is July 01, 2022.

**Under the 2019 Plan:**

The Board, on April 17, 2025, based on the recommendations of the Nomination and Remuneration Committee, approved performance-based grant of RSUs amounting to ₹10 crore for fiscal 2026 under the 2019 Plan. These RSUs will vest based on achievement of certain performance targets. Accordingly, 66,366 performance based RSU's were granted effective May 2, 2025.

**Other KMP**

**Under the 2015 plan:**

During the nine months ended December 31, 2025, based on recommendations of Nomination and Remuneration Committee, the Board approved time based grants of 2,37,370 ESOPs to Other KMP under the 2015 Plan. These stock options will vest over a period of 4 years and shall be exercisable within the period as approved by the Committee. The exercise price of the stock options would be the market price as on the date of grant.

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

Particulars	(in ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Granted to:				
KMP	17	17	53	52
Employees other than KMP	213	168	649	553
<b>Total <sup>(1)</sup></b>	<b>230</b>	<b>185</b>	<b>702</b>	<b>605</b>
<sup>(1)</sup> Cash-settled stock compensation expense included in the above	6	2	15	14

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

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

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

Particulars	For options granted in					
	Fiscal 2026- Equity Shares-RSU	Fiscal 2026- ADR RSU	Fiscal 2026- Equity Shares- ESOP	Fiscal 2026- ADS-ESOP	Fiscal 2025- Equity Shares-RSU	Fiscal 2025- ADS-RSU
Weighted average share price (₹) / (\$ ADS)	1,505	16.57	1,554	17.93	1,437	18.42
Exercise price (₹) / (\$ ADS)	5.00	0.10	1,554	17.93	5.00	0.07
Expected volatility (%)	23-26	25-26	25-28	26-30	21-26	23-28
Expected life of the option (years)	1-4	1-4	3-7	3-7	1-4	1-4
Expected dividends (%)	2-3	2-3	2-3	2-3	2-3	2-3
Risk-free interest rate (%)	6	4	6	4	7	4-5
Weighted average fair value as on grant date (₹) / (\$ ADS)	1,354	15.16	390	4.09	1,319	16.94

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

## 2.12 OTHER FINANCIAL LIABILITIES

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current</b>		
Others		
Accrued compensation to employees <sup>(1)</sup>	29	12
Accrued expenses <sup>(1)</sup>	1,562	1,890
Compensated absences	108	99
Financial liability under option arrangements <sup>(2) #</sup>	126	115
Payable for acquisition of business - Contingent consideration <sup>(2)</sup>	77	20
Other Payables <sup>(1)(4)</sup>	62	5
<b>Total non-current other financial liabilities</b>	<b>1,964</b>	<b>2,141</b>
<b>Current</b>		
Unpaid dividends <sup>(1)</sup>	44	45
Others		
Accrued compensation to employees <sup>(1)</sup>	4,917	4,924
Accrued expenses <sup>(1)</sup>	9,712	8,467
Payable for acquisition of business - Contingent consideration <sup>(2)</sup>	20	11
Payable by controlled trusts <sup>(1)</sup>	173	173
Compensated absences	3,455	2,908
Financial liability under option arrangements <sup>(2) #</sup>	630	552
Foreign currency forward and options contracts <sup>(2) (3)</sup>	392	63
Capital creditors <sup>(1)</sup>	379	520
Other payables <sup>(1)(4)</sup>	289	475
<b>Total current other financial liabilities</b>	<b>20,011</b>	<b>18,138</b>
<b>Total other financial liabilities</b>	<b>21,975</b>	<b>20,279</b>
<sup>(1)</sup> Financial liability carried at amortized cost	17,167	16,511
<sup>(2)</sup> Financial liability carried at fair value through profit or loss	1,225	728
<sup>(3)</sup> Financial liability carried at fair value through other comprehensive income	20	33

<sup>(4)</sup> The Group entered into financing arrangements with a third party towards technology assets taken over by the Group from a customer as a part of transformation project which was not considered as distinct goods or services as the control related to those assets was not transferred to the Group in accordance with Ind AS 115 - Revenue from contract with customers. As at December 31, 2025 and March 31, 2025, the financial liability pertaining to such arrangements amounts to ₹28 crore and ₹67 crore, respectively.

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

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

## 2.13 OTHER LIABILITIES

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Non-current</b>		
Others		
Accrued defined benefit liability	538	115
Others	90	100
<b>Total non-current other liabilities</b>	<b>628</b>	<b>215</b>
<b>Current</b>		
Unearned revenue	11,103	8,492
Others		
Withholding taxes and others	3,713	3,256
Accrued defined benefit liability	30	6
Others	16	11
<b>Total current other liabilities</b>	<b>14,862</b>	<b>11,765</b>
<b>Total other liabilities</b>	<b>15,490</b>	<b>11,980</b>

## 2.14 PROVISIONS

### Accounting policy

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

#### a. Post sales client support

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

#### b. Onerous contracts

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

### Provision for post-sales client support and other provisions:

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
<b>Current</b>		
Others		
Post-sales client support and others	1,618	1,325
Other provisions pertaining to settlement (refer to note 2.21.2)	135	150
<b>Total provisions</b>	<b>1,753</b>	<b>1,475</b>

Provision for post-sales client support and other provisions majorly represents costs associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 year.

Provision for post sales client support and other provisions is included in cost of sales in the condensed consolidated statement of profit and loss.



## 2.6.2 Legal proceedings

### McCamish Cybersecurity incident

In November 2023, certain systems of Infosys McCamish Systems LLC (“McCamish”), a subsidiary of Infosys BPM Limited (a wholly owned subsidiary of Infosys Limited), were encrypted by ransomware, resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists’ assistance, substantially remediated and restored the affected applications and systems. Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish processes personal data on behalf of its corporate customers.

From March 6, 2024 through July 25, 2024, six actions were filed in the U.S. District Court for the Northern District of Georgia against McCamish. The actions arise out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. All six actions have since been consolidated, and the consolidated class action complaint was filed on November 7, 2024, purportedly on behalf of all persons residing in the United States whose personally identifiable information was compromised in the incident, including all who were sent a notice of the incident. On December 20, 2024, the Court granted the parties’ joint motion to stay proceedings pending the parties’ efforts to resolve the lawsuit through mediation. On March 13, 2025, McCamish and the plaintiffs engaged in mediation, resulting in an in-principle agreement that sets forth the terms of a proposed settlement of the class action lawsuits against McCamish, as well as seven class action lawsuits arising out of the incident that have been filed against McCamish’s customers. Under the settlement terms, McCamish has agreed to pay \$17.5 million (approximately ₹150 crore) into a fund to settle these matters. On December 18, 2025, the Court granted the final approval on the settlement. If the settlement is not appealed within 30 days, then it will become effective and resolve all allegations made in the class action lawsuits without admission of any liability.

During the three months ended March 31, 2025, McCamish had recorded an accrual of \$17.5 million (approximately ₹150 crore) related to the settlement and had recognized an insurance reimbursement receivable of \$17 million (approximately ₹145 crore) which has been offset against the settlement expense of \$17.5 million (approximately ₹150 crore) in the Statement of Comprehensive Income. McCamish may incur additional costs including from indemnities or damages/claims, which are indeterminable at this time.

### Government Investigation

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

### Others

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

## 2.15 INCOME TAXES

### Accounting policy

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

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

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

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

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Current taxes	2,871	3,202	9,103	9,346
Deferred taxes	(308)	(354)	(869)	(1,113)
<b>Income tax expense</b>	<b>2,563</b>	<b>2,848</b>	<b>8,234</b>	<b>8,233</b>

Income tax expense for the three months ended December 31, 2025 and December 31, 2024 includes reversals (net of provisions) of ₹77 crore and provisions (net of reversals) of ₹106 crore, respectively. Income tax expense for the nine months ended December 31, 2025 and December 31, 2024 includes provisions (net of reversals) of ₹38 crore and provisions (net of reversals) of ₹249 crore, respectively. These provisions and reversals pertaining to prior periods are primarily on account of adjudication of certain disputed matters, upon filing of tax return and completion of assessments, across various jurisdictions.

Deferred income tax for the three months and nine months ended December 31, 2025 and December 31, 2024 substantially relates to origination and reversal of temporary differences.

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

## 2.16 REVENUE FROM OPERATIONS

### Accounting policy

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenue from operation for the three months and nine months ended December 31, 2025 and December 31, 2024 are as follows:

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Revenue from software services	43,257	39,766	125,980	116,395
Revenue from products and platforms	2,222	1,998	6,268	5,669
<b>Total revenue from operations</b>	<b>45,479</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>

#### Products & platforms

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

#### Disaggregated revenue information

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

For the three months and nine months ended December 31, 2025 and December 31, 2024:

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>Revenues by Geography*</b>				
North America	25,422	24,404	74,316	71,053
Europe	14,850	12,430	42,313	35,824
India	1,279	1,293	3,885	3,808
Rest of the world	3,928	3,637	11,734	11,379
<b>Total</b>	<b>45,479</b>	<b>41,764</b>	<b>132,248</b>	<b>122,064</b>

\* Geographical revenue is based on the domicile of customer

The percentage of revenue from fixed-price contracts for each of the three months ended December 31, 2025 and December 31, 2024 is 55%. The percentage of revenue from fixed-price contracts for each of the nine months ended December 31, 2025 and December 31, 2024 is 54%.

#### Trade Receivables and Contract Balances

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

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

## 2.17 OTHER INCOME, NET

### Accounting policy

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

### Foreign currency

#### Accounting policy

##### Functional currency

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

##### Transactions and translations

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

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

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

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

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

### Government grant

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

Other income for the three months and nine months ended December 31, 2025 and December 31, 2024 is as follows:

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Interest income on financial assets carried at amortized cost				
Tax free bonds and Government bonds	7	31	49	92
Deposit with Bank and others	363	365	1,301	1,014
Interest income on financial assets carried at fair value through other comprehensive income				
Non-convertible debentures, commercial paper, certificates of deposit and government securities	228	195	802	741
Income on investments carried at fair value through profit or loss				
Gain / (loss) on mutual funds and other investments	79	52	210	233
Income on investments carried at fair value through other comprehensive income	17	—	17	2
Income on investments carried at amortized cost	—	—	81	—
Exchange gains / (losses) on forward and options contracts	(146)	231	(1,495)	(135)
Exchange gains / (losses) on translation of other assets and liabilities	312	(104)	1,852	285
Miscellaneous income, net*	279	89	346	178
<b>Total other income</b>	<b>1,139</b>	<b>859</b>	<b>3,163</b>	<b>2,410</b>

\*Includes profit on sale of property plant and equipment amounting to ₹165 crore for the three months ended December 31, 2025.

## 2.18 EXPENSES

### Accounting policy

#### Gratuity and Pensions

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

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

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

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

#### Provident fund

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

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

#### Superannuation

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

#### Compensated absences

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

Particulars	(In ₹ crore)			
	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<i>Employee benefit expenses</i>				
Salaries including bonus	23,079	20,502	67,300	61,173
Contribution to provident and other funds	658	591	1,957	1,738
Share based payments to employees (Refer to Note 2.11)	230	185	702	605
Staff welfare	155	158	448	418
	<b>24,122</b>	<b>21,436</b>	<b>70,407</b>	<b>63,934</b>
<i>Cost of software packages and others</i>				
For own use	720	612	2,088	1,813
Third party items bought for service delivery to clients	3,262	3,995	9,665	10,199
	<b>3,982</b>	<b>4,607</b>	<b>11,753</b>	<b>12,012</b>
<i>Other expenses</i>				
Repairs and maintenance	388	336	1,121	997
Power and fuel	55	51	169	172
Brand and marketing	311	274	988	879
Rates and taxes	73	63	244	270
Consumables	65	60	184	162
Insurance	88	75	253	228
Provision for post-sales client support and others	35	91	(61)	117
Commission to non-whole time directors	5	5	14	13
Impairment loss recognized / (reversed) under expected credit loss model	54	5	88	100
Contributions towards Corporate Social Responsibility	181	164	446	493
Others	239	125	605	463
	<b>1,494</b>	<b>1,249</b>	<b>4,051</b>	<b>3,894</b>

#### 2.18.1 Impact of Labour Codes

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to leave. The Group has assessed the financial implications of these changes which has resulted in increase in gratuity liability arising out of past service cost and increase in leave liability by ₹1,289 crore. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Group has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the Condensed Consolidated Statement of Profit and Loss for the three months and nine months ended December 31, 2025. The Group continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of the employee benefits liability.

## 2.19 Leases

### Accounting Policy

#### The Group as a lessee

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

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

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

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

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

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

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

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

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

#### The Group as a lessor

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

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

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

Following are the changes in the carrying value of right-of-use assets for the three months ended December 31, 2025:

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
Balance as at October 1, 2025	600	3,329	24	2,437	6,390
Additions*	—	131	4	406	541
Deletions	(54)	(13)	(2)	(320)	(389)
Depreciation	(2)	(188)	(2)	(267)	(459)
Translation difference	4	11	—	17	32
Balance as at December 31, 2025	548	3,270	24	2,273	6,115

\* Net of adjustments on account of modifications.

Following are the changes in the carrying value of right-of-use assets for the three months ended December 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
<b>Balance as of October 1, 2024</b>	<b>604</b>	<b>3,481</b>	<b>23</b>	<b>2,584</b>	<b>6,692</b>
Additions*	—	147	5	262	414
Deletions	—	(97)	—	(145)	(242)
Depreciation	(2)	(186)	(2)	(269)	(459)
Translation difference	(1)	(6)	(2)	(51)	(60)
<b>Balance as of December 31, 2024</b>	<b>601</b>	<b>3,339</b>	<b>24</b>	<b>2,381</b>	<b>6,345</b>

\* Net of adjustments on account of modifications

Following are the changes in the carrying value of right-of-use assets for the nine months ended December 31, 2025:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
<b>Balance as of April 1, 2025</b>	<b>600</b>	<b>3,348</b>	<b>24</b>	<b>2,339</b>	<b>6,311</b>
Additions*	—	424	7	1,263	1,694
Deletions	(54)	(32)	(2)	(689)	(777)
Depreciation	(5)	(562)	(8)	(843)	(1,418)
Translation difference	7	92	3	203	305
<b>Balance as of December 31, 2025</b>	<b>548</b>	<b>3,270</b>	<b>24</b>	<b>2,273</b>	<b>6,115</b>

\* Net of adjustments on account of modifications.

Following are the changes in the carrying value of right-of-use assets for the nine months ended December 31, 2024:

(In ₹ crore)

Particulars	Category of ROU asset				Total
	Land	Buildings	Vehicles	Computers	
<b>Balance as of April 1, 2024</b>	<b>605</b>	<b>3,298</b>	<b>17</b>	<b>2,632</b>	<b>6,552</b>
Additions*	—	532	11	936	1,479
Addition due to Business Combination (Refer to Note 2.1)	—	155	5	—	160
Deletions	—	(132)	(6)	(460)	(598)
Depreciation	(5)	(534)	(8)	(742)	(1,289)
Translation difference	1	20	5	15	41
<b>Balance as of December 31, 2024</b>	<b>601</b>	<b>3,339</b>	<b>24</b>	<b>2,381</b>	<b>6,345</b>

\* Net of adjustments on account of modifications

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

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

(In ₹ crore)

Particulars	As at	
	December 31, 2025	March 31, 2025
Current lease liabilities	2,985	2,455
Non-current lease liabilities	5,811	5,772
<b>Total</b>	<b>8,796</b>	<b>8,227</b>



## 2.20 EARNINGS PER EQUITY SHARE

### Accounting policy

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

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

## 2.21 CONTINGENT LIABILITIES AND COMMITMENTS

### Accounting policy

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

### 2.21.1 Contingent liability

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
<b>Contingent liabilities :</b>		
Claims against the Group, not acknowledged as debts <sup>(1)</sup>	3,246	2,953
[Amount paid to statutory authorities ₹1,710 crore (₹4,207 crore)]		

<sup>(1)</sup> As at December 31, 2025 and March 31, 2025, claims against the Group not acknowledged as debts in respect of income tax matters amounted to ₹2,054 crore and ₹1,933 crore, respectively.

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

Amount paid to statutory authorities against the tax claims amounted to ₹1,693 crore and ₹4,199 crore as at December 31, 2025 and March 31, 2025, respectively.

### 2.21.2 Legal Proceedings

#### McCamish Cybersecurity incident

In November 2023, certain systems of Infosys McCamish Systems LLC ("McCamish"), a subsidiary of Infosys BPM Limited (a wholly owned subsidiary of Infosys Limited), were encrypted by ransomware, resulting in the non-availability of certain applications and systems. McCamish initiated its incident response and engaged cybersecurity and other specialists to assist in its investigation of and response to the incident and remediation and restoration of impacted applications and systems. By December 31, 2023, McCamish, with external specialists' assistance, substantially remediated and restored the affected applications and systems. Actions taken by McCamish included investigative analysis conducted by a third-party cybersecurity firm to determine, among other things, whether and the extent to which company or customer data was subject to unauthorized access or exfiltration. McCamish also engaged a third-party eDiscovery vendor in assessing the extent and nature of such data. McCamish in coordination with its third-party eDiscovery vendor has identified corporate customers and individuals whose information was subject to unauthorized access and exfiltration. McCamish processes personal data on behalf of its corporate customers.

From March 6, 2024 through July 25, 2024, six actions were filed in the U.S. District Court for the Northern District of Georgia against McCamish. The actions arise out of the cybersecurity incident at McCamish initially disclosed on November 3, 2023. All six actions have since been consolidated, and the consolidated class action complaint was filed on November 7, 2024, purportedly on behalf of all persons residing in the United States whose personally identifiable information was compromised in the incident, including all who were sent a notice of the incident. On December 20, 2024, the Court granted the parties' joint motion to stay proceedings pending the parties' efforts to resolve the lawsuit through mediation. On March 13, 2025, McCamish and the plaintiffs engaged in mediation, resulting in an in-principle agreement that sets forth the terms of a proposed settlement of the class action lawsuits against McCamish, as well as seven class action lawsuits arising out of the incident that have been filed against McCamish's customers. Under the settlement terms, McCamish has agreed to pay \$17.5 million (approximately ₹150 crore) into a fund to settle these matters. On December 18, 2025, the Court granted the final approval on the settlement. If the settlement is not appealed within 30 days, then it will become effective and resolve all allegations made in the class action lawsuits without admission of any liability.

During the three months ended March 31, 2025, McCamish had recorded an accrual of \$17.5 million (approximately ₹150 crore) related to the settlement and had recognized an insurance reimbursement receivable of \$17 million (approximately ₹145 crore) which has been offset against the settlement expense of \$17.5 million (approximately ₹150 crore) in the Statement of Comprehensive Income. McCamish may incur additional costs including from indemnities or damages/claims, which are indeterminable at this time.

### Government Investigation

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

### Others

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

### 2.21.3 Commitments

Particulars	(In ₹ crore)	
	As at	
	December 31, 2025	March 31, 2025
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances and deposits) <sup>(1)</sup>	1,137	935
Other commitments*	94	122

<sup>(1)</sup> Capital contracts primarily comprises of commitments for infrastructure facilities and computer equipment.

\* *Uncalled capital pertaining to investments*

## 2.22 RELATED PARTY TRANSACTIONS

Refer Note 2.20 "Related party transactions" in the Company's 2025 Annual Report for the full names and other details of the Company's subsidiaries and controlled trusts.

### Changes in Subsidiaries

During the nine months ended December 31, 2025, the following are the changes in the subsidiaries:

- . Infosys Energy Consulting Services LLC , a wholly-owned subsidiary of Infosys Nova Holdings LLC was incorporated on April 16, 2025.
- . Infosys Saudi Arabia LLC, a wholly-owned subsidiary of Infosys Limited was incorporated on April 21, 2025.
- . Infosys Australia Technology Service Pty Ltd, a wholly-owned subsidiary of Infosys Singapore Pte. Limited was incorporated on April 23, 2025.
- . On April 30, 2025, Infosys Nova Holdings LLC , a wholly owned subsidiary of Infosys Limited, acquired 98.21% of voting interests in MRE Consulting Ltd along with its subsidiary MRE Technology Services, LLC. The remaining 1.79% was acquired by Infosys Energy Consulting Services LLC , a Wholly-owned subsidiary of Infosys Nova Holdings LLC.
- . On April 30, 2025, Infosys Australia Technology Service Pty Ltd, a wholly owned subsidiary of Infosys Singapore Pte. Limited, acquired 100% of voting interests in The Missing Link Automation Pty Ltd, The Missing Link Network Integration Pty Ltd and The Missing Link Security Pty Ltd along with its subsidiary The Missing Link Security Ltd.
- . in-tech Automotive Engineering de. R L de. C V, a wholly-owned subsidiary of in-tech GmbH has been liquidated effective May 07, 2025.
- . On May 13, 2025, Infosys Singapore Pte Ltd diluted 2% stake of HIPUS Co., Ltd to Mitsubishi Heavy Industries, Ltd.
- . Infosys BPM Canada Inc, a Wholly-owned subsidiary of Infosys BPM UK Limited was incorporated on July 28, 2025
- . Infosys Germany GmbH, a Wholly-owned subsidiary of Infosys Singapore Pte Ltd merged into Infosys Germany SE (formerly known as Blitz 24-893 SE) effective September 24, .
- . in-tech Engineering services S.R.L, (Wholly-owned subsidiary of in-tech GmbH) merged into ProIT (Wholly-owned subsidiary of in-tech GmbH) effective November 30, 2025

### Transaction with key management personnel:

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

Particulars	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Salaries and other short term employee benefits to whole-time directors and executive officers <sup>(1)(2)</sup>	29	28	89	84
Commission and other benefits to non-executive/independent directors	6	5	15	14
<b>Total</b>	<b>35</b>	<b>33</b>	<b>104</b>	<b>98</b>

(1) Total employee stock compensation expense for the three months ended December 31, 2025 and December 31, 2024 includes a charge of ₹17 crore and ₹17 crore, respectively, towards key management personnel. For the nine months ended December 31, 2025 and December 31, 2024 includes a charge of ₹53 crore and ₹52 crore, respectively, towards key management personnel. (Refer to Note 2.11)

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

## 2.23 SEGMENT REPORTING

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

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

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

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

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

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

### Business Segments

Three months ended December 31, 2025 and December 31, 2024:

Particulars	(In ₹ crore)								Total
	Financial Services <sup>(1)</sup>	Manufacturing	Energy, Utilities, Resources and Services	Retail <sup>(2)</sup>	Communication <sup>(3)</sup>	Hi-Tech	Life Sciences <sup>(4)</sup>	All other segments <sup>(5)</sup>	
Revenue from operations	12,817	7,570	6,016	5,829	5,518	3,371	3,267	1,091	45,479
	11,589	6,479	5,635	5,746	4,688	3,279	3,195	1,153	41,764
Identifiable operating expenses	7,221	4,584	3,356	2,848	3,539	2,008	2,007	721	26,284
	6,859	4,128	3,229	2,803	3,067	1,914	1,906	781	24,687
Allocated expenses	2,360	1,251	1,167	1,114	1,043	596	562	303	8,396
	2,051	994	878	968	803	549	470	249	6,962
<b>Segment Profit</b>	<b>3,236</b>	<b>1,735</b>	<b>1,493</b>	<b>1,867</b>	<b>936</b>	<b>767</b>	<b>698</b>	<b>67</b>	<b>10,799</b>
	2,679	1,357	1,528	1,975	818	816	819	123	10,115
Unallocable expenses*									2,444
									1,203
Other income, net									974
									859
Finance cost									100
									101
<b>Profit before tax</b>									<b>9,229</b>
									9,670
Income tax expense									2,563
									2,848
<b>Net Profit</b>									<b>6,666</b>
									6,822
Depreciation and amortization									1,155
									1,203
Non-cash expenses other than depreciation and amortization									—
									—

Nine months ended December 31, 2025 and December 31, 2024:

	(In ₹ crore)								
Particulars	Financial Services <sup>(1)</sup>	Manufacturing	Energy, Utilities, Resources and Services	Retail <sup>(2)</sup>	Communication <sup>(3)</sup>	Hi-Tech	Life Sciences <sup>(4)</sup>	All other segments <sup>(5)</sup>	Total
Revenue from operations	36,932	21,721	17,704	17,119	16,013	10,370	8,874	3,515	132,248
	33,561	18,680	16,402	16,619	14,311	9,692	9,065	3,734	122,064
Identifiable operating expenses	20,900	13,297	9,979	8,577	10,273	6,312	5,519	2,186	77,043
	19,206	11,984	9,111	8,195	9,346	5,587	5,527	2,372	71,328
Allocated expenses	6,765	3,521	3,289	3,264	2,906	1,760	1,569	853	23,927
	6,205	3,035	2,771	2,931	2,459	1,681	1,493	800	21,375
<b>Segment Profit</b>	<b>9,267</b>	<b>4,903</b>	<b>4,436</b>	<b>5,278</b>	<b>2,834</b>	<b>2,298</b>	<b>1,786</b>	<b>476</b>	<b>31,278</b>
	8,150	3,661	4,520	5,493	2,506	2,424	2,045	562	29,361
Unallocable expenses*									4,767
									3,512
Other income, net									2,998
									2,410
Finance cost									310
									314
<b>Profit before tax</b>									<b>29,199</b>
									27,945
Income tax expense									8,234
									8,233
<b>Net Profit</b>									<b>20,965</b>
									19,712
Depreciation and amortization expense									3,478
									3,512
Non-cash expenses other than depreciation and amortization									—
									—

<sup>(1)</sup> Financial Services include enterprises in Financial Services and Insurance

<sup>(2)</sup> Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics

<sup>(3)</sup> Communication includes enterprises in Communication, Telecom OEM and Media

<sup>(4)</sup> Life Sciences includes enterprises in Life sciences and Health care

<sup>(5)</sup> Others include operating segments of businesses in India, Japan, China, Infosys Public Services & identified enterprises in Public Services

\*Unallocable expense includes impact of ₹ 1,289 crore towards impact of Labour Codes for the three months and nine months ended December 31, 2025 (refer to note 2.18.1)

#### Significant clients

No client individually accounted for more than 10% of the revenues for the three months and nine months ended December 31, 2025 and December 31, 2024, respectively.

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

Nandan M. Nilekani  
Chairman  
DIN: 00041245

Salil Parekh  
Chief Executive Officer  
and Managing Director  
DIN: 01876159

Bobby Parikh  
Director  
DIN: 00019437

Bengaluru  
January 14, 2026

Jayesh Sanghrajka  
Chief Financial Officer

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