TO ALL STOCK EXCHANGES

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

June 19, 2019

Dear Sir/ Madam,

Subject: Form 20-F and Press Release

Please find enclosed the press release titled "Infosys Annual Report on Form 20-F for fiscal 2019 available online for ADS holders" and the Form 20-F for the year ended March 31, 2019 filed with Securities Exchange Commission, U.S.

The Form 20-F will also be made available on Company's website at www.infosys.com

Copy of Form 20-F is enclosed herewith for ready reference.

This is for your information and records

Yours Sincerely,
For Infosys Limited

MANIKANTHA AGS
Digitally signed by MANIKANTHA AGS
Date: 2019.06.19 22:39:46 +05'30'

A.G.S Manikantha
Company Secretary

INFOSYS LIMITED
CIN: L85110KA1981PLC013115
44, Infosys Avenue
Electronics City, Hosur Road
Bengaluru 560 100, India
T 91 80 2852 0261
F 91 80 2852 0362
investors@infosys.com
www.infosys.com

PRESS RELEASE
Infosys Annual Report on Form 20-F for fiscal 2019
Available Online for ADS holders

Bengaluru – June 19, 2019: Infosys (NYSE: INFY) today announced that it has filed the Annual Report on Form 20-F for the year ended March 31, 2019 with the Securities and Exchange Commission (SEC). The financial statements included in the Annual Report on Form 20-F have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board. Infosys had filed the Indian Annual Report with the Indian Stock Exchanges (BSE/NSE) on May 18, 2019. Both the Annual Report on Form 20-F and the Indian Annual Report are available on the Infosys Limited website at www.infosys.com.

As in the previous years, Infosys will furnish its Annual Reports to its American Depositary Shares (ADS) holders on its website in lieu of physical distribution. As allowed under New York Stock Exchange (NYSE) rules, the Company will not circulate physical copies of the Annual Report on Form 20-F or the Indian Annual Report to ADS holders. However, in compliance with NYSE rules, physical and email copies of Infosys' Annual Report on Form 20-F and the Indian Annual Report will be made available, at no cost, to ADS holders on request. Interested ADS holders may request for physical or email copies by writing to "The Company Secretary" at Infosys' registered office at Electronics City, Hosur Road, Bangalore - 560 100, India or by emailing investors@infosys.com.

About Infosys

Infosys is a global leader in next-generation digital services and consulting. We enable clients to navigate their digital transformation, leveraging our teams from over 45 countries. With over three decades of experience in managing the systems and workings of global enterprises, we expertly steer our clients through their digital journey. We do it by enabling the enterprise with an AI-powered core that helps prioritize the execution of change. We also empower the business with agile digital at scale to deliver unprecedented levels of performance and customer delight. Our always-on learning agenda drives their continuous improvement through building and transferring digital skills, expertise, and ideas from our innovation ecosystem.

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

Safe Harbor

Certain statements mentioned in this release concerning our future growth prospects are forward-looking statements regarding our future business expectations 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 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 fluctuations in earnings, fluctuations in foreign exchange rates, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, data privacy breaches or cyber security incidents, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Infosys has made strategic investments, withdrawal or expiration of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Additional risks that could affect our future operating results are more fully described in our United States Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2018. These filings are available at 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.

Media Contacts

Asia Pacific
Sarah Gideon
Infosys, India
+91 80 4156 3998
Sarah_Gideon@infosys.com

EMEA
Margherita Di Cerbo
Infosys, Europe
+44 2075162748
Margherita.DiCerbo@infosys.com

Americas
Chiku Somaiya
Infosys, USA
+1 408 375 2722
Chiku.Somaiya@infosys.com

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **Registration statement pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934**

OR

☒ **Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended March 31, 2019

OR

☐ **Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from _____ to _____

OR

☐ **Shell Company Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of event requiring this shell company report_____

Commission File Number 001-35754

INFOSYS LIMITED

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Bengaluru, Karnataka, India

(Jurisdiction of incorporation or organization)

Electronics City, Hosur Road, Bengaluru, Karnataka, India 560 100. +91-80-2852-0261

(Address of principal executive offices)

Nilanjan Roy, *Chief Financial Officer*, +91-80-4116-7931
nilanjan.roy@infosys.com
Electronics City, Hosur Road, Bengaluru, Karnataka, India 560 100.
(*Name, telephone, e-mail and / or facsimile number and address of company contact person)*

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbo	Name of Each Exchange on Which Registered
American Depositary Shares each represented by one Equity Share, par value ₹5/- per share	INFY	New York Stock Exchange(NYSE)

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None.

(Title of class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

Not Applicable

(Title of class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report: 4,356,279,444 Equity Shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes ☒ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data file required to be submitted pursuant to Rule 405 of Regulation S-T(§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See definition of large accelerated filer, accelerated filer and emerging growth company in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☒	Accelerated filer	☐
Non- accelerated filer	☐	Emerging growth company	☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Currency of presentation and certain defined terms

In this Annual Report on Form 20-F, references to "U.S." or "United States" are to the United States of America, its territories and its possessions. References to "India" are to the Republic of India. References to "$" or "dollars" or "U.S. dollars" are to the legal currency of the United States and references to "₹" or "Rupees" or "Indian rupees" are to the legal currency of India. Our consolidated financial statements are presented in U.S. dollars and are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. References to a particular "fiscal" year are to our fiscal year ended March 31 of such year.

All references to "we," "us," "our," "Infosys" or the "Company" shall mean Infosys Limited and our consolidated subsidiaries unless specifically indicated otherwise or the context indicates otherwise. "Infosys" is a registered trademark of Infosys Limited in countries including United States, India, United Kingdom and Australia. All trademarks or trade names used in this Annual Report on Form 20-F are the property of their respective owners.

All references to "IT services" exclude business process management services, products and platforms business.

Except as otherwise stated in this Annual Report on Form 20-F, all translations from Indian rupees to U.S. dollars effected on or after April 1, 2009 are based on the fixing rate in the city of Mumbai on business days for cable transfers in Indian rupees as published by the Foreign Exchange Dealers' Association of India, or FEDAI.

On March 31, 2019, this exchange rate was ₹69.16 per $1.00. No representation is made that the Indian rupee amounts have been, could have been or could be converted into U.S. dollars at such a rate or any other rate. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Special Note Regarding Forward-Looking Statements

This Annual Report on Form 20-F contains 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and that are based on our current expectations, assumptions, estimates and projections about the Company, our industry, economic conditions in the markets in which we operate, and certain other matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'project', 'seek', 'should' and similar expressions. Those statements include, among other things, the discussions of our business strategy, including the localization of our workforce and investments to re-skill our employees and expectations concerning our market position, future operations, margins, profitability, liquidity, and capital resources and corporate actions, including timely completion of the proposed buyback of our equity shares and completion of acquisitions. These statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements include, but are not limited to, those discussed in the 'Risk Factors' section in this Annual Report. In light of these and other uncertainties, you should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this Annual Report are based on information and estimates available to us on the date hereof, and we do not undertake any obligation to update these forward-looking statements unless required to do so by law.

Table of Contents

Part I	
Item 1.	Identity of Directors, Senior Management and Advisers
Item 2.	Offer Statistics and Expected Timetable
Item 3.	Key Information
Item 4.	Information on the Company
Item 4A.	Unresolved Staff Comments
Item 5.	Operating and Financial Review and Prospects
Item 6.	Directors, Senior Management and Employees
Item 7.	Major Shareholders and Related Party Transactions
Item 8.	Financial Information
Item 9.	The Offer and Listing
Item 10.	Additional Information
Item 11.	Quantitative and Qualitative Disclosures About Market Risk
Item 12.	Description of Securities Other than Equity Securities
Part II	
Item 13.	Defaults, Dividend Arrearages and Delinquencies
Item 14.	Material Modifications to the Rights of Security Holders and Use of Proceeds
Item 15.	Controls and Procedures
Item 16A.	Audit Committee Financial Expert
Item 16B.	Code of Ethics
Item 16C.	Principal Accountant Fees and Services
Item 16D.	Exemptions from the Listing Standards for Audit Committees
Item 16E.	Purchases of Equity Securities by the Issuer and Affiliated Purchasers
Item 16F.	Change in Registrant's Certifying Accountant
Item 16G.	Corporate Governance
Item 16H.	Mine Safety Disclosure
Part III	
Item 17.	Financial Statements
Item 18.	Financial Statements
Item 19.	Exhibits

Part I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

SELECTED FINANCIAL DATA

Summary of Consolidated Financial Data

You should read the summary consolidated financial data below in conjunction with the Company's consolidated financial statements and the related notes, as well as the section titled "Operating and Financial Review and Prospects," all of which are included elsewhere in this Annual Report on Form 20-F. The summary consolidated statement of comprehensive income for the year ended March 31, 2019 and March 31, 2018 and the summary consolidated balance sheet data as of March 31, 2019 and March 31, 2018 have been derived from our consolidated financial statements and related notes which have been audited by Deloitte Haskins & Sells LLP (successor auditor) consequent to mandatory auditor rotation regulation in India. The summary consolidated statement of comprehensive income for the years ended March 31, 2017, 2016 and 2015 and the summary consolidated balance sheet data as of March 31, 2017, March 31, 2016 and March 31, 2015 have been derived from our consolidated financial statements and related notes which have been audited by KPMG (predecessor auditor). The summary consolidated comprehensive income data and the summary consolidated Balance Sheet data given below have been prepared and presented in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board. Historical results are not necessarily indicative of future results.

(Dollars in millions except equity share and per equity share data)

Summary of Comprehensive Income	Fiscal				
	2019	2018	2017	2016	2015
Revenues	**11,799**	**10,939**	**10,208**	**9,501**	**8,711**
Cost of sales	7,687	7,001	6,446	5,950	5,374
Gross profit	**4,112**	**3,938**	**3,762**	**3,551**	**3,337**
Operating expenses:					
Selling and marketing expenses	638	552	535	522	480
Administrative expenses	778	727	707	654	599
Total operating expenses	1,416	1,279	1,242	1,176	1,079
Operating profit	**2,696**	**2,659**	**2,520**	**2,375**	**2,258**
Other income, net	411	513	459	476	560
Reduction in the fair value of Disposal Group held for sale[1]	(39)	(18)	—	—	—
Adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale" [1]	(65)	—	—	—	—
Share in associate's loss, including impairment	—	(11)	(5)	—	—
Profit before income taxes	**3,003**	**3,143**	**2,974**	**2,851**	**2,818**
Income tax expense [2]	803	657	834	799	805
Net profit	**2,200**	**2,486**	**2,140**	**2,052**	**2,013**
Profit attributable to:					
Owners of the company	2,199	2,486	2,140	2,052	2,013
Non-controlling interests	1	—	—	—	—
Earnings per equity share: [3]					
Basic ($)	0.51	0.55	0.47	0.45	0.44
Diluted ($)	0.51	0.55	0.47	0.45	0.44
Weighted average equity shares used in computing earnings per equity share: [3]					
Basic	4,347,130,157	4,510,664,644	4,571,278,894	4,571,232,320	4,571,220,528
Diluted	4,353,420,772	4,515,147,740	4,572,793,490	4,571,437,788	4,571,285,880
Cash dividend per Equity Share ($) [3][4][5]	0.40	0.22	0.20	0.20	0.15
Cash dividend per Equity Share (₹) [3][4]	26.25	13.88	12.63	12.38	9.13

(1) *During fiscal 2018, the Company's wholly-owned subsidiaries Kallidus and Skava (together referred to as "Skava") and Panaya were classified under 'Held for Sale', resulting in a reduction in fair value in respect of Panaya amounting to $18 million. During fiscal 2019, a further reduction of $39 million was recorded in respect of Panaya.*

During fiscal 2019, the company concluded that the criteria for classification as held for sale was not being met since it was no longer highly probable that the sale will be consummated by March 31, 2019. On reclassification of Panaya and Skava from 'Held for Sale', the Company recognized an adjustment in respect of excess of carrying amount over recoverable amount of $65 million in respect of Skava. Refer to Note 2.9 in Item 18 in this Annual Report for further details.

(2) *In December 2017, on account of the conclusion of an Advance Pricing Agreement ("APA") with the U.S. Internal Revenue Service ("IRS"), the Company had reversed income tax provision of $225 million, which pertained to previous periods*

(3) *Adjusted for September 2018 bonus issue, wherever applicable*

(4) *Represents per share value of dividends- interim, final and special (wherever applicable), paid during the fiscal year. Excludes corporate dividend tax.*

(5) *Converted at the monthly exchange rate in the month of declaration of dividend.*

(Dollars in millions except equity share data)

Balance Sheet Data	**As of March 31,**				
	2019	**2018**	**2017**	**2016**	**2015**
Cash and cash equivalents	2,829	3,041	3,489	4,935	4,859
Current investments	958	982	1,538	11	140
Net current assets[(1)]	4,951	5,243	6,121	5,804	5,731
Assets held for sale[(2)]	—	316	—	—	—
Non-current assets	4,608	4,582	4,572	3,576	3,064
Total assets	12,252	12,255	12,854	11,378	10,615
Liabilities directly associated with assets held for sale[(2)]	—	50	—	—	—
Non-current liabilities	159	131	56	56	33
Non-controlling interests	9	—	—	—	—
Total equity	9,400	9,960	10,637	9,324	8,762
Total Liabilities and equity	12,252	12,255	12,854	11,378	10,615
Number of shares outstanding [(3)(4)(5)(6)]	4,356,279,444	4,368,228,514	4,593,889,328	4,593,889,328	4,593,889,328

(1) *For fiscal 2018, 'net current assets' is defined as current assets minus current liabilities, excluding assets held for sale and liabilities directly associated with assets held for sale*

(2) *During fiscal 2018, the Company's wholly-owned subsidiaries Kallidus and Skava (together referred to as "Skava") and Panaya were classified under 'Held for Sale', resulting in a reduction in fair value in respect of Panaya amounting to $18 million. Accordingly, assets amounting to $316 million and liabilities amounting to $50 million in respect of disposal group had been classified under 'Held for Sale'. During fiscal 2019, a further reduction of $39 million was recorded in respect of Panaya.*

During fiscal 2019, the company concluded that the criteria for classification as held for sale was not being met since it was no longer highly probable that the sale will be consummated by March 31, 2019. On reclassification of Panaya and Skava from 'Held for Sale', the Company recognized an adjustment in respect of excess of carrying amount over recoverable amount of $65 million in respect of Skava. Refer to Note 2.9 in Item 18 in this Annual Report for further details.

(3) *Par value of ₹5 each*

(4) *Includes treasury shares*

(5) *Adjusted for September 2018 bonus issue, wherever applicable.*

(6) *During fiscal 2019, 12,652,000 equity shares were purchased from the stock exchange, which includes 1,818,000 shares that have been purchased but not extinguished as of March 31, 2019 and 3,636,000 shares that have been purchased but have not been settled and therefore not extinguished. The buyback of equity shares through the stock exchange commenced on March 20, 2019 and is expected to be completed by September 2019. Subsequent to March 31, 2019, 57,600,000 equity shares have been bought back from the Indian stock exchanges.*

During fiscal 2018, 113,043,478 equity shares (not adjusted for the September 2018 bonus issue) were bought back by the Company. Refer to note 2.13 Equity in Item 18 of this Annual Report for further details.

Exchange rates

Our functional currency is the Indian rupee. We generate a major portion of our revenues in foreign currencies, particularly the U.S. dollar, the Euro, the Australian dollar and the United Kingdom Pound Sterling, whereas we incur a significant portion of our expenses in Indian rupees. The exchange rate between the rupee and the U.S. dollar has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of our operations are affected as the rupee fluctuates against the U.S. dollar and other foreign currencies. For fiscal 2019, 2018, 2017, 2016, and 2015, U.S. dollar denominated revenues represented 67.3%, 67.7%, 69.6%, 69.9% and 68.9% of total revenues, respectively. For the same respective periods, revenues denominated in United Kingdom Pound Sterling represented 5.0%, 5.3%, 5.8%, 6.6% and 5.9% of total revenues, revenues denominated in the Euro represented 11.9%, 11.3%, 9.6%, 9.3% and 10.2% of total revenues while revenues denominated in the Australian dollar represented 7.9%, 7.8%, 7.3%, 6.9% and 7.6% of total revenues, respectively. As such, our exchange rate risk primarily arises from our foreign currency revenues, receivables and payables.

Fluctuations in the exchange rate between the Indian rupee and the U.S. dollar will also affect the U.S. dollar equivalent of the Indian rupee price of our equity shares on the Indian stock exchanges and as a result, will likely affect the market price of our American Depositary Shares (ADSs). Such fluctuations also impact the U.S. dollar conversion by the depositary of any cash dividends paid in Indian rupees on our equity shares represented by the ADSs.

Risk Factors

Investing in our American Depositary Shares, or ADSs, involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 20-F, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes, before making a decision to invest in our ADSs. If any of the risks actually occur, our business, financial condition, operating results and prospects could be materially and adversely affected. In that event, the market price of our equity shares and ADSs could decline, and you could lose part or all of your investment. Our business, operating results, financial performance, or prospects could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material.

Our revenues are difficult to predict and can vary significantly from period-to-period, which could cause our share price to decline. Therefore, period-to-period comparisons of the results of our operations should not be relied upon as an indication of our future performance. It is possible that in the future, our results of operations may be below the expectations of market analysts and our investors or our own guidance, which could cause the price of our equity shares and our ADSs to decline.

Outlined below are some of the risks that could potentially cause our revenues and profitability to fluctuate.

I. Risks related to the markets in which we and our clients operate

Spending on technology products and services by our clients and prospective clients is subject to fluctuations depending on many factors, including both the economic and regulatory environment in the markets in which they operate.

The technology and IT budgets of our clients are frequently impacted as a result of economic slowdown or uncertainties in the markets in which they operate. Reductions in IT spending arising from or related to economic slowdown in the markets in which our clients operate have in the past adversely impacted, and may in the future adversely impact, our revenues, gross profits, operating margins and results of operations.

Increased regulation, changes in existing regulation or increased government intervention in the industries in which our clients operate may adversely affect the growth of their respective businesses and may reduce demand for our services or cause us to incur additional costs in our processes or personnel, thereby negatively affecting our business, results of operations and financial condition. For instance, clients in the financial services sector have been subject to increased regulation following the enactment of, and subsequent amendments to the Dodd-Frank Wall Street Reform and Consumer Protection Act in the United States; and clients in the healthcare industry could be impacted by amendments to or repeal of the U.S. Patient Protection and Affordable Care Act of 2010. Similarly, our clients may be subject to stringent compliance requirements, including privacy and security standards for handling data, which could impact the manner in which we provide our services.

Further, regulators have imposed guidelines for use of cloud computing services that mandate specific controls or require financial services enterprises to obtain regulatory approval prior to outsourcing certain functions.

Reduced or delayed IT spending may also lead to our clients cancelling ongoing projects with us, requesting pricing discounts or consolidating the technology service providers that they partner with. In the past such events have adversely impacted our utilization rates, the revenue earned per billed person month, the competitiveness of our proposals and our gross margins.

The business challenges and pressures resulting from economic slowdown in the markets in which our clients operate could also affect their credit ratings and our credit terms with them, leading to adverse impact on our cash flow and results of operations.

Economic slowdown or other factors may affect the economic health of the United States, the United Kingdom, the European Union, Australia or those industries where our revenues are concentrated.

Our revenues are concentrated in a few geographies and client industry segments. In fiscal 2019, 60.5%, 24.1% and 12.9% of our revenues were derived from projects in North America, Europe and the rest of the world respectively. In fiscal 2019, we derived 32.0% of our revenues from the financial services and insurance industry.

Instability and uneven growth in the global economy has had an adverse impact on the growth of the IT industry in the past and may continue to impact it in the future. This instability also impacts our business and results of operations, and may continue to do so in the future. For instance, in 2016, in what is known as Brexit, Britain voted to withdraw from the European Union and the implications of this are not fully known at this point of time. With the extension of the deadline for Britain's exit from the European Union, implications on immigration policies, financial and business models will emerge as negotiations between the governments of the European Union and the United Kingdom conclude. We are keeping a close watch on the developments in this regard. If the economies of the United States, United Kingdom or the European Union weaken or growth remains uneven, including as a result of the uncertainty surrounding *Brexit*, our clients may reduce or postpone their technology spending significantly, which may in turn lower the demand for our services and negatively affect our revenues and profitability.

Any future global economic uncertainty, impacting the financial services industry, on which we depend for a substantial portion of our annual revenues, may result in the reduction, postponement or consolidation of IT spending, contract terminations, deferrals of projects or delays in purchases by our clients. This may lower the demand for our services or impact the prices that we can obtain for our services and consequently, adversely affect our revenues and profitability. For instance, the financial services industry was severely impacted by the economic crisis that started in 2008 in the United States, which led to the United States federal government taking over or providing financial support to many leading financial institutions and with some leading investment banks going bankrupt or being forced to sell themselves in distressed circumstances. We also depend on clients in the energy sector to generate our revenue. Any impact in the energy sector due to oil price volatility may lead to economic pressure on our customers and in turn impact our revenues/profitability

A large part of our revenues are dependent on our limited number of clients, and the loss of any one of our major clients could significantly impact our business.

We have historically earned, and believe that in the future we will continue to earn, a significant portion of our revenues from a limited number of clients. In fiscal 2019, our largest client accounted for 3.6% of our total revenues, and our ten largest clients together accounted for 19.0% of our total revenues. The volume of work we perform for different clients may vary from year to year depending on the discretion of our clients. Thus, a major client in one year may not provide the same level of revenues in a subsequent year. There are a number of factors, other than our performance, that could cause the loss of a client or reduction of business from a client. In certain cases, our business may be impacted when a large client either changes its outsourcing strategy by moving more work in-house or replacing its existing software with packaged software supported by the licensor. Reduced technology spending in response to a challenging economic or competitive environment may also result in our loss of a client. If we lose one of our major clients or if one of our major clients significantly reduces its volume of business with us, our revenues and profitability could be adversely affected.

We may not be able to provide end-to-end business solutions for our clients, which could lead to clients discontinuing their work with us, which in turn could harm our business.

In recent years, we have been expanding the nature and scope of our client engagements by extending the breadth of solutions and services that we offer, which include, for example, software applications, automation solutions, digital design and analytics services, engineering services, cloud related services, application development and maintenance, consulting, business process management, systems integration and security and infrastructure management.

The increased breadth of our service offerings may result in larger and more complex client projects. This will require us to establish closer relationships with our clients and potentially with other technology service providers and vendors, and require a more thorough understanding of our clients' operations. Our ability to establish these relationships will depend on a number of factors including the proficiency of our technology professionals and our management personnel. Thus, if we are unable to attain a thorough understanding of our clients' operations, our service offerings may not effectively meet client needs and jeopardize our client engagements, which may negatively impact our revenues and financial condition.

Larger projects often involve multiple components, engagements or stages, and a client may choose not to retain us for additional stages or may cancel or delay additional planned engagements for various reasons unrelated to the quality of our services and outside of our control, such as the business or financial condition of our clients or the economy in general. These terminations, cancellations or delays may make it difficult to plan for project resource requirements, which may have a negative impact on our profitability.

Additionally, the business departments of our clients are increasingly making or influencing technology-related buying decisions. If we are unable to establish business relationships with these new buying centers, or if we are unable to articulate the value of our technology services to these business functions, our revenues may be adversely impacted.

Intense competition in the market for technology services could affect our win rates and pricing, which could reduce our market share and decrease our revenues and/or our profits.

Our revenues and profits depend, in part, upon the continued demand for our services by our existing and new clients and our ability to meet this demand in a competitive and cost-effective manner. The technology services market is highly competitive. Our competitors include large global consulting firms, India-based technology services firms, software and solution providers, niche service providers and in-house IT departments of large corporations.

The technology services industry is experiencing rapid changes that are affecting the competitive landscape, including recent divestitures and acquisitions that have resulted in consolidation within the industry. These changes may result in larger competitors with significant resources or competitors with more competitive service offerings in emerging areas of demand, such as digital design, cloud based solutions and cyber security. In addition, some of our competitors have added offshore capabilities to their service offerings. These competitors may be able to offer their services using the offshore and onsite model more efficiently. Many of these competitors are also substantially larger than us and have significant experience with international operations. We may face competition in countries where we currently operate, as well as in countries in which we expect to expand our operations. We also expect additional competition from technology services firms with current operations in other countries, such as China and the Philippines. Many of our competitors have significantly greater financial, technical and marketing resources, generate greater revenues, have more extensive existing client relationships and technology partnerships and have greater brand recognition than we do. We may be unable to compete successfully against these competitors, or may lose clients to these competitors. Additionally, our ability to compete effectively also depends in part on factors outside our control, such as the price at which our competitors offer comparable services, and the extent of our competitors' responsiveness to their clients' needs.

Moreover, our ability to maintain or increase pricing is restricted as clients often expect that as we do more business with them, they will receive volume discounts or lower rates. In addition, existing and new customers are also increasingly using third-party consultants with broad market knowledge to assist them in negotiating contractual terms. Any inability to maintain or increase pricing on account of this practice may also adversely impact our revenues, gross profits, operating margins and results of operations.

Our engagements with customers are typically singular in nature and do not necessarily provide for subsequent engagements.

Our clients generally retain us on a short-term, engagement-by-engagement basis in connection with specific projects, rather than on a recurring basis under long-term contracts. Although a substantial majority of our revenues are generated from repeat business, which we define as revenues from a client who also contributed to our revenues during the prior fiscal year, our engagements with our clients are typically for projects that are singular in nature. Therefore, we must seek out new engagements when our current engagements are successfully completed or terminated, and we are constantly seeking to expand our business with existing clients and secure new clients for our services. In addition, in order to continue expanding our business, we may need to significantly expand our sales and marketing group, which would increase our expenses and may not necessarily result in a substantial increase in business. If we are unable to generate a substantial number of new engagements for projects on a continual basis, our business and results of operations would likely be adversely affected.

II. Risks related to the investments we make for our growth

Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and in the industries on which we focus.

The technology services market is characterized by rapid technological change, evolving industry standards, changing client preferences and new product and service introductions. Our future success will depend on our ability to anticipate these advances and develop new product and service offerings to meet client needs. We may fail to anticipate or respond to these advances on a timely basis, or, if we do respond, the services or technologies that we develop may not be successful in the marketplace. We have recently introduced, and propose to introduce, several new solutions involving artificial intelligence based automation, robotic process automation, blockchain, IoT, autonomous vehicles and other technologies. The complexity of these solutions, our inexperience in developing or implementing them and significant competition in the markets for these solutions may affect our ability to market these solutions successfully. In addition, the development of some of the services and technologies may involve significant upfront investments and the failure of these services and technologies may result in our inability to recoup some or all of these investments. Further, better or more competitively priced products, services or technologies that are developed by our competitors may render our services non-competitive or obsolete.

We may be unable to recoup investment costs incurred in developing our software products and platforms.

The development of our software products and platforms requires significant investments. The markets for our suite of software products and platforms are competitive. Our current software products and platforms or any new software products and platforms that we develop may not be commercially successful and the costs of developing such new software products and platforms may not be recouped. Since software product and platform revenues typically occur in periods subsequent to the periods in which the costs are incurred for the development of such software products and platforms, delayed revenues may cause periodic fluctuations in our operating results.

We may engage in acquisitions, strategic investments, strategic partnerships or alliances or other ventures that may or may not be successful.

We seek to acquire or make strategic investments in complementary businesses, new and emerging technologies, services or products, or enter into strategic partnerships or alliances with third parties in order to enhance our business.

It is possible that we may not be able to identify suitable acquisitions, candidates for strategic investment or strategic partnerships, or if we do identify suitable targets, we may not complete those transactions on terms commercially acceptable to us. Our inability to identify suitable acquisition targets or investments or our inability to complete such transactions may affect our competitiveness and growth prospects.

Even if we are able to identify an acquisition that we would like to consummate, we may not be able to complete the acquisition on commercially reasonable terms or the target may be acquired by another company. Furthermore, in the event that we are able to identify and consummate any future acquisitions, we could:

- issue equity securities which would dilute current shareholders' percentage ownership;
- incur substantial debt;
- incur significant acquisition-related expenses;
- assume contingent liabilities; or
- expend significant cash.

These financing activities or expenditures could harm our business, operating results and financial condition or the price of our equity shares and ADSs. Alternatively, due to possible difficulties in the capital and credit markets, we may be unable to secure capital on acceptable terms, if at all, to complete acquisitions.

Moreover, even if we do obtain benefits from acquisitions in the form of increased sales and earnings, there may be a delay between the time when the expenses associated with an acquisition are incurred and the time when we recognize such benefits.

Further, if we acquire a company, we could have difficulty in assimilating that company's personnel, operations, products, services, solutions, technology and software. In addition, the key personnel of the acquired company may decide not to work for us. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses.

We have made, and may in the future make, strategic investments in early-stage technology start-up companies in order to gain experience in or exploit niche technologies. However, our investments may not be successful. The lack of profitability of any of our investments could have a material adverse effect on our operating results.

Goodwill that we carry on our Balance Sheet could give rise to significant impairment charges in the future.

Goodwill is subject to impairment review at least annually. Impairment testing under International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board may lead to impairment charges in the future. Any significant impairment charges could have a material adverse effect on our results of operations.

III. Risks related to our cost structure

Our expenses are difficult to predict and can vary significantly from period to period, which could cause our share price to decline.

A significant part of our total operating expenses, particularly expenses related to personnel and facilities, are fixed in advance for any particular period. As a result, unanticipated variations in the number and timing of our projects, employee utilization rates, or the accuracy of our estimates of the resources required to complete ongoing projects may cause significant variations in our operating results in any particular period. There are also a number of factors that are not within our control that could cause fluctuations in our operating results from period to period. Our profitability could be affected by pricing pressures on our services, competitiveness for digital capabilities, volatility of the exchange rates between the Indian rupee, the U.S. dollar, and other currencies in which we generate revenues or incur expenses, increased wage pressures in India and at other locations where we maintain operations, increases in taxes or the expiration of tax benefits, the size and timing of facilities expansion and the resulting depreciation and amortization costs, or changes in immigration laws in our key markets that would restrict offshore outsourcing or restrict the availability of certain visas thereby limiting our ability to staff the projects in a timely manner and generate revenues. Further, investments towards our localization strategy and any increase in visa costs or increase in salaries payable to visa-dependent employees onsite would increase our cost of doing business onsite significantly, which would impact our profitability.

While we seek to manage costs efficiently, if the proportion of our services delivered at client sites increases, we may not be able to keep our operating costs as low in the future, which would also have an adverse impact on our profit margins. Additionally, we have recently opened technology and investment hubs in the United States. Increased hiring of personnel within these hubs along with staff for enabler functions and the management team may increase our cost of doing business and thereby have an adverse impact on our profit margins.

Furthermore, in the past, our profit margin has been adversely impacted by the expiration of certain tax holidays and benefits in India, and we expect that it may be further adversely affected as additional tax holidays and benefits expire in the future.

In addition, due to competitive market conditions and pricing pressures, we are committing to higher productivity improvements in our contracts with our clients. Any failure to realize such anticipated productivity improvements either due to our inability to identify areas to automate, optimize processes, effectively address service delivery risks or manage customer requirements may impact our profitability.

Any increase in operating expenses not offset by an increase in pricing or any acquisition with a lower profitability could impact our operating margins.

Any inability to manage our growth could disrupt our business, reduce our profitability and adversely impact our ability to implement our growth strategy.

Our employee base grew significantly in the recent periods. Between March 31, 2015 and March 31, 2019, our total employee count grew from 176,187 to 228,123, representing a compounded annualized growth rate of 6.7%.

In addition, in the last few years we have undertaken and continue to undertake major expansions of our existing facilities, as well as the construction of new facilities globally. We expect our growth to place significant demands on our management team and other resources. Our growth will require us to continuously develop and improve our operational, financial and other internal controls globally. Inadequate financial controls may increase the possibility of fraud and/or negatively impact the accuracy of our financial reporting and shareholder relationships. In addition, continued growth increases the challenges involved in:

- recruiting, training and retaining sufficient skilled technical, marketing & management personnel;
- adhering to and further improving our high quality and process execution standards;
- preserving our culture, values and entrepreneurial environment;
- successfully expanding the range of services offered to our clients;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems;
- maintaining high levels of client satisfaction; and
- maintaining an effective internal control system and training our employees to mitigate the risk of individuals engaging in unlawful or fraudulent activity, breaching contractual obligations, or otherwise exposing us to unacceptable business risks.

Our growth strategy relies on expanding our operations around the world. The costs involved in entering and establishing ourselves in new markets, and expanding such operations, may be higher than expected and we may face significant competition in these regions. Our inability to manage our expansion and related growth in these markets or regions may have an adverse effect on our business, results of operations and financial condition.

We may face competition in other countries from companies that may have more experience with operations in such countries or with international operations generally. We may also face difficulties integrating new facilities in different countries into our existing operations.

Our organizational structures, processes and culture may not be sufficiently agile and adaptive to embrace the changes required to execute our strategy.

Wage pressures in India and the hiring of employees outside India may prevent us from sustaining some of our competitive advantage and may reduce our profit margins.

Wage costs in India have historically been significantly lower than wage costs in the United States and Europe for comparably skilled professionals, which has been one of our competitive strengths. Although a vast majority of our current workforce is based in India, we have recently increased and expect to continue to increase hiring in other jurisdictions, including the United States, the United Kingdom, Continental Europe and Australia. This increase has been driven, in part, by recent indications that immigration regulations in these countries could undergo significant changes. Such hiring has resulted and could further result in overall increased wage costs thereby impacting profitability.

Further, in certain jurisdictions in which we operate, legislations have been proposed that requires our employees working on visas in such jurisdictions to earn the same wages as residents or citizens of such jurisdiction which we have complied with. In case such legislative proposals are adopted by other jurisdictions, our operating costs will go up.

Additionally, wage increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. We have historically experienced significant competition for employees from large multinational companies that have established and continue to establish offshore operations in India, as well as from companies within India. This competition has led to wage pressures in attracting and retaining employees, and these wage pressures have led to a situation where wages in India are increasing at a faster rate than in the United States, which could result in increased costs for companies seeking to employ technology professionals in India, particularly project managers and other mid-level professionals.

We may need to increase our employee compensation more rapidly than in the past to be able to attract and retain employees skilled in newer technology areas or to remain competitive with other employers, or seek to recruit in other low labor cost jurisdictions to keep our wage costs low. In certain years, the company may issue incentive compensation plans including stock based compensation plans to its employees and management. Any compensation increases in the future may result in higher operating costs and lower profitability. In certain years, we may not give wage increases due to adverse market conditions while our competitors may still give wage increases. This may result in higher attrition rates and may impact our ability to hire highly-skilled technology professionals.

We are investing substantial cash assets in new facilities and physical infrastructure, and our profitability could be reduced if our business does not grow proportionately.

As of March 31, 2019, we had contractual commitments of $249 million for capital expenditures, including commitments related to the expansion or construction of facilities. We may encounter cost overruns or project delays in connection with expansion of existing facilities and construction of new facilities. Expansions of existing facilities and construction of new facilities will increase our fixed costs. If we are unable to grow our business and revenues proportionately, our profitability will be adversely impacted.

Currency fluctuations and declining interest rates may affect the results of our operations.

Our functional currency is the Indian rupee and we incur a significant portion of our expenses in Indian rupees. However, we generate the majority of our revenues in foreign currencies, such as the U.S. dollar or the Pound Sterling, the Euro, the Australian dollar through our sales in the United States and elsewhere. We also purchase from overseas suppliers in various currencies. As a result of the increased volatility in the foreign exchange currency markets, there may be demand from our clients that the impact associated with foreign exchange fluctuations be borne by us. Also, historically, we have held a substantial majority of our cash funds in Indian rupees. We expect that a majority of our revenues will continue to be generated in foreign currencies, including the U.S. dollar, the Pound Sterling, the Euro and the Australian dollar, for the foreseeable future and that a significant portion of our expenses, including personnel costs, as well as capital and operating expenditures, will continue to be denominated in Indian rupees. Accordingly, changes in exchange rates may have a material adverse effect on our revenues, other income, cost of sales, gross margin and net income, and may have a negative impact on our business, operating results and financial condition. For example, during fiscal 2019, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and the U.S. dollar, has affected the company's incremental operating margins by approximately 0.47%.

We use derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in foreign exchange exposures. Our purchase of these derivative instruments, however, may not be adequate to insulate ourselves from foreign currency exchange risks.

We may incur losses due to unanticipated or significant intra quarter movements in currency markets which could have an adverse impact on our profit margin and results of operations. Also, the volatility in the foreign currency markets may make it difficult to hedge our foreign currency exposures effectively.

Further, the policies of the Reserve Bank of India ("RBI") may change from time to time which may limit our ability to hedge our foreign currency exposures adequately. Full or increased capital account convertibility, if introduced, could result in increased volatility in the fluctuations of exchange rates between the rupee and foreign currencies.

A majority of our investments are in India based assets, and are exposed to fluctuations in the interest rate environment in the country, which depends to a great extent on RBI monetary policy. Changes in RBI policy in the form of interest rate cuts could result in lower interest income and affect our profitability.

IV. Risks related to our employee workforce

Our success depends largely upon our highly-skilled technology professionals and our ability to hire, attract, motivate, retain and train these personnel.

Our ability to execute projects, maintain our client relationships and acquire new clients depends largely on our ability to attract, hire, train, motivate and retain highly skilled technology professionals, project managers and other mid-level professionals. If we cannot hire, motivate and retain personnel, our ability to bid for projects, obtain new projects, build and sell new service offerings or software platforms and expand our business will be impaired and our revenues could decline.

The availability of science and technology professionals in certain geographies where we operate or into which we choose to expand in the future may be inadequate to satisfy our demand requirements. This may also adversely impact our efforts to localize our workforce in these geographies. Any restrictions on immigration may further affect our ability to compete for and provide services to clients in these jurisdictions

Increasing worldwide competition for skilled technology professionals and increased hiring by technology companies, particularly in India, may affect our ability to hire and retain an adequate number of skilled and experienced technology professionals.

Changes in policies or laws may also affect the ability of technology companies to attract and retain personnel. For instance, the central government or state governments in India may introduce legislation, which require employers to give preferential hiring treatment to under-represented groups. If any such central government or state government legislation becomes effective, our ability to hire adequate numbers of qualified technology professionals may be hindered.

Changing technology, industry needs and changing demography increases the need for hiring differently skilled and diversified talent. For instance, the new wave of digital services requires talent with differentiated skills in creative design, data science, statistical analysis, artificial intelligence and machine learning. The talent pools with such skills could be different from our traditional sources of recruitment. If we are unable to hire, retain, retrain and redeploy our technology professionals to keep pace with such continuing changes in technology, it may adversely affect our ability to bid for and obtain new projects and may have a material adverse effect on our business, results of operations and financial condition.

Our inability to integrate employees that we hire or acquire in different countries in to our existing corporate culture may adversely impact the results of our operations.

Our success depends in large part upon our management team and key personnel and our ability to attract and retain them.

We are highly dependent on the members of our Board of Directors (the "Board"), executive officers and other senior executive leaders. Our future performance and customer relationships may be affected by any disruptions in the continued service of our directors and executive officers.

Competition for senior management in our industry is intense, and we may not be able to retain senior management personnel or attract and retain new senior management personnel in the future. Furthermore, we do not maintain key man life insurance for any of the senior members of our management team or other key personnel. The loss of any member of our senior management or other key personnel may have a material adverse effect on our business, results of operations and financial condition.

V. Risks related to our contractual obligations

Our failure to complete fixed-price and fixed-timeframe contracts, or transaction-based pricing contracts, within budget and on time, may negatively affect our profitability.

As an element of our business strategy, in response to client requirements and pressures on IT budgets, we are offering an increasing portion of our services on a fixed-price, fixed-timeframe basis, rather than on a time-and-materials basis. In the fiscal years ended March 31, 2019 and 2018, revenues from fixed-price, fixed-timeframe projects accounted for 52.5% and 51.8% of our total revenues, respectively. In addition, pressure on the IT budgets of our clients has led us to deviate from our standard pricing policies and to offer varied pricing models to our clients in certain situations in order to remain competitive. For example, we are entering into transaction-based pricing contracts with certain clients who were not previously offered such terms in order to give our clients the flexibility to pay as they use our services.

The risk of entering into fixed-price, fixed-timeframe arrangements and transaction-based pricing arrangements is that if we fail to properly estimate the appropriate pricing for a project, we may earn lower profits or incur losses as a result of being unable to execute projects on the timeframe and with the amount of labor we expected. Although, we use our software engineering methodologies and processes and past project experience to reduce the risks associated with estimating, planning and performing fixed-price, fixed-timeframe projects and transaction-based pricing projects, we bear the risk of cost overruns, completion delays and wage inflation in connection with these projects. If we fail to estimate accurately the resources and time required for a project, future wage inflation rates, or currency exchange rates, or if we fail to complete our contractual obligations within the contracted timeframe, our profitability may suffer. We expect that we will continue to enter into fixed-price, fixed-timeframe and transaction-based pricing engagements in the future, and such engagements may increase in relation to the revenues generated from engagements on a time-and-materials basis, which would increase the risks to our business.

Our client contracts can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenues and profitability.

Our clients typically retain us on a non-exclusive, project-by-project basis. Many of our client contracts, including those that are on a fixed-price, fixed-timeframe basis, can be terminated with or without cause, between zero and 90 days' notice. Our business is dependent on the decisions and actions of our clients, and there are a number of factors relating to our clients that are outside of our control, which might lead to termination of a project or the loss of a client, including:

- financial difficulties for a client including limited access to the credit markets, insolvency or bankruptcy;
- a change in strategic priorities, resulting in a reduced level of technology spending;
- a demand for price reductions; or an unwillingness to accept higher pricing due to various factors such as higher wage costs, higher cost of doing business;
- a change in outsourcing strategy by moving more work to the client's in-house technology departments or to our competitors;
- the replacement by our clients of existing software with packaged software supported by licensors;
- mergers and acquisitions;

- consolidation of technology spending by a client, whether arising out of mergers and acquisitions, or otherwise; or
- sudden ramp-downs in projects due to an uncertain economic environment.

Our inability to control the termination of client contracts could have a negative impact on our financial condition and results of operations.

Our client contracts are often conditioned upon our performance, which, if unsatisfactory, could result in lower revenues than previously anticipated.

A number of our contracts with our clients have incentive-based or other pricing terms that condition some or all of our fees on our ability to meet defined performance goals or service levels. In addition, certain client situations may require us to agree to higher contractual liability exposure limits. Our failure to meet these goals or a client's expectations in such performance-based contracts may not only result in a less profitable or an unprofitable engagement but may also result in penalties or fines impacting the overall financial health of the company.

Our clients may seek more favorable terms from us in our contracts, particularly in connection with clauses related to the limitation of our liability for damages resulting from unsatisfactory performance of services. Further, any damages resulting from such failure, particularly where we are unable to recover such damages in full from our insurers, may adversely impact our business, revenues and operating margins.

Some of our long-term client contracts contain benchmarking provisions which, if triggered, could result in lower future revenues and profitability under the contract.

As the size and duration of our client engagements increase, clients may increasingly require benchmarking provisions. Benchmarking provisions allow a customer in certain circumstances to request a benchmark study prepared by an agreed upon third-party comparing our pricing, performance and efficiency gains for delivered contract services to that of an agreed upon list of other service providers for comparable services. Based on the results of the benchmark study and depending on the reasons for any unfavorable variance, we may be required to reduce the pricing for future services performed under the balance of the contract, which could have an adverse impact on our revenues and profitability. Benchmarking provisions in our client engagements may have a greater impact on our results of operations during an economic slowdown, because pricing pressure and the resulting decline in rates may lead to a reduction in fees that we charge to clients that have benchmarking provisions in their engagements with us.

Our work with governmental agencies may expose us to additional risks.

Currently, the vast majority of our clients are privately or publicly owned. However, we are bidding for work with governments and governmental agencies, both within and outside the United States and India. Projects involving governments or governmental agencies carry various risks inherent in the government contracting process, including the following:

- Such projects may be subject to a higher risk of reduction in scope or termination than other contracts due to political and economic factors such as changes in government, pending elections or the reduction in, or absence of, adequate funding, or disputes with other government departments or agencies.
- Terms and conditions of government contracts tend to be more onerous than other contracts and may include, among other things, extensive rights of audit, more punitive service level penalties and other restrictive covenants, in addition to the risk of delayed payments or change in the terms of such contracts due to political and economic factors, lack of timely closure of requirements.
- Government contracts are often subject to more extensive scrutiny and publicity than other contracts. Any negative publicity related to such contracts, regardless of the accuracy of such publicity, may adversely affect our business and reputation.
- Participation in government contracts could subject us to stricter regulatory requirements, which may increase our cost of compliance.
- Such projects may involve multiple parties in the delivery of services and require greater project management efforts on our part, and any failure in this regard may adversely impact our performance.

In addition, we operate in jurisdictions in which local business practices may be inconsistent with international regulatory requirements, including anti-corruption and anti-bribery regulations prescribed under the U.S. Foreign Corrupt Practices Act (FCPA), and the U.K. Bribery Act 2010, which, among other things, prohibits giving or offering to give anything of value with the intent to influence the awarding of government contracts. Although we believe that we have adequate policies and enforcement mechanisms to ensure legal and regulatory compliance with the FCPA, the U.K. Bribery Act 2010 and other similar regulations, it is possible that any of our employees, subcontractors, agents or partners may violate any such legal and regulatory requirements, which may expose us to criminal or civil enforcement actions, including penalties and suspension or disqualification from U.S. federal procurement contracting. If we fail to comply with legal and regulatory requirements, our business and reputation may be harmed.

VI. Risks related to our operations

Our reputation could be at risk and we may be liable to our clients or to regulators for damages caused by inadvertent disclosure of confidential information and sensitive data.

We are dependent on our information technology networks and systems to process, transmit, host and securely store electronic information and to communicate among our locations around the world and with our customers, suppliers and partners. We are often required to collect and store sensitive or confidential client data. Security breaches, employee misappropriation, unauthorized access, human or technological error could lead to potential unauthorized disclosure of sensitive data, which in turn could jeopardize projects that are critical to the operations of our customers' businesses. The theft and/or unauthorized use or publication of our, or our customers', confidential information or other proprietary business information as a result of such an incident could adversely affect our reputation and competitive position. Any failure in the networks or computer systems used by us or our customers could result in a claim for substantial damages against us and significant reputational harm. Many of our client agreements do not limit our potential liability for breaches of confidentiality.

As a global service provider with customers in a broad range of industries, we often have access to or are required to manage, utilize, collect and store sensitive data subject to various regulatory regimes, including but not limited to U.S. federal and state laws governing the protection of personal financial and health and the European Union's General Data Protection Regulation, which superseded the European Union Directive on Data Protection in May 2018. These laws and regulations are increasing in complexity and number and change frequently. Scope and coverage of these regulations are vast and include various stakeholders that do not necessarily restrict applicability to a certain geography in which we operate, which may result in greater compliance risk and cost. If any person, including any of our employees, negligently disregards or intentionally breaches our established controls with respect to client or Infosys data, or otherwise mismanages or misappropriates that data, we could be subject to significant litigation, monetary damages, regulatory enforcement actions, fines and/or criminal prosecution in one or more jurisdictions in addition to significant damage to our reputation. The monetary damages might not be subject to a contractual limit of liability or an exclusion of consequential or indirect damages and could be significant. In addition, our liability insurance, which includes cyber insurance, might not be sufficient in type or amount to cover us against claims related to security breaches, cyberattacks and other related breaches. Many of our contracts involve projects that are critical to the operation of our clients' businesses, and provide benefits which may be difficult to quantify.

Any failure in a client's system or breaches of security, regardless of our responsibility for such failure, could result in a claim for substantial damages against us and force us to incur significant expense for our defense or could require that we pay large sums in settlement. If unauthorized access to or disclosure of such data in our possession or control occurs or we otherwise fail to comply with applicable laws and regulations in this regard, we could be exposed to civil or criminal enforcement actions and penalties in connection with any violation of applicable data protection laws, as well as lawsuits brought by our customers, our customers' customers, their clients or others for breaching contractual confidentiality and security provisions or data protection laws. Laws and expectations relating to data protections continue to evolve in ways that may limit our access, use and disclosure of sensitive data, and may require increased expenditures by us or may dictate that we not offer certain types of services.

Our reputation could be at risk and we may be liable to our clients for damages caused by cyber security incidents

Our cybersecurity governance program has implemented multi-layered security solutions, along with security policies and procedures developed based on applicable cybersecurity frameworks and standards. We have made significant investments in enhancing our cybersecurity capabilities and improving our security posture. Critical internal as well as client operations typically are undertaken from isolated environments in an effort to provide adequate cybersecurity. This in turn reduces the probability of the spread of threats between Infosys and its client landscapes should there be a breach in either of the environments. Our multi-layered security process and technology controls vastly help in this regard.

Despite these measures, we and our third-party service providers may still be the target of cybersecurity attacks. Our systems and measures may not be able to successfully detect and prevent cybersecurity breaches and other information security incidents. Cyber threats are evolving quickly, and we may be unable to adapt our threat detection and prevention measures to detect or prevent new, modified, or evolving threats on an ongoing basis.

We and our third-party service providers may suffer cybersecurity breaches and other information security incidents due to a multitude of factors, including the following:

- insider threats;
- hackers and other state or non-state actors with an intent to cause harm to us or our clients (including, for example, our governmental clients and our clients in sensitive industry segments such as financial services or healthcare);
- human error and inadvertent actions by our employees and contractors; or
- malware, ransomware, viruses, worms, and similar threats, including the potential for infection spreading between environments.

We believe the risks presented by cybersecurity breaches and other information security incidents will increase as we scale, grow our cloud-based offerings and services, store and process increasingly large amounts of our customers' data and host or manage parts of our customers' businesses, especially in industries involving sensitive data such as the financial services and healthcare industries. By virtue of our business presence across continents, any alleged or actual non-compliance with our obligations relating to cybersecurity and information security in any applicable jurisdictions could lead to regulatory investigations, claims, litigation, and potentially significant damages, fines, penalties, and other liability.

Cybersecurity breaches and other data security incidents could cause or lead to a material adverse impact on our current or future business, operations, and financial performance, especially in cases where critical systems, or numerous systems, are impacted, resulting in partial to complete disruption of intended business delivery; or due to unauthorized access to, or loss, corruption, or theft of, intellectual property, personal data, or sensitive information. If we or any of our third-party service providers suffer a cybersecurity breach or other data security incident, or if any such breach or incident is believed to have occurred, we could face potential claims and litigation, regulatory investigations and inquiries, damages, fines, penalties, and other liability, substantial harm to our reputation, a loss of business, and potentially significant costs to investigate, remediate, and otherwise address the breach or other incident. We also could face increased costs in an effort to prevent additional cybersecurity breaches or other information security incidents in the future.

Our cyber insurance covers first party losses that occur due to a cyber-incident wherein losses include cost of forensics, appointing a crisis consultant and data restoration. The insurance also provides for business interruption losses that the company might have to incur as a result of a system shutdown due to a cyber-incident. Our insurance may not be adequate to cover all losses in connection with any cybersecurity breach or other incident, and we cannot be certain that our present coverage, or any future coverage we may obtain, will remain available to us on commercially reasonable terms or at all.

Our reputation could be at risk and we may incur financial liabilities if privacy breach incidents under General Data Protection Regulation (GDPR) adopted by the European Union or other similar regulations across the globe are attributed to us and if we are not able to take necessary steps to report such incidents to regulators within the stipulated time. Further, any claim from our customers for losses suffered by them due to privacy breaches caused by our employees may impact us financially and affect our reputation.

In the European Union, the GDPR replaced prior European Union data protection law as of May 25, 2018. The GDPR imposes additional obligations and risk upon our business and increases substantially the penalties to which we could be subject in the event of any non-compliance, such penalties can be 4% of worldwide annual revenue or €20 million, whichever is greater. We have incurred substantial expense in complying with the obligations imposed by the GDPR and we may be required to make significant changes in our business operations in connection with compliance with the GDPR, all of which may adversely affect our revenue and our business overall. Additionally, because the GDPR contains a number of obligations that differ from previously effective data protection legislation in the European Union, and because the GDPR's enforcement history is limited, we are unable to predict how certain obligations under the GDPR may be applied to us. Despite our efforts to attempt to comply with the GDPR, a regulator may determine that we have not done so and subject us to fines and public censure, which could harm our company.

The number of data privacy incidents arising from our operations may increase with the scale of our business. Further, more of our work may come under the ambit of privacy regulations as more countries adopt regulations similar to GDPR. Despite our best efforts, if any breach of data privacy occurs and any actual or perceived failure on the part of any of our systems, employees or partners to report incidents on time may expose us to significant liability for breach of regulation.

We have established an independent Data Privacy Office to formulate, implement and monitor controls necessary for ensuring data privacy protection. This is a multi-layered program working with a cross section of stakeholders reporting to a senior executive. We are constantly assessing our liabilities as processors and controllers and implementing controls where required to mitigate the risks. We have formulated policies and procedures for identifying and reporting privacy breaches to internal authorities or to regulators (as required) within the stipulated time. In addition to implementing controls and monitoring, we are protected by insurance to some extent in the case of any eventuality. We run extensive education and awareness programs across the organization for all employees with respect to data privacy and information security.

We may be the subject of litigation which, if adversely determined, could harm our business and operating results.

We are, and may in the future be, subject to legal claims arising in the normal course of business. An unfavorable outcome on any litigation matter could require that we pay substantial damages, or, in connection with any intellectual property infringement claims, could require that we pay ongoing royalty payments or prevent us from selling certain of our products. In addition, we may decide to settle any litigation, which could cause us to incur significant costs. A settlement or an unfavorable outcome on any litigation matter could have a material adverse effect on our business, operating results, reputation, financial position or cash flows.

Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, and this may have a material adverse effect on our business.

Our insurance policies cover all loss or damage to property insured and loss due to business interruption following loss or damage to property. This covers our property and assets around the world, including all leased property. We also maintain insurance coverage, for damage caused by disclosure of employee and customer-related personally identifiable confidential information, system failures, errors or unsatisfactory performance of services to our clients in the event of a third party claim citing damages or financial loss.

We believe we have taken sufficient insurance policies to cover ourselves from potential losses that we may be subject to. However, this coverage may not continue to be available on reasonable terms and may be unavailable in sufficient amounts to cover one or more large claims. Also an insurer might disclaim coverage as to any future claim. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a large deductible or co-insurance requirement, could adversely affect our operating results.

Also, losses arising from events not covered by insurance policies, could materially harm our financial condition and future operating results. There can be no assurance that any claims filed, under our insurance policies will be honored fully or timely. Our financial condition may be materially and adversely affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage.

The markets in which we operate are subject to the risk of earthquakes, floods, tsunamis, storms and other natural and manmade disasters.

Some of the regions that we operate in are prone to earthquakes, floods, tsunamis, storms and other natural and manmade disasters. In the event that any of our business centers or the telecommunications networks that our business depends on are affected by any such disasters, we may incur costs in redeploying personnel and property, sustain damage to our operations and properties, suffer significant financial losses or be unable to complete our client engagements in a timely manner, if at all.

In addition, if there is any natural disaster in any of the locations in which our significant customers are located, we face the risk that our customers may incur losses or sustain business interruption, which may materially impair our ability to provide services to our customers and may limit their ability to continue their purchase of products or services from us. Any natural disaster in the markets in which we operate could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The safety of our employees, assets and infrastructure may be affected by untoward incidents beyond our control, impacting business continuity or reputation.

The health and safety of our employees or those working on our behalf, and the security of our physical infrastructure may be affected due to acts of violence or vandalism by anti-social elements. Although we take protective measures to ensure the safety of our employees at our global locations of work and transit, incidents of organized political demonstrations, civil unrest, or random acts of rage can affect the safety of our assets and employees, impacting business continuity or reputation.

Currently, we have presence in 191 locations across 46 countries. Our global development centers are linked with a telecommunications network architecture that uses multiple service providers and various satellite and optical links with alternate routing. While we believe we have put in place adequate infrastructure and business continuity plans to handle disruption in services due to failure in our communication network, our operations and service delivery may be impacted if such networks are affected by disasters.

As an international company, our offshore and onsite operations may also be impacted by disease, epidemics and local social instability, which could have a material adverse effect on revenues and profitability.

Terrorist attacks or a war could adversely affect our business, results of operations and financial condition.

Terrorist attacks and other acts of violence or war have the potential to directly impact our clients or us. To the extent that such attacks affect or involve the United States or Europe, our business may be significantly impacted, as the majority of our revenues are derived from clients located in the United States and Europe. In addition, events of terrorism or threat of warfare in other parts of the world could cause geo-political instability, which in turn may impact our customers or impact our ability to execute projects. Such attacks may destabilize the economic and political situation in India and other countries where we have large operations making it more difficult to obtain work visas and plan travel for many of our technology professionals who are required to work in the United States or Europe. Such obstacles to business may increase our expenses and negatively affect the results of our operations. Furthermore, any attacks in India could cause a disruption in the delivery of our services to our clients, and could have a negative impact on our business, personnel, assets, results of operations and could cause our clients or potential clients to choose other vendors for the services we provide.

Regional conflicts in South Asia could adversely affect the Indian economy, disrupt our operations and cause our business to suffer. South Asia has, from time to time, experienced instances of civil unrest and hostilities among neighboring countries, including between India and Pakistan. There have been military confrontations between India and Pakistan that have occurred in the region of Kashmir and along the India-Pakistan border. Further, Pakistan has sometimes experienced significant instability and this has heightened the risks of conflict in South Asia. Military activity or terrorist attacks in the future could hurt the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our equity shares and our ADSs, and on the market for our services.

Negative media coverage and public scrutiny may divert the time and attention of our board and management and adversely affect our reputation and the prices of our equity shares and ADSs.

There is media coverage and public scrutiny of our business practices, policies and actions including negative, and in some cases, inaccurate posts or comments. Any future negative media coverage in relation to our business, our Board or senior management, regardless of the factual basis for the assertions being made, may adversely impact our reputation. In addition, responding to allegations made in the media can significantly divert the time and attention of our Board and senior management away from our business and disrupt the operation of the Company. The Company may not be able to respond publicly to certain comments in the media due to the obligations it has with its employees, clients or other stakeholders. Any unfavorable publicity may also adversely impact investor confidence and directly or indirectly cause the price of our equity shares and ADSs to decline.

VII. Risks related to legislation and regulatory compliance

An increase in anti-outsourcing sentiments in certain countries in which we operate, including the United States, United Kingdom, European Union and Australia have led and may in the future lead to the enactment of restrictive legislations that could limit companies in those countries from outsourcing work to us, or could inhibit our ability to staff client projects in a timely manner thereby impacting our revenue and profitability.

Our reliance on work visas for a significant number of technology professionals makes us particularly vulnerable to changes and variations in immigration laws as it affects our ability to staff projects with technology professionals who are not citizens of the country where the work is to be performed. Many of these recent changes are making it more difficult to obtain timely visas and resulting in increased expenses. The governments of these countries may also tighten adjudication standards for labor market tests. For example, in the United States, the current administration has clarified existing regulations to increase scrutiny of H-1B visa renewal applications, and new H-1B visa applications for workers placed on third party worksites and junior IT workers. These changes could negatively affect our ability to utilize current employees to fulfill existing or new projects and could also result in higher operating expenses. In the U.S., recently there has been an increase in the number of visa application rejections. This has affected and may continue to affect our ability to obtain timely visas and staff projects. As a result, we may encounter delays or additional costs in managing such projects. Additionally, we may have to apply in advance for visas or could incur additional cost in maintaining such visas and this could result in additional expenses.

Similar legislative proposals have already been implemented in Singapore and subsequently in Australia. The Australian government's agenda of significant reform to the temporary and permanent work visa programs is now complete as of March 18, 2018 with the abolition of the subclass 457 visa.

Additionally, the Acquired Rights Directive and certain local laws in European countries that implement the Acquired Rights Directive, such as the Transfer of Undertakings (Protection of Employees) Regulations, or TUPE, in the United Kingdom, allow employees who are dismissed as a result of "service provision changes", which may include outsourcing to non-EU companies, to seek compensation either from the company from which they were dismissed or from the company to which the work was transferred. This could deter EU companies from outsourcing work to Infosys and could also result in us being held liable for redundancy payments to such workers. Any such event could adversely affect our revenues and operating results.

It is also important to note that, from time to time, there has been publicity about negative experiences associated with offshore outsourcing, such as domestic job loss and theft and misappropriation of sensitive customer data, particularly involving service providers in India. Current or prospective customers may elect to perform certain services themselves or may be discouraged from utilizing global service delivery providers due to negative perceptions that may be associated with using global service delivery models or firms. Any slowdown or reversal of existing industry trends toward global service delivery would seriously harm our ability to compete effectively with companies that provide the majority of their services from within the country in which our customers operate.

Many countries throughout the European Union continue to implement new regulations to move into compliance with the EU Directive of 2014 to harmonize immigration rules for intracompany transferees in most EU Member States and facilitate the transfer of managers, specialists and graduate trainees both into and within the region. The changes have significant impacts on mobility programs and have led to new notification and documentation-retention requirements for companies sending service providers to EU countries.

Our international expansion strategy and our business, results of operations and financial condition may be materially adversely affected if changes in immigration and work permit laws and regulations or the administration or enforcement of such laws or regulations impair our ability to staff projects with professionals who are not citizens of the country where the work is to be performed.

New and changing regulatory compliance, corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance.

We are subject to a variety of laws, regulations and industry standards in the countries in which we operate. These laws, regulations, and standards govern numerous areas that are important to our business, including, but not limited to, privacy, information security, labor and employment, immigration, data protection, import and export practices, marketing and communication practices. Such laws, regulations and standards are subject to changes and evolving interpretations and applications, and it can be difficult to predict how they may be applied to our business and the way we conduct our operations, especially as we introduce new solutions and services and expand into new jurisdictions. Any perceived or actual breach of laws, regulations and standards could result in investigations, regulatory inquiries, litigation, fines, injunctions, negative customer sentiment, impairment of our existing or planned solutions and services, or otherwise negatively impact our business.

Changing laws, regulations and standards relating to accounting, corporate governance and public disclosure create uncertainty for our compliance efforts and may result in added compliance costs. India has witnessed sweeping changes to its corporate law regime over the past few years. The changes introduced by the Companies Act, 2013, the Securities and Exchange Board of India (SEBI), (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) and the SEBI's Insider Trading Regulations as amended from time to time are far-reaching and often untested and have added complexity to our corporate compliance regime. We are also increasingly subject to social regulations such as the UK Modern Slavery Act, 2015 and should there be any failure by our suppliers to abide by applicable regulations, including but not limited to those relating to human trafficking, we may face sanctions which could affect our reputation and our ability to provide services to our clients.

In connection with this Annual Report on Form 20-F for the fiscal year ended March 31, 2019, our management assessed our internal controls over financial reporting, and determined that our internal controls were effective as of March 31, 2019. However, we will undertake management assessments of our internal control over financial reporting in connection with each annual report, and any deficiencies uncovered by these assessments or any inability of our auditors to issue an unqualified opinion regarding our internal control over financial reporting could harm our reputation and the price of our equity shares and ADSs.

We are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to comply with evolving laws, regulations and standards in this regard have resulted in, and are likely to continue to result in, increased general and administrative expenses and an increasing amount of time and attention of management in ensuring compliance related activities.

In addition, it may become more expensive or more difficult for us to obtain director and officer liability insurance. Further, our Board members and executive officers could face an increased risk of personal liability in connection with their performance of duties and our regulatory reporting obligations. As a result, we may face difficulties attracting and retaining qualified Board members and executive officers, which could harm our business. If we fail to comply with new or changed laws or regulations, our business and reputation may be harmed.

The intellectual property laws of India do not give sufficient protection to software and the related intellectual property rights to the same extent as those in the United States. We may be unsuccessful in protecting our intellectual property rights. We may also be subject to third party claims of intellectual property infringement.

We rely on a combination of patent, copyright, trademark and design laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. However, the laws of India do not protect proprietary rights to the same extent as laws in the United States. While we take utmost care in protecting our intellectual property, our competitors may independently develop similar technology or duplicate our products or services. Unauthorized parties may infringe upon or misappropriate our products, services or proprietary information.

The misappropriation or duplication of our intellectual property could disrupt our ongoing business, distract our management and employees, reduce our revenues and increase our expenses. We may need to litigate to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Any such litigation could be time consuming and costly. As the number of patents, copyrights and other intellectual property rights in our industry increases, and as the coverage of these rights increases, we believe that companies in our industry will face more frequent infringement claims. Defense against these claims, even if such claims are not meritorious, could be expensive and time consuming and may divert our management's attention and resources from operating our company. From time to time, third parties have asserted, and may in the future assert, patent, copyright, trademark and other intellectual property rights against us or against our customers. Our business partners may have similar claims asserted against them. Third parties, including companies with greater resources than us, may assert patent rights to technologies that we utilize in our business. If we become liable to third parties for infringing their intellectual property rights, we could be required to pay a substantial damage award and be forced to develop non-infringing technology, obtain a license or cease selling the applications or products that contain the infringing technology. We may be unable to develop non-infringing technology or to obtain a license on commercially reasonable terms, or at all. An unfavorable outcome in connection with any infringement claim against us as a result of litigation, other proceeding or settlement, could have a material and adverse impact on our business, results of operations and financial position.

In addition, litigation initiated by non-practicing entities continues in the software industry. The non-practicing entities are business establishments that hold the patents and they seek monetary damages by alleging that a product feature infringes a patent. These non-practicing entities are also becoming more aggressive in their monetary demands and requests for court-issued injunctions. We intend to defend such claims. However, as with most litigation, the outcome is difficult to predict. Such lawsuits or claims may increase our cost of doing business and may potentially be extremely disruptive if the plaintiffs succeed in blocking the sales of our products and services.

We cannot be sure that the services and solutions that we offer to our clients do not infringe on the intellectual property rights of third parties, and these third parties could claim that we or our clients are infringing upon their intellectual property rights. These claims could harm our reputation, cause us to incur substantial costs or prevent us from offering some services or solutions in the future. Any related proceedings could require us to expend significant resources over an extended period of time. In most of our contracts, we agree to indemnify our clients for expenses and liabilities resulting from claimed infringements of the intellectual property rights of third parties. In some instances, the amount of these indemnities could be greater than the revenues we receive from the client.

Any claims or litigation in this area could be time-consuming and costly, damage our reputation and/or require us to incur additional costs to obtain the right to continue to offer a service or solution to our clients. If we cannot secure this right at all or on reasonable terms, or we cannot substitute alternative technology, our results of operations could be materially adversely affected. The risk of infringement claims against us may increase as we expand our industry software solutions and platforms and continue to develop and license our software to multiple clients.

In addition, we rely on third-party software in providing some of our services and solutions. If we lose our ability to continue using such software for any reason, including because it is found to infringe the rights of others, we will need to obtain substitute software or seek alternative means of obtaining the technology necessary to continue to provide such services and solutions. Our inability to replace such software, or to replace such software in a timely or cost-effective manner, could materially adversely affect our results of operations.

The software industry is making increased use of open source software in its development work. We also incorporate open source technology in our products and platforms which may expose us to liability and have a material impact on our product development and sales. The open source license may require that the software code in those components or the software into which they are integrated be freely accessible under open source terms and security vulnerabilities in open source software may adversely expose our product and result in financial claims against the company. While we take appropriate measures to comply with open source terms and assess the known security vulnerabilities, there is a possibility that third-party claims may require us to disclose our own source code to the public, to make the same freely accessible under open source terms or may result in potential financial impact if there is a claim due to unknown vulnerabilities. Any such requirement to disclose our source code or other confidential information related to our products could materially and adversely affect our competitive position, results of business operations, financial condition and relationship with client(s).

Our net income would decrease if the government of India reduces or withdraws tax benefits and other incentives it provides to us or when our tax holidays expire, reduce or terminate.

Many of our development centers in India are registered as Special Economic Zones (SEZ). Under the SEZ Act, 2005, SEZ units which begin providing services on or after April 1, 2005 are eligible for an income tax deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit has commenced the provision of services and 50% of such profits or gains for the five years thereafter. Up to 50% of such profits or gains is also available for a further five years' subject to creation of a Special Economic Zone Re-investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve by the Company for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961.

As a result of these tax incentives, a portion of our pre-tax income has not been subject to tax. These tax incentives resulted in a decrease in our income tax expense of $386 million, $321 million and $295 million for fiscal 2019, 2018 and 2017, respectively, compared to the tax amounts that we estimate we would have been required to pay if these incentives had not been available. The per share effect of these tax incentives computed based on both basic and diluted weighted average number of equity shares for fiscal 2019 was $0.09, for fiscal 2018 and fiscal 2017 was $0.07 respectively (adjusted for the September 2018 bonus issue).

If the government of India changes its policies affecting SEZs in a manner that adversely impacts the incentives for establishing and operating facilities in SEZs, results of operations and financial condition may be adversely affected.

In India, changes in taxation law are announced on an annual basis when the Union Budget is presented. The Union Budget, 2015 had proposed to reduce the rate of corporate tax from 30% to 25% over the next four years in a phased manner starting from fiscal 2016, but the process of reducing the corporate tax rate would likely be accompanied by rationalization and removal of various kinds of tax exemption and incentives for corporate tax payers.

For instance, under the Finance Act, 2016, no tax incentives shall be available to SEZ units commencing business activities on or after April 1, 2020. Further the Finance Act, 2016 amended Section 80-IAB of the Income Act, 1961 whereby tax incentive shall not be available to an undertaking engaged in the development of SEZ where the specified activities commence on or after April 1, 2017. When our tax holidays expire, reduce or terminate, our tax expense will materially increase, reducing our profitability.

The Finance Act ("the Act") 2018 has reduced the corporate tax rate to 25% (plus applicable surcharge and cess) for domestic companies whose total turnover or gross receipts have not exceeded ₹250 crore in fiscal year 2016-17. The Act also discontinued the Education Cess and Secondary and Higher education cess of 2% and 1% respectively and introduced a new cess by the name Health and Education Cess at the rate of 4%. Accordingly, the statutory tax rate for our company has increased to 34.944% from 34.608%.

With our growth of business in SEZ units, we may have to compute our tax liability under Minimum Alternate Tax (MAT) in future years as the tax liability under normal tax provisions may be lower as compared to MAT tax liability. MAT is computed on book profits.

The Finance Act, 2017 increased the time limit for carry forward of MAT credit from 10 years to 15 years. Although MAT paid by us can be set off against our future tax liability, cash flows for intervening periods could be adversely affected.

In the event that the government of India or the government of another country changes its tax policies in a manner that is adverse to us, our tax expense may materially increase, reducing our profitability.

The Finance Act, 2012 adopted the General Anti Avoidance Rules (GAAR). The Finance Act, 2015 deferred the implementation of GAAR by two years so as to implement it as part of a comprehensive regime to deal with the Organization for Economic Co-operation and Development's (OECD)'s Base Erosion and Profit Shifting (BEPS) project of which India is an active participant. Thus, GAAR provisions shall be applicable from fiscal 2018. Pursuant to GAAR, an arrangement in which the main purpose, or one of the main purposes, is to obtain a tax benefit and may be declared as an "impermissible avoidance arrangement" if it also satisfies at least one of the following four tests:

- The arrangement creates rights and obligations, which are not normally created between parties dealing at arm's length.
- It results in misuse or abuse of provisions of tax laws.
- It lacks commercial substance or is deemed to lack commercial substance.
- It is carried out in a manner, which is normally not employed for a bona fide purpose.

If any of our transactions are found to be impermissible avoidance arrangements under GAAR, our business, financial condition and results of operations may be adversely affected.

The Finance Act, 2015 had lowered the tax withholding rate on payment made to non-residents towards "royalty" and/or "fees for technical services" to 10% from 25%, subject to furnishing of Indian Permanent Account Number (PAN) by such non-residents. The Finance Act 2016 has amended Section 206AA to prescribe alternative documents to PAN as duly notified. However, a lower rate may apply if a Double Taxation Avoidance Agreement exists. As we procure various software licenses and technical services from non-residents in the course of delivering our products and services to our clients, the cost of withholding tax on such purchase of software and services may be additional cost to us as the company may have to gross up for such withholding taxes.

Goods and Services Tax (GST), India's biggest tax reform, was enacted on July 1, 2017. GST replaces various indirect taxes levied by the State and Center with a unified tax. The major taxes subsumed into GST are Central Excise, Service tax, Central Sales Tax, Value added tax, Entry tax, Octroi, additional duty of customs, Entertainment Tax and Luxury Tax. Introduction of GST has increased the indirect tax compliance of the group as the concept of centralized registration and payment of taxes no longer exists under GST regime.

The Company has concluded APA's in multiple jurisdictions to bring in predictability of the Company's tax obligations in respect of its overseas operations. Any material changes to the critical assumptions underlying these APA may have impact on taxes. Further, when these APA's expire, there is no certainty that they will be renewed. If renewed there is no certainty as to whether they will be on the same terms or on different terms.

We operate in jurisdictions that impose transfer pricing and other tax-related regulations on us, and any failure to comply could materially and adversely affect our profitability.

We are required to comply with various transfer pricing regulations in India and other countries. Additionally, we operate in several countries and our failure to comply with the local and municipal tax regime may result in additional taxes, penalties and enforcement actions from such authorities. In the event that we do not properly comply with the transfer pricing and tax-related regulations, our profitability may be adversely affected.

Changes in the policies of the government of India or political instability may adversely affect economic conditions in India generally, which could impact our business and prospects.

The government of India could change specific laws and policies affecting technology companies, foreign investment, currency exchange and other matters affecting investment in our securities which could adversely affect business and economic conditions in India generally, and our business in particular. If the Government of India changes its policies affecting SEZs in a manner that adversely impact the incentives for establishing and operating facilities in SEZs, our business, results of operations and financial condition may be adversely affected.

Political instability could also delay the reform of the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including our equity shares and our ADSs, and on the market for our services.

Attempts to fully address concerns of activist shareholders may divert the time and attention of our management and Board of Directors and may impact the prices of our equity shares and ADSs.

Attempts to respond to activist shareholder queries and concerns in a timely manner and to their full satisfaction may divert the attention of our Board and management and require us to incur significant costs. Such shareholder interactions may also impact our reputation, affect client and investor sentiments and cause volatility in the price of our equity shares and ADSs.

Our international expansion plans subject us to risks inherent in doing business internationally.

Because of our global presence, we are subject to additional risks related to our international expansion strategy, including risks related to compliance with a wide variety of treaties, national and local laws, including multiple and possibly overlapping tax regimes, privacy laws and laws dealing with data protection, export control laws, restrictions on the import and export of certain technologies and national and local labor laws dealing with immigration, employee health and safety, and wages and benefits, applicable to our employees located in our various international offices and facilities. We may from time to time be subject to litigation or administrative actions resulting from claims against us by current or former employees, individually or as part of a class action, including for claims of wrongful termination, discrimination (including on grounds of nationality, ethnicity, race, faith, gender, marital status, age or disability), misclassification, redundancy payments under TUPE-type legislation, or other violations of labor laws, or other alleged conduct. If we are held liable for unpaid compensation, redundancy payments, statutory penalties, and other damages arising out of such actions and litigations, our revenues and operating profitability could be adversely affected.

Our ability to acquire companies organized outside India may depend on the approval of the RBI and / or the Government of India and failure to obtain this approval could negatively impact our business.

The RBI permits acquisitions of companies organized outside of India by an Indian party under the automatic route and without approval if inter alia, the transaction consideration is paid in cash, the transaction value does not exceed 400% of the net worth of the acquiring company as of the date of the acquiring company's latest audited balance sheet, if the acquisition is funded with cash from the acquiring company's existing foreign currency accounts or with cash proceeds from the issuance of ADRs / GDRs, or if the proposed acquisition structure falls under the permitted list. However, any financial commitment exceeding $1 billion or its equivalent in a financial year, or certain types of acquisition structures requires prior approval of the RBI under the approval route, even when the total financial commitment of the Indian company is within 400% of the net worth of the acquiring company as per the last audited balance sheet.

If we fail to obtain any required approval from the RBI or any other government agency for such acquisitions of companies organized outside India, our international growth may become restricted, which could negatively affect our business and prospects."

Indian laws limit our ability to raise capital outside India and may limit the ability of others to acquire us, which could prevent us from operating our business or entering into a transaction that is in the best interests of our shareholders.

Indian law relating to foreign exchange management constrains our ability to raise capital outside India through the issuance of equity or convertible debt securities. Generally, any foreign investment in, or acquisition of, an Indian company does not require the approval from relevant government authorities in India, including the RBI. However, in a number of industrial sectors, there are restrictions on foreign investment in Indian companies. Changes to the policies may create restrictions on our capital raising abilities. For example, a limit on the foreign equity ownership of Indian technology companies or pricing restrictions on the issuance of ADRs / GDRs may constrain our ability to seek and obtain additional equity investment by foreign investors. In addition, these restrictions, if applied to us, may prevent us from entering into certain transactions, such as an acquisition by a non-Indian company, which might otherwise be beneficial for us and the holders of our equity shares and ADSs.

VIII. Risks related to the ADSs

Historically, our ADSs have traded at a significant premium to the trading prices of our underlying equity shares. Currently, they do not do so and they may not continue to do so in the future.

In the past, our ADSs have traded at a premium to the trading prices of our underlying equity shares on the Indian stock exchanges. We believe that this price premium has resulted from the relatively small portion of our market capitalization previously represented by ADSs, restrictions imposed by Indian law on the conversion of equity shares into ADSs and an apparent preference of some investors to trade dollar-denominated securities. We have completed three secondary ADS offerings which significantly increased the number of our outstanding ADSs. Also, over time, the restrictions on the issuance of ADSs imposed by Indian law have been relaxed. As a result, our ADSs do not command any premium currently and may not trade at a premium in the future.

In the past several years, our ADSs have been converted into equity shares in India as the premium on ADSs compared to equity shares has significantly narrowed. If a substantial amount of our ADSs are converted into underlying equity shares in India, it could affect the liquidity of such ADSs on the NYSE and could impact the price of our ADSs.

Sales of our equity shares may adversely affect the prices of our equity shares and ADSs.

Sales of substantial amounts of our equity shares, including sales by our insiders in the public market, or the perception that such sales may occur, could adversely affect the prevailing market price of our equity shares, ADSs or our ability to raise capital through an offering of our securities. In the future, we may also sponsor the sale of shares currently held by some of our shareholders as we have done in the past, or issue new shares. We can make no prediction as to the timing of any such sales or the effect, if any, that future sales of our equity shares, or the availability of our equity shares for future sale, will have on the market price of our equity shares or ADSs prevailing from time to time.

The price of our ADSs and the U.S. dollar value of any dividends we declare may be negatively affected by fluctuations in the U.S. dollar to Indian rupee exchange rate.

Fluctuations in the exchange rate between the Indian rupee and the U.S. dollar will affect the dollar conversion by Deutsche Bank Trust Company Americas, the Depositary with respect to our ADSs, of any cash dividends paid in Indian rupees on the equity shares represented by the ADSs.

Indian law imposes certain restrictions that limit a holder's ability to transfer the equity shares obtained upon conversion of ADSs and repatriate the proceeds of such transfer which may cause our ADSs to trade at a premium or discount to the market price of our equity shares.

Under certain circumstances, the RBI must approve the sale of equity shares underlying ADSs by a non-resident of India to a resident of India. The RBI has given general permission to effect sales of existing shares or convertible debentures of an Indian company by a resident to a non-resident, subject to certain conditions, including the price at which the shares may be sold. Additionally, except under certain limited circumstances, if an investor seeks to convert the rupee proceeds from a sale of equity shares in India into foreign currency and then repatriate that foreign currency from India, he or she will have to obtain RBI approval for each such transaction. Required approval from the RBI or any other government agency may not be obtained on terms favorable to a non-resident investor or at all.

An investor in our ADSs may not be able to exercise pre-emptive rights for additional shares and may thereby suffer dilution of such investor's equity interest in us.

Under the Indian Companies Act, 2013, a company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless such pre-emptive rights have been waived by three-fourths of the shareholders (based on percentage of shareholding in the company) voting on the resolution to waive such rights. Holders of ADSs may be unable to exercise pre-emptive rights for equity shares underlying ADSs unless a registration statement under the Securities Act of 1933 as amended, or the Securities Act, is effective with respect to such rights or an exemption from the registration requirements of the Securities Act is available. We are not obligated to prepare and file such a registration statement and our decision to do so will depend on the costs and potential liabilities associated with any such registration statement, as well as the perceived benefits of enabling the holders of ADSs to exercise their pre-emptive rights, and any other factors we consider appropriate at the time. No assurance can be given that we would file a registration statement under these circumstances. If we issue any such securities in the future, such securities may be issued to the Depositary, which may sell such securities for the benefit of the holders of the ADSs. There can be no assurance as to the value, if any, the Depositary would receive upon the sale of such securities. To the extent that holders of ADSs are unable to exercise pre-emptive rights granted in respect of the equity shares represented by their ADSs, their proportional interests in us would be reduced.

ADS holders may be restricted in their ability to exercise voting rights.

The SEBI Listing Regulations and the Indian Companies Act, 2013 provide that an e-voting facility must be mandatorily provided to all shareholder resolutions in accordance with prescribed procedure under the Companies Act, 2013. This may mean that ADS holders may be able to vote on our resolutions irrespective of where they are located or whether they are able to attend the meetings of shareholders. At our request, the Depositary will electronically mail to holders of our ADSs any notice of shareholders' meeting received from us together with information explaining how to instruct the Depositary to exercise the voting rights of the securities represented by ADSs. If the Depositary receives voting instructions from a holder of our ADSs in time, relating to matters that have been forwarded to such holder, it will endeavor to vote the securities represented by such holder's ADSs in accordance with such voting instructions. However, the ability of the Depositary to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. We cannot assure that holders of our ADSs will receive voting materials in time to enable such holders to return voting instructions to the Depositary in a timely manner. Securities for which no voting instructions have been received will not be voted. There may be other communications, notices or offerings that we only make to holders of our equity shares, which will not be forwarded to holders of ADSs. Accordingly, holders of our ADSs may not be able to participate in all offerings, transactions or votes that are made available to holders of our equity shares.

ADS holders may be restricted in their ability to participate in a buy-back of shares offered by us. Under Indian law, a company may acquire its own equity shares without seeking the approval of the court or tribunal in compliance with prescribed rules, regulations and conditions of the Indian Companies Act. In addition, public companies which are listed on a recognized stock exchange in India must comply with the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Buy-back Regulations). Since we are a public company listed on two recognized stock exchanges in India, we would have to comply with the relevant provisions of the Companies Act, 2013 and the provisions of the Buy-back Regulations. In order for the ADS holders to participate in a company's purchase of its own shares under the open market route through the Indian stock exchanges, the ADS holders need to take certain actions in order to convert the ADS into equity shares and sell the equity shares through the Indian stock exchanges.

It may be difficult for holders of our ADSs to enforce any judgment obtained in the United States against us

As we are incorporated under the laws of India and are primarily located outside the United States, holders of our ADSs may find it difficult to effect service of process upon us outside the United States. In addition, holders of our ADSs may be unable to enforce judgments against us if such judgments are obtained in courts of the United States, including judgments predicated solely upon the federal securities laws of the United States.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on the basis of civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be executable by an Indian court. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment by court in the United States in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as conflicting with Indian Law. Separately, RBI approval will be required under the Foreign Exchange Management Act, 1999, to repatriate any amounts outside India as damages including pursuant to the execution of a judgment.

Holders of ADSs are subject to the Securities and Exchange Board of India's Takeover Code with respect to their acquisitions of ADSs or the underlying equity shares, and this may impose requirements on such holders with respect to disclosure and offers to purchase additional ADSs or equity shares.

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the Takeover Code) is applicable to publicly listed Indian companies. Therefore, the provisions of the Takeover Code apply to us and to any person acquiring our equity shares or voting rights in our company, such as those represented by our ADSs.

The acquisition of shares or voting rights which entitle the acquirer, along with persons acting in concert with the acquirer, to exercise 25% or more of the voting rights in or control over the target company triggers a requirement for the acquirer to make an open offer to acquire at least 26% of the total shares of the target company for an offer price determined as per the provisions of the Takeover Code. The acquirer is required to make a public announcement for an open offer on the date on which it is agreed to acquire such shares or voting rights. In the event that pursuant to the open offer, the shareholding of the acquirer along with the persons acting in concert with the acquirer exceeds the maximum permissible non-public shareholding, the acquirer is required to bring down the non-public shareholding in line with the limits prescribed and the timeline as prescribed under the Securities Contract (Regulation) Rules, 1957. Furthermore, acquisition of shares or voting rights by an acquirer who holds 25% or more of the voting rights in the target company (along with persons acting in concert with the acquirer), shall make an open offer to acquire additional shares or voting rights which entitle the acquirer (along with persons acting in concert with the acquirer) to exercise more than 5% of voting rights in the target company.

Upon the acquisition of shares or voting rights in a publicly listed Indian company such that the aggregate share-holding of the acquirer (meaning a person who directly or indirectly, acquires or agrees to acquire shares or voting rights in a target company, or acquires or agrees to acquire control over the target company, either by himself or together with any person acting in concert) is 5% or more of the shares of the company, the acquirer is required, within two working days of such acquisition, to disclose the aggregate shareholding and voting rights in the company to the company and to the stock exchanges in which the shares of the company are listed.

Further, an acquirer who, together with persons acting in concert with him, holds shares or voting rights entitling them to 5% or more of the shares or voting rights in a target company, acquires or sells shares representing 2% or more of the shares or voting rights of the company must disclose, within two working days of such acquisition, sale or receipt of intimation of allotment of such shares, the acquirer's revised shareholding to the company and to the stock exchanges on which the shares of the company are listed. This disclosure is required, in case of a sale, even if such sale results in the shareholding of the acquirer falling below 5%.

The Takeover Code may impose conditions that discourage a potential acquirer, which could prevent an acquisition of our company in a transaction that could be beneficial for our equity holders. For example, under the Takeover Code, persons who acquire 5% or more of the shares of a company are required, within two working days of such acquisition, to disclose the aggregate shareholding and voting rights in the company to the company and to the stock exchanges on which the shares of the company are listed.

Additionally, holders of 5% or more of the shares or voting rights of a company who acquire or dispose of shares representing 2% or more of the shares or voting rights of the company must disclose, within two working days of such transaction their revised shareholding to the company and to the stock exchanges on which the shares of the company are listed. This disclosure is required even if the transaction is a sale which results in the holder's ownership falling below 5%

If the government of India modifies dividend distribution tax rates or introduces new forms of taxes on distribution of profits or changes the basis of application of these taxes, the same could materially affect the returns to our shareholders.

The Company's current policy is to payout up to 70% of the free cash flow of the corresponding fiscal year in such manner, as may be decided by the Board from time to time, subject to applicable laws and requisite approvals, 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 payout includes Dividend Distribution Tax (DDT).

The effective rate of DDT which was 20.3576% increased to 20.5553% based on the amendment under the Finance Act 2018 that replaced the existing Education and Secondary and Higher Education cess of 3% with the 'Health and Education Cess' of 4%. If the effective rate of DDT increases in future, or new forms of taxes on distribution of profits are introduced, the dividend amount receivable by our shareholders after taxes may decrease further.

Item 4. Information on the Company

COMPANY OVERVIEW

Infosys is a leading provider of consulting, technology, outsourcing and next-generation digital services, enabling clients around the world to create and execute strategies for their digital transformation.

Our vision is to build a globally respected organization delivering best-of-breed business solutions, leveraging technology, delivered by best-in-class people. We are guided by our value system which motivates our attitudes and actions. Our core values are Client Value, Leadership by Example, Integrity and Transparency, Fairness and Excellence (C-LIFE).

Our primary geographic markets are North America, Europe, Rest of the World and India which generated 60.5%, 24.1%, 12.9% and 2.5% of our revenues in the fiscal 2019. We serve clients in financial services and insurance; retail; communication; energy, utilities, resources and services; manufacturing; Hi-Tech and life sciences.

Our revenues grew from $8,711 million in fiscal 2015 to $11,799 million in fiscal 2019, representing a compound annualized growth rate of 7.9%. Our net income grew from $2,013 million to $2,200 million during the same period, representing a compound annualized growth rate of 2.2%.

Between March 31, 2015 and March 31, 2019, our total employees grew from 176,187 to 228,123, representing a compound annualized growth rate of 6.7%.

A. HISTORY AND DEVELOPMENT OF THE COMPANY

We were incorporated on July 2, 1981 in Pune, Maharashtra, India, as Infosys Consultants Private Limited, a private limited company under the Indian Companies Act, 1956. We changed our name to Infosys Technologies Private Limited in April 1992 and to Infosys Technologies Limited in June 1992, when we became a public limited company. In June 2011, we changed our name from Infosys Technologies Limited to Infosys Limited, following approval of the name change by our Board, shareholders and the Indian regulatory authorities. The name change was intended to reflect our transition from a provider of technology services to a partner with our clients solving business problems by leveraging technology. We made an initial public offering of equity shares in India in February 1993 and were listed on stock exchanges in India in June 1993. We completed our initial public offering of ADSs in the United States in 1999. In August 2003, June 2005 and November 2006, we completed sponsored secondary offerings of ADSs in the United States on behalf of our shareholders. Each of our 2005 and 2006 sponsored secondary offerings also included a Public Offering Without Listing, or POWL in Japan. In 2008, we were selected as an original component member of 'The Global Dow', a world-wide stock index made up of 150 leading blue-chip stocks. Following our voluntary delisting from the NASDAQ Global Select Market on December 11, 2012, we began trading of our ADSs on the New York Stock Exchange (NYSE) on December 12, 2012, under the ticker symbol INFY. We were inducted into the Dow Jones Sustainability Indices in fiscal 2018.

Our ADSs were previously also listed on the Euronext London and Paris. On July 5, 2018, we voluntarily delisted our American Depository Shares ("ADSs") from Euronext London and Paris and our ADSs were removed from Euroclear France on July 10, 2018. The primary reason for voluntary delisting from Euronext Paris and London was the low average daily trading volume of Infosys ADSs on these exchanges, which was not commensurate with the related administrative expenses. Infosys' ADSs continue to be listed on the NYSE under the symbol "INFY" on the New York Stock Exchange.

Refer Note no. 2.19 'Related party transactions' in Item 18 of this Annual Report for the list of our subsidiaries.

The address of our registered office is Electronics City, Hosur Road, Bengaluru-560 100, Karnataka, India. The telephone number of our registered office is +91-80-2852-0261. Our agent for service of process in the United States is CT Corporation System, 1350 Treat Boulevard, Suite 100, Walnut Creek, CA 94597-2152. Our website address is www.infosys.com and the information contained in our website does not constitute a part of this Annual Report.

Principal Capital Expenditures and Divestitures

Capital expenditure

In fiscal 2019, 2018 and 2017, we spent $349 million, $310 million and $411 million, respectively, on capital expenditures. All our capital expenditures were financed out of cash generated from operations. As of March 31, 2019, we had contractual commitments of $249 million for capital expenditure. These commitments included $214 million in domestic purchases and $35 million in overseas commitments.

Acquisitions

On May 22, 2018, Infosys acquired 100% of the voting interests in WongDoody Holding Company Inc., (WongDoody) a U.S. based, full-service creative and consumer insights agency. The business acquisition was completed by entering into a share purchase agreement for total consideration of up to $75 million, which includes a cash consideration of $38 million, contingent consideration of up to $28 million and an additional consideration of up to $9 million, referred to as retention bonus, payable to the employees of WongDoody over the next three years, subject to their continuous employment with the group.

On October 11, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 100% of the voting interests in Fluido Oy (Fluido), a Nordic-based salesforce advisor and consulting partner in cloud consulting, implementation and training services for a total consideration of up to Euro 65 million (approximately $75 million), comprising of cash consideration of Euro 45 million (approximately $52 million), contingent consideration of upto Euro 12 million (approximately $ 14 million) and retention payouts of upto Euro 8 million (approximately $9 million), payable to the employees of Fluido over the next three years, subject to their continuous employment with the group.

On November 16, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 60% stake in Infosys Compaz Pte. Ltd, a Singapore based IT services company. The business acquisition was completed by entering into a share purchase agreement for a total consideration of up to SGD 17 million (approximately $13 million on the acquisition date), which includes a cash consideration of SGD 10 million (approximately $8 million on the acquisition date) and contingent consideration of up to SGD 7 million (approximately $5 million on the acquisition date).

On April 1, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 81% of the voting interests in Hitachi Procurement Service Co., Ltd., (HIPUS), Japan, a wholly owned subsidiary of Hitachi Ltd, Japan for a total cash consideration of JPY 3.29 billion (approximately $30 million) on fulfilment of closing conditions. The company has paid an advance of JPY 3.29 billion (approximately $30 million) to Hitachi towards the cash consideration on March 29, 2019. HIPUS handles indirect materials purchasing functions for the Hitachi Group. As on the date of adoption of financial statements by the Board of Directors , the Company is in the process of finalizing the accounting for acquisition of HIPUS, including allocation of purchase consideration to identifiable assets and liabilities.

On May 23, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 75% of voting interests in Stater N.V (Stater), a wholly-owned subsidiary of ABN AMRO Bank N.V., Netherland, for a total consideration of upto Euro 154 Million (approximately $171 Million). As on the date of adoption of financial statements by the Board of Directors , the Company is in the process of finalizing the accounting for acquisition of Stater, including allocation of purchase consideration to identifiable assets and liabilities.

Disposal Group reclassified from Held for Sale

During fiscal 2018, the Company's wholly-owned subsidiaries Kallidus and Skava (together referred to as "Skava") and Panaya were classified under 'Held for Sale', resulting in a reduction in fair value in respect of Panaya amounting to $18 million. Accordingly, assets amounting to $316 million and liabilities amounting to $50 million in respect of disposal group had been classified under 'Held for Sale'. During quarter ended June 30, 2018, a further reduction of $39 million was recorded in respect of Panaya. The fair value of Panaya as of March 31, 2018 had not been adjusted to reflect the subsequent progress on negotiations because the impact of a lower indicative sale price on the financial results and earnings per equity share for the year ended March 31, 2018 was immaterial.

During fiscal 2019, the company concluded that the criteria for classification as held for sale was not being met since it was no longer highly probable that the sale will be consummated by March 31, 2019. On reclassification of Panaya and Skava from 'Held for Sale', the Company recognized an adjustment in respect of excess of carrying amount over recoverable amount of $65 million in respect of Skava.

Refer to note 2.9 in Item 18 of this Annual Report on Form 20-F for further details.

B. BUSINESS OVERVIEW

OUR INDUSTRY

Software and computing technology is transforming businesses in every industry around the world in a profound and fundamental way. The continued reduction in the unit cost of hardware, the explosion of network bandwidth, advanced software technologies and technology-enabled-services are fueling the rapid digitization of business processes and information. The digital revolution is cascading across industries, redefining customer expectations, enabling disruptive market offerings and automating core processes. Traditional business models are being disrupted with digital and software based business models. This disruption is characterized by personalized user experiences, innovative products and services, extreme cost performance and a disintermediation of the supply chain. Incumbent companies, to win amidst this disruption, need to reinvent their business from the core to activate strong efficiency and productivity levers, reimagine the end consumer experience and create impact at scale.

Leveraging technologies and models of the digital era to both extend the value of existing investments and, in parallel, transform and future proof businesses, is increasingly becoming a top strategic imperative for business leaders. From an IT perspective, the renewal translates to harnessing the efficiency of distributed cloud computing, enabling legacy systems for mobile and sensor access, extracting value out of digitized data, keeping systems

relevant and optimizing the costs of building and running technology systems. As businesses look to new areas and new economics, new and intelligent systems are required to be built with next generation technologies and with exponentially superior cost benefit performance.

The fast pace of technology change and the need for technology professionals who are highly skilled in both the traditional and digital technology areas are driving businesses to rely on third parties to realize their business transformation. Several technology solution and service providers have emerged over the years, offering different models for clients to consume their solution and service offerings:

- Niche technology consulting companies – who take on time bound and limited scope projects for their clients
- Global technology outsourcing companies – who leverage global talent pools to enable business transformation and systematically optimize the IT operations of clients
- Business process management firms – who leverage global talent pools to manage outsourced core business processes of their clients
- Software firms – who provide licensed software that enable the automation of business processes
- Specialty platform and Software-as-a-Service companies – who provide utility based models for clients to consume software features
- Data analytics companies – who specialize in designing, analyzing and reporting insights from the vast amount of data that corporations are collecting about their customers, operations and markets
- Internal IT departments of the companies themselves – which are usually a cost center for the corporation.
- Boutique digital and creative design companies – who provide highly customized digital media experience solutions for enterprises, usually leveraging specialist contract staff.

OUR COMPETITIVE STRENGTHS

Over the years, we have invested in building differentiated capabilities such as:

- Specific industry domain and technology expertise, and in methodologies such as design thinking and agile software development
- End-to-end service offering capabilities in consulting, software application development, integration, maintenance, validation, enterprise system implementation, product engineering, infrastructure management and business process management
- Intellectual property in software platforms and products such as Infosys Nia®, our flagship Artificial Intelligence platform, the Edge suite of products, Finacle® and McCamish that either amplify our own services or provide differentiated solutions for our clients' business processes
- Our Global Delivery Model for large scale outsourcing of technology projects fueled by automation, intelligence and collaboration technologies. Our Global Delivery Model divides projects into components that can be executed simultaneously at client sites and at our development centers in India and globally
- Sophisticated service delivery and quality control processes, standards and frameworks
- Internal research and development teams that identify, develop and deploy new offerings leveraging next generation technologies
- Ecosystem alliances with enterprise software companies and innovative start-up companies
- Sales and client engagement teams that have resulted in deep, enduring and expansive relationships with our customers around the world
- Innovation hubs in the markets that we operate in, offering clients localized expertise, agile software development abilities and access to local innovation ecosystems
- High quality global talent and leadership; and the infrastructure and systems to enable learning and education across the enterprise at scale.

With almost four decades of experience in managing the systems and workings of global enterprises, we believe we are uniquely positioned to help them steer through their digital transformation with:

a) **Agile Digital at scale**: build new enterprise-wide capability that delivers new levels of business performance at one end and customer delight at the other

b) **AI-powered core:** a foundation of fully automated processes and systems along with the vital insights to prioritize execution of change
c) **Always-on learning**: drive continuous improvement by building and transferring digital skills and expertise along with ideas from a cross-section of industries and innovation ecosystems.

OUR STRATEGY

Our strategic objective is to build a sustainable organization that remains relevant to the agenda of our clients, while creating growth opportunities for our employees and generating profitable returns for our investors.

Our clients and prospective clients are faced with transformative business opportunities due to advances in software and computing technology. These organizations are dealing with the challenge of having to reinvent their core offerings, processes and systems rapidly and position themselves as "digitally enabled". The journey to the digital future requires not just an understanding of new technologies and new ways of working, but a deep appreciation of existing technology landscapes, business processes and practices. Our strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future, to help them 'navigate your next'.

We have embraced a four pronged strategy to strengthen our relevance with clients and drive accelerated value creation for them. Towards implementing the strategy, we will:

1. Scale Agile Digital
2. Energize the core
3. Reskill our people
4. Expand localization

Scale Agile Digital

We will continue to make targeted investments to rapidly accelerate our Agile Digital business. We define "digital" as a set of use cases that drive business outcomes for our clients across five areas:

- **Experience** – well-designed systems for digital marketing, omni-channel interaction, personalization and content management that can enhance customer experience
- **Insight** – AI-based systems for advanced analytics, leveraging big data
- **Innovate** – Engineering new and digital-first products and offerings leveraging concepts such as the Internet of Things and advanced industry Software-as-a-Services platforms
- **Accelerate** – the digitization of core systems by migrating to cloud technologies, abstracting APIs, modernizing legacy systems and infrastructure, integrating applications and leveraging Robotic Process Automation (RPA)
- **Assure** – implementing advanced cyber-security systems and specialized validation of software systems.

With almost four decades of experience in managing the systems and workings of global enterprises, we believe we are uniquely positioned to help them steer through their digital transformation with our Digital Navigation Framework.

In addition to these, we will also invest in sales and consulting capabilities to engage with clients both in their technology divisions and their business organizations.

We will continue to leverage alliances that complement our core competencies. We will continue to partner with leading technology software and hardware providers in creating, deploying, integrating and operating business solutions for our clients.

We will continue to invest in Research and Development (R&D) to stay abreast of new technologies and to incubate new offerings in areas such as blockchain, AR/VR and speech, vision, video and image intelligence. We will expand the scope of our collaborations to encompass universities, research organizations and the start-up innovation ecosystem.

We will continue to deploy our capital in making selective business acquisitions that augment our Agile Digital expertise, complement our presence in certain market segments.

Energize the core

We will continue to embrace automation and Artificial Intelligence (AI)-based techniques and software automation platforms to boost productivity of our clients' core processes and systems.

We will continue to leverage these, along with lean processes, Agile development and our Global Delivery Model (GDM) to deliver solutions and services to our clients in the most cost-effective manner, while at the same time optimizing our cost structure to remain competitive.

We will continue to invest in our flagship RPA platform AssistEdge®, our AI platform, Infosys Nia®, Panaya and Skava software components and in core business applications such as Finacle®, McCamish and others to bring differentiated and market-leading features and capabilities to our projects with clients.

Re-skill our people

Reskilling is one of the key pillars of the Infosys strategy, and teaching and learning have always been central to Infosys' culture. Our next-gen talent transformation platform, Lex, has transformed workplace learning by putting learners at the centre of new and innovative learning experiences. With this we aim to remove all barriers to learning and encourage a culture of lifelong learning among our employees.

Lex has facilitated our talent transformation and given employees a seamless learning experience on-the-go anytime, anywhere. Best-in-class curated content is made available from multiple internal and external sources, so learners can be reskilled in new and emerging technologies. Lex has emerged as a learning companion for Infoscions managing the entire spectrum of learning experience - from recommending learning paths to fail-safe lab environments for hands-on practice to completing certifications. In just the last one year, Lex is being used by 200,000+ employees, who are spending on an average between 35 to 40 minutes on a weekday and 50 to 55 minutes on weekends on the platform.

Infosys also partnered with leading universities and MOOC training providers to offer strategic reskilling programs. For example, we partnered with Rhode Island School of Design to train our employees on design skills, with Purdue University on cyber security, with Trinity College, Hartford on business analysis skills, with Cornell University on program management and the University of North Carolina for data analytics.

Talent transformation is a focus in almost every organization, including several of our clients. Our approach to this at Infosys has excited many of our clients as well – prompting us to offer them Wingspan, which is a version of Lex that is customized for our clients.

Expand localization

We believe that client proximity lends several benefits while delivering Agile Digital transformations, and we will continue to invest in localizing our workforce in various geographies. We had announced the setting up of four delivery and innovation centers in the US in fiscal 2018, and announced one more in fiscal 2019. These centers are already operational in Indiana, Connecticut, Rhode Island, Texas and North Carolina. We are recruiting locally from universities in the US. We aim to become an employer of choice for US universities and will set up dedicated leadership and support teams in the US, Europe and Australia. Our strategy to localize will also reduce our dependence on immigration policies.

OUR STRUCTURE

Our go-to-market business units have been organized as:

- Financial Services, which includes enterprises in Financial Services and Insurance
- Retail, which includes enterprises in Retail, Consumer Packaged Goods and Logistics
- Communication, which includes enterprises in Communication, Telecom OEM and Media

- Energy, Utilities, Resources and Services
- Manufacturing
- Hi-tech
- Life Sciences, which includes enterprises in Life sciences and Health care
- Others, which includes India, Japan, China, Infosys Public Services and other Public Service enterprises

Our solutions have been primarily classified as digital and core.

Digital Services comprise of service and solution offerings of the company that enable our clients to transform their businesses. These include offerings that enhance customer experience, leverage AI-based analytics and big data, engineer digital products and IoT, modernize legacy technology systems, migrate to cloud applications and implement advanced cyber security systems. They are primarily categorized as under:

- Experience
- Insight
- Innovate
- Accelerate
- Assure

Core Services comprise traditional offerings of the company that have scaled and industrialized over a number of years. These primarily include application management services, proprietary application development services, independent validation solutions, product engineering and management, infrastructure management services, traditional enterprise application implementation, support and integration services.

Our Products & Platforms include

- Finacle®
- Edge Suite
- Infosys Nia®
- Infosys McCamish
- Panaya®
- Skava®
- Stater Mortgage Servicing Platform

OUR SOLUTIONS AND CAPABILITIES

We provide our clients with a full range of business and technology solutions and capabilities, comprising:

1) Consulting

Infosys Global Consulting services help global corporations to develop solutions tailored to address their complex business challenges and create value through sustainable innovation. Our approach, with an eye on execution, combines creative thinking, industry expertise and global reach to enable companies achieve market-leading performance. We use design thinking to drive innovation for our clients while renewing their IT landscapes non-disruptively. We go beyond being traditional advisors and develop innovative strategies and solutions for clients by combining new disruptive technologies including Artificial Intelligence ("AI") and automation, open source software and start-up ideas.

We are defining, designing and delivering value to corporations across industries such as financial services, insurance, retail, consumer packaged goods, logistics, energy, utilities, healthcare, life sciences, manufacturing, communications, resources, services (e.g. airlines, hospitality) and Hi-tech in the United States, Latin America, Europe, Asia, Australia, Canada, New Zealand and other geographies.

We offer consulting services in the following areas: Business Transformation, Strategy and Architecture, Supply Chain, Enterprise Processes, Enterprise Applications, Digital Transformation, Insights and Analytics, and Change and Learning.

Business Transformation: We enable clients to define and deliver technology-enabled transformations of their business. We also help clients implement their transformation strategy, including Mergers & Acquisitions, and manage and govern these programs.

Strategy and Architecture: We enable clients to get the best value from technology by developing an IT strategy, optimizing applications and infrastructure, implementing IT operating models, and governing the technical architecture for reliability and security.

Supply Chain: We optimize product flow from planning and procurement through reverse logistics by applying innovative digital and automated solutions. Our point and end-to-end solutions focus on reducing cost and increasing efficiency using process and technology tools across the product supply chain.

Enterprise Processes: We design the overall process model and eliminate organizational gaps to help clients achieve efficient processes. We also aid in building their supply chain and operation capabilities, addressing key challenges in finance functions and enhancing employee productivity.

Enterprise Applications: We offer Enterprise Application-enabled business transformation programs, and design and implementation of Oracle and SAP solutions. Our experience and knowledge in HANA strategy and technical architecture help us build HANA capabilities for clients. We offer HANA advisory and center of excellence services, platform services and business suite for SAP HANA (S/4).

Digital Transformation: Enabling clients to focus on their complete value chain, we offer customer relationship management, multi-channel commerce and digital marketing to improve customer experience and increase customer acquisition.

Insights and Analytics: We help clients utilize data, insights and real-time predictive analysis for better decision-making and optimizing processes. We provide a holistic service package from strategy to implementation, as well as advice on running master data management programs internally or externally.

Change and Learning: We help clients define and implement change agendas to streamline business objectives and enable new operational structures. We leverage latest technologies and social trends to help them enhance and retain knowledge, reduce learning costs, and comply with regulatory requirements.

Infosys Knowledge Institute

The Infosys Knowledge Institute (IKI), established in 2018, helps industry leaders develop a deeper understanding of business and technology trends through compelling thought leadership. Our researchers and subject matter experts provide a fact base that aids decision-making on critical business and technology issues. Our current research focuses on five strategic themes: employee experience and learning, impact of AI and automation, agile enterprises, design as a multi-faceted discipline, and the role of physical location in the future of work. IKI also publishes regularly on industry, function, and technology trends.

2) Enterprise Solutions (SAP, Oracle, EAIS and ECAS)

SAP

The Infosys SAP Practice provides SAP services to help our clients transform their operations, streamline and standardize business processes to ensure consistency across countries, consolidate platforms, and replace legacy systems with SAP applications. Our core SAP offerings include end-to-end SAP-enabled business transformation, package evaluation, package implementation services, global deployments, upgrades, master data management, business intelligence and analytics (HANA and S/4HANA), integration, mobility solutions, enterprise risk management, enterprise performance management, SAP basis and technology, and production support and maintenance services. We have a strong focus on the latest SAP technologies and products, and also provide platform-based offerings to our clients. Additionally, this Practice has expertise in industry-specific SAP solutions.

Oracle

The Infosys Oracle Practice provides end-to-end Oracle offerings to help transform our clients' businesses and Enterprise Resource Planning (ERP) landscape. Our focus is on Oracle implementations, business transformation services, global rollouts, and application development, support and maintenance offerings. We have deep expertise across Oracle products and platforms, including next-generation offerings in Fusion Apps, Exadata capabilities, and Oracle Cloud offerings in Human Capital Management (HCM) and Customer Relationship Management (CRM). We have developed industry-specific Oracle solutions that our clients have implemented. We have also made significant investments in delivering core Oracle technologies, including the establishment of exclusive joint innovation centers and Centers of Excellence (CoEs) that are used in our client engagements.

Enterprise Application Integration (EAIS)

The EAIS Practice helps customers renew their core business and innovate into new business through accelerated digitization in our focus areas - experience, digitization, connected devices, and new business models. At the core of EAIS is bringing together disparate systems through the use of next generation integration technologies along with best of breed enterprise applications. The fundamental themes of our offering is around helping customers renew their core business and innovate into new business through accelerated digitization of processes and technology, Service Oriented Architecture (SoA), Business Process Management (BPM), Application Program Interface (API) etc. along with Supply Chain Management (SCM) solutions like Maximo and Microsoft Dynamics based solutions. The focus areas are:

- **The SCM & Enterprise Asset Management (EAM)** Practice, which has in-depth expertise in creating point solutions on Order Management Systems (OMS), Warehouse Management Systems (WMS), Planning, Procurement and EAM solutions for retail, manufacturing, energy, communications and financial services industries. EAIS also has multiple product offerings including Ariba, JDA, Sterling OMS, Manhattan WMS, and IBM Maximo.
- **The SoA & EAI** Practice, which offers standardized and centralized integrated solutions to optimize SoA transformation for global enterprises with in-depth and clear-cut SoA Strategy, Architecture and Implementation. With proven capabilities to build industry-related solutions on various technology platforms, this Practice offers competitive and flexible engagement models with seamless delivery using automated integrated platforms. Product offerings include TIBCO, IM, SAG/WEBMETHODS and BIZTALK.
- **The API & Microservices** Practice, a dedicated competency focused on implementing APIs as the new method of connecting and developing new applications, within and outside the enterprise. The API Economy is about instrumenting the systems, by carving **fire-lanes** of APIs and managing APIs using modern tools, so that evolution of front-ends and back-ends can be decoupled. A dedicated competency at EAIS is involved in executing API management projects, building skills on API management, and creating thought leadership in API management space, with experts across multiple API solutions.
- **The Microsoft Dynamics** Practice, which caters to the business needs of both the large enterprises and mid-sized organizations by providing end-to-end services on Microsoft Dynamics™ AX, Microsoft Dynamics™ NAV and Microsoft Dynamics™ CRM. These solutions lower the total cost of ownership (TCO) and ensure higher and quicker return on investment (ROI), thus enabling customers to use Microsoft Dynamics™ to maximize their business value and improve their competitiveness.
- **BPM Solutions** Practice, to help global enterprises overcome business challenges through process orchestration, rules implementation, simplify business process, improve productivity, reduce costs, and significantly reduce time-to-market.

Enterprise Cloud Application Solutions (ECAS)

The ECAS Practice has been a Salesforce partner for more than a decade and provides end-to-end consulting, implementation, integration, and support services on customer experience platforms that include Sales Cloud, Service Cloud, Marketing Cloud, App Cloud, Community Cloud, Heroku, Internet of Things (IoT), Wave Analytics, and many AppExchange technologies. As Platinum partners of Salesforce, we have liaisoned with Salesforce and invested heavily in creating Centers of Excellence. We have formed valuable collaborations with other Salesforce ISV partners and have capabilities in Apttus, CloudSense, CloudCraze, ServiceMax, and Financialforce. We have vertical competencies on Health Cloud and Financial Services Cloud and have developed native Salesforce solutions for life sciences, consumer packaged goods (CPG), retail, manufacturing, and high-tech micro-verticals.

We have recently acquired Fluido, a leading Salesforce advisor and consulting partner in Nordics and a recognized leader in cloud consulting, implementation and training services which enables us to execute on our strategy to help clients navigate the next in their digital transformation journey, this acquisition strengthens Infosys' position as a leading Salesforce enterprise cloud services provider, and enhances its ability to provide clients an unparalleled cloud-first transformation.

Digital Design and Experience Capabilities

Digital technology continues to impact our world through its transformative capability and pervasive impact. Digital is at the top of the agenda for most of our clients, resulting in strong demand for our services. Infosys Digital Design & experience drives end-to-end digital transformation solutions for our clients to meet the rapidly ever-evolving demands of their consumers. Our key offerings include:

Strategy & Consulting: Our multidiscipline, broadly-informed consulting team leverages the connected screen and touch point neutral strategies, and effective plans to reimagine, reshape and retool our clients' businesses to drive rapid change, better positioning them for growth in a digital world.

Experience: We focus on enabling our customers to better connect with consumers, partners and employees. Our specific offerings in this area are an omni-channel experience, omni-channel commerce, digital marketing, and developing a workforce of the future.

Digitization: We focus on optimizing operations and simplifying processes for our customers, to enable them to provide better experiences. Our specific offerings include the digitization and simplification of processes, business process management, process SaaSification (Software on the Cloud) wrap and renew, and supply chain planning and fulfillment.

E-commerce: We combine strong digital commerce strategies and significant technology implementation with proven execution experience. Our partners represent the breadth and depth of front-office and back-office services, which drive end-to-end, world-class customer experience.

E2E Digital Operations: We address the consumer demands of the digital age by providing a turnkey service, which enables our clients to bring their digital ad operations (AdOps, SEO/SEM, Programmatic, PLAs, PPC, omni-channel commerce, Social Media) into the enterprise to maximize speed-to-market and personalization.

Mobility: As smart devices (phone, tablets and wearables) rapidly become more pervasive and intrinsic in our lives, enterprises are eagerly looking at ways to leverage this phenomenon and transform their business. The Mobility Practice at Infosys Digital plays a pivotal role in 'smart devices-led digital transformation' for our clients.

We accelerate the deployment of mobility-driven solutions through our pre-built solutions and reference architectures, industry-leading tools and frameworks, and an eco-system of innovative partner capabilities.

We continue to invest in research initiatives, experience design labs, the latest testing and automation tools, Digital Academy, User Experience (UX) Labs, and in our mobile centers of excellence along with enhancing the Skava® mobility platform. Our digital alliances, acquisitions and partnerships with leading strategic and innovative players are essential to our clients with end-to-end capabilities across the consulting, creative, technology and operations functions.

Our acquisitions to accelerate Digital Design and Experience Capabilities include:

WongDoody: WongDoody is Infosys' Experience Design arm focused on North America. WongDoody currently has studios in Seattle, Los Angeles and New York and is part of Infosys global connected network of Experience Design (XD) studios. WongDoody will help to leverage award-winning, globally-recognized strategic and creative capabilities to create the digital products, services and campaigns of the future, helping align CMOs and CIOs around their most critical initiatives. By combining WongDoody' s customer insights and design, with Infosys' global reach and technological strength we deliver an end-to-end solution, driving digital business transformation for the Global Fortune 2000.

Brilliant Basics: Brilliant Basics (BB) is Infosys' Experience Design arm focused on Europe. BB currently has studios in London, Berlin and Amsterdam and is part of Infosys' global connected network of Experience Design (XD) studios. Conversation to Creation is our approach to bringing Design, Technology and Business together to create products, services and experiences that would make life better, and that transform our clients into design-led companies.

Application Development Capabilities

We develop customized software solutions for our clients through projects that leverage a combination of our technical capabilities, domain understanding, consultative capabilities, intellectual property assets and methodologies. We aim to provide high-quality solutions that are secure, easy-to-deploy and modular, to facilitate enhancements and extensions. Our proprietary methodologies also allow our software applications to integrate stringent security measures throughout the software development lifecycle. Infosys' vast pool of consultants and certified program management professionals help our clients execute both projects and large transformation programs.

With the rapid embrace of digitization by our clients, Infosys has taken the lead to move away from the traditional waterfall development approach to an Agile and Scrum based approach supported by a robust DevOps framework. Infosys' global Agile and Virtual Scrum (distributed Agile project execution platform) solutions embody the best practices developed from more than 1000 projects. These best practices enable clients to leverage the benefits of globally distributed teams while retaining all the advantages of co-located Agile teams. Additionally, the service virtualization and continuous delivery frameworks, as part of the Infosys DevOps Ecosystem, ensure that, not just the development but also the delivery of IT solutions, embrace agility, which is the ultimate goal of our clients.

Our accelerated development ecosystem improves business agility and cycle time by leveraging standardized technical and business assets. Our Rapid Prototyping tool helps us engage with clients more effectively when gathering software requirements, and our Tabletop solution provides best-in-class collaboration to enable distributed story creation, design and development. Our Value Realization Method (VRM™) helps clients maximize business value early on in the lifecycle of a project, by driving measurable results along with Business Value Articulation (BVA), through process improvements, to ensure we track value effectively.

Application Management Capabilities

Our Application Management services help our clients reduce their cost of IT operations, deliver higher business value, and bring technology innovation, to transform and grow their business. We bring-in efficiencies through an industrialized, IP-based service delivery model. Through our automation platform, we enhance productivity and ensure consistent high quality service delivery. Using machine learning algorithms and natural language processing, we are able to mine rich insights from IT support data and drive IT improvement strategies.

We help improve business availability through proactive monitoring of critical business processes using one of our IPs, thus reducing the impact of any potential business disruption. We have a structured, tool-based approach towards application portfolio analysis, which helps our clients harvest more value from existing assets. We also help our clients tap new technologies, to further grow and transform their business.

We have a dedicated team, which continuously monitors technology and business trends, and develops solutions and accelerators that enable us to deliver best-in-class application management services to our clients.

Application Modernization Capabilities

Our Application Modernization services help modernize legacy systems to enhance flexibility, mitigate risk, minimize disruption, and lower costs. We address issues in the legacy system such as multiple technology platforms, high cost of maintenance, unsupported systems, shrinking employee expertise, lack of integration, and web capabilities. The services provide a metrics-based framework to help our clients choose from various modernization methods – such as web enabling, re-engineering, re-hosting, componentization, and new development.

Independent Validation Solutions

Our Independent Validation Solutions Practice offers end-to-end validation solutions, and specialized testing services, such as SoA testing, data warehouse testing, package testing, test consulting and other testing services, to clients across various industry verticals. Also, in response to changing market and client demands, we have introduced new service offerings such as cloud testing, infrastructure testing, test environment management, agile testing and security testing. Our quality assurance solutions are aimed at building high reliability and predictability in our client technology systems, keeping in mind the time-to-market and optimization constraints.

We have invested internally in developing technology-based solutions for test lifecycle automation, non-functional testing and vertical-specific testing. We have also built alliances with leading test tool vendors such as Hewlett-Packard Company (HP), IBM, Microsoft Corporation, CA, Inc., Parasoft Corporation, Micro Focus International plc, Compuware Corporation and TestPlant Ltd., and are involved in building joint solutions with some of these alliance partners. These testing solutions facilitate high reliability in our clients' applications and products, while enabling us to deliver such solutions cost-effectively and with a reduced time-to-market. Our dedicated testing professionals are trained at an in-house testing academy in various areas, including industry domains, technology, quality processes, testing methodologies and project management. We also use a best-of-breed approach to include industry-standard tools and our proprietary IP to achieve significant benefits across the testing lifecycle through the Infosys Test Lifecycle Platform, test management and data testing workbenches.

Our engagements span multiple geographies across business lines of our clients. We provide a broad range of services, including independent testing, maintenance testing, package testing for implementations, upgrades and roll outs, functional automation, performance testing, test process maturity assessment, Test Center of Excellence (TCoE) design and implementation, quality assurance transformation, and user acceptance testing. We provide these offerings through a 'Managed Testing Services' model, with centers of specialization for test automation, performance testing, data warehouse testing, SOA testing, test data management, infrastructure testing and user acceptance testing. With our managed testing services model and our test consulting services, we have played a key role in transforming our clients' testing organizations, leading to continuous improvements in quality at reduced costs.

Data and Analytics

Our Data and Analytics (DNA) service helps customers realize business value from their data and drive superior business performance through better visibility and decision-making.

We work with customers across the entire lifecycle of their data, right from defining their DNA strategy, to defining and implementing their enterprise information architecture, data acquisition and transformation from disparate data sources, and organizing data to arrive at meaningful conclusions and derive actionable information and insights that are delivered through multiple channels, including self-service options. We also prescribe solutions to their business problems, and predict future outcomes of their business processes through the use of statistical analysis, data mining, mathematical modeling, predictive analysis and data visualization tools, which finally leads to the application of robotics, machine learning and business process automation that relies on continuously accumulated knowledge and data to improve the efficiency of their business process.

We help customers achieve all this using systems that can work with the huge data volumes and enable near real-time insights through high-speed data ingestion and processing capabilities. The 'Infosys Information Platform' provides such capabilities with a reduced time-to-market, and significantly lowers the cost envelope for driving insights and predictive and prescriptive analytics.

The practice's service offerings include:

- **DNA Strategy Consulting:** define DNA strategy, roadmap and governance, advice on technology, architecture choices and assist our clients build their data, analytics and business intelligence competency centers.
- **Big Data, Architecture and Technology Consulting:** define and implement end-to-end enterprise information architecture, and enable clients to move onto the Infosys Information Platform.
- **Data Monetization** to discover and realize new insights-led opportunities, unique to the business, to amplify outcomes and also innovate in unexplored directions
- **Data Modernization** to build a boundaryless data landscape powered by the cloud to scale data and pervasive analytics to democratize its consumption
- **Data Consulting** to shape the strategies, processes, structures and functional blueprints required to industrialize data capabilities and effectively manage change through the evolution
- **Data Operations** to codify the complexity of a boundaryless data landscape into agile, easy-to-manage operations driven by extreme automation
- **Data Integration and Extract, Transform and Load (ETL):** provide end-to-end services for building enterprise data warehouses, data marts, and data stores. This includes building best-in-class data models or adopting industry-specific models and building the entire data provisioning layer using ETL tools.
- **Master Data Management (MDM), Data Quality and Governance:** define and implement MDM platforms using tools and custom technologies, and industry-specific data quality and governance services.
- **Business Intelligence and Reporting:** Our information delivery services include reporting, dashboards and analytics.
- **Mobile, Self-Service and Visualization Technologies:** enable end-users with self-service BI, and enable its consumption on mobile platforms. We also build next-generation reporting systems using best-in-class visualization technologies.
- **Enterprise Performance Management:** conceptualize and deliver enterprise performance management solutions that help corporations assess and analyze their performance around key KPIs, profitability analysis and the like, as well as applications that deliver capabilities based on financial consolidation and planning.
- **Data Mining and Predictive Analytics**: design and develop data mining models, and predictive analytics systems.

Engineering Services Capabilities

Our Engineering Services capabilities provides cutting-edge engineering solutions to support our clients across the product lifecycle of their offerings, from product conception and creation to sustenance and end-of-life management. This Practice features deep core and emerging engineering skills, and strong ecosystem partnerships, along with manufacturing and supply chain expertise that ranges from embedded firmware to composite material design. Our offerings enable clients to reduce time from concept to market, redesign products for new demands, and value-engineer for emerging markets. This is augmented by our investments in emerging technologies, which help clients gain from new business opportunities such as the IoT and Software Defined Networking (SDN).

We have over twenty years' experience in delivering excellence to Fortune Global 500 clients across multiple industries, utilizing our Global Delivery Model to design, build, execute and manage complex projects requiring the integration of engineering services with IT and business process management (BPM). Our offerings include:

- Mechanical products and systems, including the design and rendering of automotive, aircraft and industrial subsystems such as lightweight composite aero-structures, and design optimization leveraging knowledge-based engineering (KBE)
- Communications engineering, including media services such as interactive TV solutions, large-scale network engineering, and enabling enterprise collaboration
- Electronic products and systems, ranging from the new product development (NPD) of home security and automation solutions and wearable medical devices, to high-end advanced driver assistance systems (ADAS) connected car solutions

- Software Product Development Services (SPDS) incorporating new technologies that enable clients across multiple industries to further differentiate their offerings
- Product Lifecycle Management (PLM), including implementation, systems integration and solution development

Cloud and Infrastructure Management Capabilities

Our Cloud and Infrastructure services aim to be the most innovative service provider in the cloud and infrastructure services space. Our offerings are aimed at helping client organizations simplify and evolve their IT infrastructure for a digital future.

Increasingly, clients are migrating workloads to a hybrid environment, by benchmarking their internal IT infrastructure services on the basis of performance, cost, agility and reliability vis-à-vis private and public Cloud infrastructure. Infosys is poised to cater to this trend through our unique and comprehensive suite of solutions and methodologies based on 'hybrid IT management' and 'workload migration to Cloud'.

At the same time, our industrialized service delivery and unified hybrid IT management approach deliver a simplified and responsive IT environment using the latest developments in automation, Cloud, analytics and mobility. With our automation assets, analytics-driven operations, and rapid environment deployment solutions, we have been able to reduce manual effort, improve asset utilization, and accelerate time-to-market.

Infosys has also made large investments to create comprehensive platforms and solutions aimed at addressing hybrid IT management and the industrialization of services. The platforms include:

- **Infosys Hybrid IT Management Platform:** It effectively helps enterprises manage and govern a unified hybrid IT environment. The solution enables the rapid creation, adoption and governance of Cloud services across the ecosystem. The Unified Services Catalog, together with the platform's smart brokerage capabilities, provides an enterprise-wide, collaborative decision-support mechanism to accelerate the assessment and deployment of best-in-class Cloud infrastructure, platforms and applications.
- **Infosys Automation Suite:** Along with Infosys' IT operations analytics solution, this suite reduces manual effort significantly through process standardization, predictive analytics and workflow automation

AI and Automation Capabilities

AI & Automation are dedicated capabilities at Infosys covering consulting, platform implementation, platform co-creation for client in AI & Automation space like Chatbots, Robotic Process Automation, Machine Learning, Cognitive Services and Analytics. This service line is product agnostic and has competency in products like, Watson, Nia, Azure AI/Cortana, Automation Anywhere, Blue Prism, UIPath, Workfusion etc.

Core Offerings:

- AI Discovery and Maturity Assessment consulting
- AI led Transformation services contextualized for Industry segments
- AI Based Platform implementations
- AI & Automation CoE - Evangelization, Setup and implementation

Infosys Center for Emerging Technology Solutions (iCETS)

iCETS is responsible for incubating new technological capabilities, competencies for emerging technologies, IP/Accelerators that differentiate service offerings and automation platforms. The mandate for iCETS is to keep an eye on emerging horizon and help service lines scale the adoption.

iCETS has developed and deployed platforms for our service lines that include Infosys Application Management Platform (iAMP) for next generation application management, Smart Asset Store for reusable assets, data analysis and migration tools that support DNA, Oracle and SAP Practices. Platforms for data privacy, data testing and functional testing for IVS and IOT platform for Engineering Service. Infosys Enterprise Gamification Platform, recognized as an industry leading platform, was incubated by iCETS along with location based services and hyper personalized visualization/video. NIA Chatbot developed by iCETS has been recognized by industry Analysts and our clients alike. iCETS cybersecurity platform is core to our services in this space.

Our clients are facing a highly connected, competitive and technology-driven business environment. Predicting the next big threat or the next big opportunity is becoming increasingly difficult. Our clients expect us, as their innovation partners, to help differentiate them with proactive technology guidance and innovation. iCETS launched Living Labs as an offering to help our clients accelerate their NEXT. The Living Labs bring together the prowess of Design and Emerging Technologies to deliver innovation outcomes at scale. Infosys innovation led by iCETS is showcased at each of our Innovation Hubs in US and Europe to create the necessary environment for agile, immersive and experiential problem solving.

iCETS anchors university relationships and has established ongoing research and talent program with Stanford University and Cornell University. These initiatives are leveraged by our IP development teams

Business Process Management Capabilities

As part of our strategy, Infosys BPO has been renamed as Infosys BPM during fiscal 2018. This change in name is a true reflection of the paradigm shift in the nature of services that we offer, and signifies our vision of 'reimagining business processes'. Through our integrated 'business domain people + software + empathy = humanware with ignited minds' approach we continue to co-create business value for our clients, by reshaping stakeholder experience.

Our business process management service offers services to operate, optimize and transform business processes. Infosys BPM enables clients to outsource several critical business processes that relate to specific industry verticals and functional horizontals, including digital business services, customer service, finance and accounting, human resource management, legal process management, supply chain operations, sourcing, procurement, and operational analytics.

Our objective is to meet our client's business metrics by driving business value through process digitization, data driven decision making, automation, artificial intelligence and vertical platforms, deep domain business expertise and enhanced visualization across the operations value chain. We are constantly working towards shaping ourselves as 'advisors and practitioner consultants' for our clients by enhancing the business efficiency, effectiveness and experience

3) Products & Platforms

Edgeverve

EdgeVerve Systems Limited, a wholly owned subsidiary of Infosys, develops innovative software products and offers them on premise and on the cloud. Our products help businesses develop deeper connections with stakeholders, power continuous innovation and accelerate growth in the digital world. We power our clients' growth in rapidly evolving areas like banking, distributive trade, credit servicing, customer service and enterprise buying. Today EdgeVerve products and platforms are used by global corporations across industries such as financial services, insurance, retail and CPG, life sciences, manufacturing and telecom. Our solutions are available in two broad categories – Edge suite and Finacle®.

Infosys Edge

Edge suite includes – AssistEdge®, CollectEdge®, TradeEdge® and ProcureEdge®. The solutions focus on realizing business outcomes for clients by driving revenue growth, cost effectiveness and profitability. AssistEdge® is an award winning, proven and scalable platform that helps enterprises in service modernization through automation. It handles all aspects of automation – from end-to-end to assisted, and helps enterprises reduce

operational costs and increase reliability of processes. CollectEdge® is an Artificial Intelligence powered product designed to help lending organizations reduce delinquency rates, boost recoveries, improve operational efficiencies and enhance customer experience. TradeEdge® helps global companies, reach billions of new consumers and increase revenues while reducing non-productive inventory. ProcureEdge® helps global organizations to continuously discover and realize value across their Source-to-Pay (S2P) cycle through automation.

Finacle®

Finacle® is an industry-leading universal banking solution suite. It addresses core banking, online banking, mobile banking, payments, treasury, origination, liquidity management, Islamic banking, wealth management, analytics and block chain based needs of financial institutions worldwide.

Infosys Nia®

Infosys Nia® is our knowledge-based Artificial Intelligence (AI) platform that applies next-generation AI and machine learning to dramatically improve business and IT processes. The platform collects, aggregates and transforms organizational information; captures know-how across people, processes and legacy systems; and learns from them, using this knowledge-base to amplify human capabilities. Infosys Nia® empowers enterprises to continuously transform systems and processes to meet the challenges of the dynamic business environment.

Infosys Nia Data is an advanced data analytics and machine learning platform that enables businesses to operationalize their data assets and uncover new opportunities for rapid innovation and growth.

Infosys Nia Knowledge is a platform that captures, formalizes, and processes knowledge and represents it in a powerful ontology based structure. This allows the reuse of knowledge even as the underlying systems change.

Infosys Nia Automation is a platform that brings together predictive, cognitive, and robotic process automation. It automates repetitive and programmatic tasks and empowers an enterprise to allow its people to channel creativity, passion, and imagination into those tasks that bring greater value to customers.

The Infosys Nia® platform also powers specific business applications to solve business problems using the power of AI in different domains like Procurement, Demand fulfilment and Finance applications

McCamish

Infosys McCamish offers products and services in Individual Life Insurance and Annuities, Employer sponsored Benefits and Retirements and Producer Management. In addition to providing the VPAS® Platform in License, and SaaS engagements, Infosys McCamish also provides end to end BPM Policy administration services on the VPAS® Platform which provides BPM and SaaS/BPM hybrid engagement options. The VPAS® platform is a comprehensive software suite that provides rich functional depth for servicing all types of insurance and annuity products across the industry value chain on a single platform. The fully digital platform includes both Customer (policy holder) and Agent portals and API integration with smart devices and IoT components such as smart video and chat bots. The digital platform minimizes human touch points and provides robotic process automations with Straight Through Processing built directly into the platform. Depending on the type of engagement, Infosys McCamish can leverage one or more of its engineering accelerators such as the time-tested McCAP (Conversion Accelerator Platform).

Panaya®

Panaya, an Infosys company, is a SaaS change automation solution that reduces the time, cost and risk required to deliver changes to ERP applications like SAP®, Oracle® EBS and salesforce.com changes. Powered by big data analytics and aggregating since 2008, Panaya Release Dynamix Suite delivers real time insights that help organizations determine dependencies, accelerated testing and ensure business continuity. It continues to drive innovation by enabling the continuous delivery of business-driven changes to systems of differentiation. Panaya's customer base spans over 1600 enterprises worldwide, including over a third of the Fortune 500 companies across various markets including Utilities, Oil & Gas, Automotive, Manufacturing, Pharmaceuticals, Infrastructure and Services.

Skava®

Skava, an Infosys company, powers the next generation of digital transformation for leading retailers worldwide by delivering the most versatile technology platform in the industry. Skava® enables digital shopping experiences for global brands across mobile, tablet, desktop, in-store, and all emerging channels.

OUR CLIENTS

We market our services to large enterprises throughout the globe. We have a strong market presence in North America, Europe and Asia Pacific.

Our revenues for the last three fiscal years by geography are as follows:

Geography	Fiscal		
	2019	2018	2017
North America	60.5%	60.4%	61.9%
Europe	24.1%	23.7%	22.5%
Rest of the World	12.9%	12.7%	12.4%
India	2.5%	3.2%	3.2%
Total	**100.0%**	**100.0%**	**100.0%**

Segment reorganization

During fiscal 2019, the Group internally reorganized some of its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequently, the prior year comparatives for the fiscal 2018 have been restated. Refer to note 2.20 in Item 18 of this Annual Report on Form 20-F for further details.

Our revenues for the last three fiscal years by business segment were as follows:

Business Segments	Fiscal		
	2019	2018	2017
Financial services	32.0%	32.8%	32.9%
Retail	16.4%	16.1%	16.8%
Communications	12.6%	12.6%	12.3%
Energy, Utilities, Resources and Services	12.5%	11.8%	11.1%
Manufacturing	9.9%	9.4%	9.3%
Hi-Tech	7.5%	7.3%	7.5%
Life Sciences	6.3%	6.7%	6.5%
All Other segments	2.8%	3.3%	3.6%
Total	**100.0%**	**100.0%**	**100.0%**

For fiscal 2019, 2018 and 2017 our largest client contributed 3.6%, 3.4% and 3.4%, respectively, of our total revenues.

The volume of work we perform for specific clients varies from year to year based on the nature of the assignments we have with our clients. Thus, a major client in one year may not provide the same level of revenues in a subsequent year. However, in any given year, a limited number of clients tend to contribute a significant portion of our revenues. Our revenues experience seasonality across certain quarters based on the billable effort that varies across quarters due to differences in the number of working days for our clients and variation in the amount of client spending across quarters.

SALES AND MARKETING OVERVIEW

We have organized our sales and marketing functions into teams, in 46 countries around the world, that focus on specific industries and geographies. Our blend of geographic reach and industry knowledge allows us to deliver global expertise locally while tailoring it to each client's needs. Our strategy is focused on articulating and demonstrating how we help enterprises navigate their next.

Infosys branding aspires to position Infosys as the next-generation digital services company that helps enterprises steer through the many next of their digital journey. Our brand is built around the premise that our almost four decades of experience in managing the systems and workings of global enterprises uniquely positions us to be the navigators for our clients. We do it by enabling the enterprise with an AI-powered Core that helps prioritize the execution of change. We also empower the business with agile digital at scale to deliver unprecedented levels of performance and customer delight. Our Always-on Learning foundation drives their continuous improvement through building and transferring digital skills, expertise and ideas from our innovation ecosystem. Our localization investments in talent and digital centers help accelerate the enterprise transformation agenda. We deliver on this promise with our digital navigation framework.

COMPETITION

We experience intense competition in traditional services and see a rapidly changing marketplace with new competitors arising in new technology areas who are focused on agility, flexibility and innovation.

We typically compete with other technology services providers in response to requests for proposals. Clients often cite our industry expertise, comprehensive end-to-end solutions, ability to scale, digital capabilities, established platforms, superior quality and process execution, Global Delivery Model, experienced management team, talented professionals and track record as reasons for awarding us contracts.

In the future, we expect intensified competition. In particular, we expect increased competition from firms that strengthen their offshore presence in India or other low-cost locations, firms that offer technology based solutions to business problems and from firm’s incumbent in market segments that we have recently entered and boutique digital and creative design companies.

We believe that the principal competitive factors in our business are:

- the ability to keep pace with ever-changing technology and how they apply to customer requirements;
- the ability to increase the scale and breadth of service offerings to provide one-stop solutions for customer needs;
- the ability to articulate and demonstrate long-term value to existing and potential customers;
- the ability to attract and retain high-quality management, technology professionals, and sales personnel;
- the ability to effectively integrate global execution capabilities to deliver high quality, seamless, scalable, cost-effective services;
- a strong and well-recognized brand;
- a proven track record of performance excellence and customer satisfaction;
- the financial strength to be able to invest in personnel and infrastructure to support the evolving demands of customers; and
- high ethical and corporate governance standards to ensure honest and professional business practices that protect the reputation of the company and its customers.

HUMAN CAPITAL

Our professionals are our most important assets. We believe that the quality and level of service that our professionals deliver are among the highest in the global technology services industry. We are committed to remaining among the industry’s leading employers.

As of March 31, 2019, we employed 228,123 employees, of which 214,727 are professionals involved in service delivery to clients, including trainees. During fiscal 2019, we added 24,016 new hires, net of attrition. Our culture and reputation as a leader in the technology services industry enables us to recruit and retain some of the best available talent in India and other countries we operate in.

We have built our global talent pool by recruiting new students from premier universities, colleges and institutes in India and through need-based hiring of project leaders and middle managers across the globe. We recruit students who have consistently shown high levels of achievement from campuses in India. We also recruit students from campuses including the United States, the United Kingdom, Australia and China. We rely on a rigorous selection process involving aptitude tests and interviews to identify the best applicants. This selection process is continually assessed and refined based on the performance tracking of past recruits.

During fiscal 2019, we received 2,333,420 employment applications, interviewed 180,255 applicants and extended offers of employment to 94,324 applicants. These statistics do not include our subsidiaries.

INTELLECTUAL PROPERTY

Our intellectual property rights are critical to our business. We rely on a combination of patent, copyright, trademark and design laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. As on March 31, 2019, we have applied for 758 unique patent applications in India, U.S. and other jurisdictions. We have been granted 435 patents by the United States Patent and Trademark Office, 1 patent by the Luxembourg Patent Office, 12 patents by the Indian Patent Office, 1 patents by the Intellectual Property Office of Singapore and 3 patents by ARIPO. We also have 47 trademarks registered across classes identified for various goods and services in India and in other countries. We require employees, independent contractors and whenever possible, vendors to enter into confidentiality agreements upon the commencement of their relationships with us. These agreements generally provide that any confidential or proprietary information developed by us or on our behalf be kept confidential. These agreements also provide that any confidential or proprietary information disclosed to third parties in the course of our business be kept confidential by such third parties. However, our clients usually own the intellectual property in the software we develop for them.

We regard our trade name, trademarks, service marks and domain names as important to our success. We rely on the law to protect our proprietary rights to them, and we have taken steps to enhance our rights by filing trademark applications where appropriate. We have obtained registration of our key brand 'INFOSYS' as a trademark in both India and in the United States. We also aggressively protect these names and marks from infringement by others.

EFFECT OF GOVERNMENT REGULATION ON OUR BUSINESS

Regulation of our business by the Indian government affects us in several ways. We benefit from certain tax incentives promulgated by the Government of India, including the export of IT services from Special Economic Zones ("SEZs"). As a result of such incentive, our operations have been subject to relatively lower Indian tax liabilities. We have also benefited from the liberalization and deregulation of the Indian economy by the successive Indian governments since 1991. However, there are restrictive Indian laws and regulations that affect our business, including regulations that require us to obtain approval from the RBI and / or the Ministry of Finance of the Government of India in certain cases, to acquire companies incorporated outside India and regulations that require us, subject to some exceptions, to obtain approval from relevant government authorities in India in order to raise capital outside India. The conversion of our equity shares into ADSs is governed by guidelines issued by the RBI.

The Indian Companies Act, 2013 has introduced the concept of compulsory corporate social responsibilities. As per the Indian Companies Act, 2013, all companies having net worth of rupees five hundred crore or more, turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year will be required to constitute a Corporate Social Responsibility (CSR) Committee of the board of directors and spend at least 2% of its average net profit for the immediately preceding three financial years on CSR. The CSR committee should consist of three or more directors, at least one of whom will be an independent director, and the Company should have a CSR policy approved by the Board. Consequent to the requirements of the Indian Companies Act, 2013, $52 million was contributed towards corporate social responsibility activities during fiscal 2019.

The ability of our technology professionals to work in the United States, Europe and in other countries depends on the ability to obtain the necessary visas and work permits as described in Item 3 – Risk Factors.

LEGAL PROCEEDINGS

The Company submitted a settlement application on December 5, 2017 with the Securities and Exchange Board of India (SEBI). SEBI passed a settlement order dated February 15, 2019 ("the Settlement Order") in respect of the settlement application. The settlement application pertained to matters relating to the severance agreement entered into with Rajiv Bansal, the former CFO of the Company, in October 2015, and was based on an undertaking by the Company without admitting the findings of facts and conclusion of law. The Company paid a settlement amount of Rupees thirty-four lakh thirty-five thousand (₹3,435,000) in respect of the said settlement of allegations under the Settlement Order. Pursuant to the Settlement Order, the possible proceedings against the Company stand settled and no enforcement action will be initiated by SEBI against the Company in respect of the said allegations.

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

C. ORGANIZATIONAL STRUCTURE

Refer to Note 2.19, Related Party transactions under Item 18 of this Annual Report on Form 20-F for details about our subsidiaries.

D. PROPERTY, PLANT AND EQUIPMENT

The campus of our corporate headquarters is located at Electronics City, Bengaluru, India. Infosys City consists of approximately 4.7 million square feet of land and 5.17 million square feet of operational facilities. The campus features, among other things, an Education, Training and Assessment unit, a Management Development Center and extensive state-of-the-art conference facilities.

Additionally, we have leased independent facilities measuring approximately 982,000 square feet in Electronics City which accommodate approximately 10,500 employees.

Our capital expenditure on property, plant and equipment for fiscal 2019, 2018, and 2017 was $349 million, $310 million, and $411 million, respectively. All our capital expenditures are financed out of cash generated from operations. As of March 31, 2019 we had contractual commitments for capital expenditure of $249 million.

Our software development facilities are equipped with a world-class technology infrastructure that includes networked workstations, servers, data communication links and video-conferencing.

Currently, we have presence in 191 locations across 46 countries. Appropriate expansion plans are being undertaken to meet our expected future growth.

Our most significant leased and owned properties are listed in the table below.

Location	Building	Seating capacity	Ownership	Land	Ownership
	Approx. Sq. ft.			Approx. Sq. ft.	
Software Development Facilities					
Bengaluru (Infosys City Main Campus), Karnataka	3,873,187	23,384	Owned	4,723,758	Owned
Bengaluru Sarjapur & Billapur, Karnataka	—	—	—	15,057,488	Owned
Bhubaneswar (Chandaka Industrial Park), Orissa	1,375,898	3,483	Owned	1,999,455	Leased
Bhubaneswar (Info Valley Goudakasipur & Arisol), Orissa	615,485	4,696	Owned	2,218,040	Leased
Chandigarh (SEZ Campus)	1,135,580	6,207	Owned	1,316,388	Leased
Chennai (Sholinganallur), Tamil Nadu	508,300	3,514	Owned	578,043	Leased
Chennai (Maraimalai Nagar), Tamil Nadu	3,637,108	20,101	Owned	5,617,084	Leased
Hyderabad (Manikonda Village), Andhra Pradesh	2,018,050	10,343	Owned	2,194,997	Owned
Hyderabad (Pocharam Village), Andhra Pradesh	4,003,345	23,459	Owned	19,618,277	Owned
Mangalore (Pajeeru and Kairangala Village), Karnataka	1,743,636	5,578	Owned	15,690,809	Leased
'Mangalore (Pajeeru and Kairangala Village), Karnataka				46,207	Leased
Mysore (Hebbal Electronic City), Karnataka	11,824,218	15,888	Owned	13,314,994	Owned
Mysore (Hebbal Electronic City), Karnataka	—	—	—	2,047,346	Leased
Pune (Hinjewadi), Maharashtra	589,647	3,870	Owned	1,089,004	Leased
Pune (Hinjewadi Phase II), Maharashtra	6,123,575	33,089	Owned	4,987,787	Leased
Pune (Ascendas SEZ), Rented Building Maharashtra	824,731	7,201	Leased	—	—
Thiruvananthapuram, Attipura Village, Kerala	2,739,655	8,266	Owned	2,178,009	Leased
Jaipur (M-City), Rajasthan	778,245	7,143	Owned	18,19,527	Leased
Jaipur (Mahindra World City), Rajasthan	—	—	—	6,452,568	Leased
Nagpur - Dahegaon Village (SEZ campus)	—	—	—	6,193,211	Leased
Indore - Tikgarita Badshah & Badangarda Village (SEZ campus)	—	—	—	5,666,307	Leased
Hubli - Gokul Village (SEZ campus)	—	—	—	1,875,265	Leased
Noida - Plot No A-1 to A-6 Sector 85	—	—	—	1,201,346	Leased
Mohali Plot No I-3 Sector 83 A IT City SAS Nagar	—	—	—	2,178,009	Leased
Sira Taluk, Tumakur District	—	—	—	9,212,758	Owned
Kolkata- New Town	—	—	—	2,178,009	Owned
Shanghai Infosys Technologies (Shanghai) Co. Ltd[(1)]	814,549	4,765	Owned	657,403	Leased

(1) *The nature of the ownership is that of a land use right.*

Note: The above table includes buildings of over 500,000 sq. ft. and land over 440,000 sq. ft.

Additionally, we have opened hubs at Indianapolis, Connecticut, North Carolina, Rhode Island and Texas in United States where we have commissioned approximately 320,000 sq, ft area with approximately 2,000 seating capacity.

Item 4 A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

The consolidated financial statements of the Company included in this Annual Report on Form 20-F have been prepared in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board (IFRS). The discussion, analysis and information presented in this section should be read in conjunction with our consolidated financial statements included herein and the notes thereto.

OPERATING RESULTS

This information is set forth under the caption entitled 'Management's Discussion and Analysis of Financial Condition and Results of Operations' below and is incorporated herein by reference.

LIQUIDITY AND CAPITAL RESOURCES

This information is set forth under the caption entitled 'Management's Discussion and Analysis of Financial Condition and Results of Operations' below and is incorporated herein by reference.

RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES, ETC.

We have committed and expect to continue to commit in the future, a portion of our resources to research and development. Efforts towards research and development are focused on refinement of methodologies, tools and techniques, implementation of metrics, improvement in estimation process and the adoption of new technologies.

TREND INFORMATION

This information is set forth under the caption entitled “Management's Discussion and Analysis of Financial Condition and Results of Operations” below and is incorporated herein by reference.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Infosys is a leading provider of consulting, technology, outsourcing and next-generation digital services, enabling clients in 46 countries to create and execute strategies for their digital transformation.

Our vision is to build a globally respected organization delivering best-of-breed business solutions, leveraging technology, delivered by best-in-class people. We are guided by our value system which motivates our attitudes and actions. Our core values are Client Value, Leadership by Example, Integrity and Transparency, Fairness and Excellence (C-LIFE).

Our strategic objective is to build a sustainable organization that remains relevant to the agenda of our clients, while creating growth opportunities for our employees and generating profitable returns for our investors.

Our clients and prospective clients are faced with transformative business opportunities due to advances in software and computing technology. The journey to the digital future requires not just an understanding of new technologies and new ways of working, but a deep appreciation of existing technology landscapes, business processes and practices. Our strategy is to be a navigator for our clients as they ideate, plan and execute on their journey to a digital future.

We have embraced a four pronged strategy to strengthen our relevance with clients and drive accelerated value creation:

1. Scale Agile Digital
2. Energize the core
3. Reskill our people
4. Expand localization

Our primary geographic markets are North America, Europe, Rest of the World and India. We serve clients in financial services; retail; communication; energy, utilities, resource and services; manufacturing; hi-tech and life sciences.

There are numerous risks and challenges affecting the business. These risks and challenges are discussed in detail in the section entitled 'Risk Factors' and elsewhere in this Annual Report on Form 20-F.

We were founded in 1981 and are headquartered in Bengaluru, India. We completed our initial public offering of equity shares in India in 1993 and our initial public offering of ADSs in the United States in 1999. We completed three sponsored secondary ADS offerings in the United States in August 2003, June 2005 and November 2006. We did not receive any of the proceeds from any of our sponsored secondary offerings.

Key matters pertaining to subsidiaries

On May 22, 2018, Infosys acquired 100% of the voting interests in WongDoody Holding Company Inc., (WongDoody) a U.S. based, full-service creative and consumer insights agency. The business acquisition was completed by entering into a share purchase agreement for a total consideration of up to $75 million, which includes a cash consideration of $38 million, contingent consideration of up to $28 million and an additional consideration of up to $9 million, referred to as retention bonus, payable to the employees of WongDoody over the next three years, subject to their continuous employment with the group. WongDoody, brings to Infosys creative talent, marketing and brand engagement expertise.

On November 16, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 60% stake in Infosys Compaz Pte. Ltd (formerly Trusted Source Pte. Ltd), a Singapore based IT services company. The business acquisition was completed by entering into a share purchase agreement for a total consideration of up to SGD 17 million (approximately $13 million on the acquisition date), which includes a cash consideration of SGD 10 million (approximately $8 million on the acquisition date), contingent consideration of up to SGD 7 million (approximately $5 million on the acquisition date).

On October 11, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 100% of the voting interests in Fluido Oy (Fluido), a Nordic-based salesforce advisor and consulting partner in cloud consulting, implementation and training services for a total consideration of upto Euro 65 million (approximately $75 million), comprising of cash consideration of Euro 45 million (approximately $52 million), contingent consideration of upto Euro 12 million (approximately $ 14 million) and retention payouts of upto Euro 8 million (approximately $9 million), payable to the employees of Fluido over the next three years, subject to their continuous employment with the group. Fluido brings to Infosys the Salesforce expertise, alongside an agile delivery process that simplifies and scales digital efforts across channels and touchpoints. Further, Fluido strengthens Infosys' presence across the Nordics region with developed assets and client relationships.

On April 1, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 81% of the voting interests in Hitachi Procurement Service Co., Ltd., (HIPUS), Japan, a wholly owned subsidiary of Hitachi Ltd, Japan for a total cash consideration of JPY 3.29 billion (approximately $30 million) on fulfilment of closing conditions. The company has paid an advance of JPY 3.29 billion (approximately $30 million) to Hitachi towards the cash consideration on March 29, 2019. HIPUS handles indirect materials purchasing functions for the Hitachi Group. As on the date of adoption of financial statements by the Board of Directors, the Company is in the process of finalizing the accounting for acquisition of HIPUS, including allocation of purchase consideration to identifiable assets and liabilities. The name of Hitachi Procurement Services Co., Ltd has been changed to HIPUS Co., Ltd with effect from April 1, 2019.

On May 23, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 75% of voting interests in Stater N.V (Stater), a wholly-owned subsidiary of ABN AMRO Bank N.V., Netherland, for a total consideration of upto Euro 154 Million (approximately $171 million). As on the date of adoption of financial statements by the Board of Directors, the Company is in the process of finalizing the accounting for acquisition of Stater, including allocation of purchase consideration to identifiable assets and liabilities.

Disposal Group reclassified from Held for Sale

During fiscal 2018, Kallidus and Skava (together referred to as "Skava") and Panaya were classified under 'Held for Sale', resulting in a reduction in fair value in respect of Panaya amounting to $18 million. During quarter ended June 30, 2018, a further reduction of $39 million was recorded in respect of Panaya. The fair value of Panaya as of March 31, 2018 had not been adjusted to reflect the subsequent progress on negotiations because the impact of a lower indicative sale price on the financial results and earnings per equity share for the year ended March 31, 2018 was immaterial.

During fiscal 2019, the company concluded that the criteria for classification as held for sale was not being met since it was no longer highly probable that the sale will be consummated by March 31, 2019. On reclassification of Panaya and Skava from 'Held for Sale', the Company recognized an adjustment in respect of excess of carrying amount over recoverable amount of $65 million in respect of Skava.

Refer to note 2.9 in Item 18 of this Annual Report on Form 20-F for further details.

Corporate actions

Capital allocation policy

Fiscal 2018

The Board in its meeting on April 13, 2017, reviewed and approved the revised Capital Allocation Policy of the Company after taking into consideration the strategic and operational cash requirements of the Company in the medium term. The Key aspects of the policy was to

- Payout of up to 70% of the free cash flow of the corresponding fiscal year in such manner (including by way of dividend and/or share buyback) as may be decided by the Board from time to time, subject to applicable laws and requisite approvals, 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 payout includes dividend distribution tax.
- Additionally, the Board has identified an amount of up to ₹13,000 crore ($2 billion) to be paid out to shareholders during fiscal 2018, in such manner (including by way of dividend and/ or share buyback), to be decided by the Board, subject to applicable laws and requisite approvals, if any.

In line with the above, the Board, at its meeting on August 19, 2017, 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 not exceeding ₹13,000 crore ($2 billion) The shareholders approved the Buyback of equity Shares through the postal ballot that concluded on October 7, 2017. The Buyback offer comprised a purchase of 113,043,478 equity Shares aggregating 4.92% of the paid-up equity share capital of the Company at a price of ₹1,150 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 1, 2017) on a proportionate basis through the "Tender offer" route. The Company concluded the buyback procedures on December 27, 2017 and 113,043,478 equity shares were extinguished. The Company has utilized its securities premium and general reserve for the buyback of its shares. In accordance with section 69 of the Indian Companies Act, 2013, the Company has created 'Capital Redemption Reserve' of $9 million equal to the nominal value of the shares bought back as an appropriation from general reserve.

Fiscal 2019

The Board in its meeting on April 13, 2018, reviewed and approved the Capital Allocation Policy of the Company after taking into consideration the strategic and operational cash requirements of the Company in the medium term. The Board decided to retain the current policy of returning upto 70% of the free cash flow of the corresponding Financial Year in such manner, as may be decided by the Board from time to time, subject to applicable laws and requisite approvals, 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 payout includes Dividend Distribution Tax (DDT). Additionally, the Board had identified an amount of upto ₹13,000 crore (approximately $2 billion) to be paid to shareholders in the form of

- A special dividend of ₹5 per share ($0.08 per ADR) (adjusted for September 2018 bonus issue) to be paid in June 2018. This resulted in a subsequent payout of ₹2,633 crore ($386 million) (including dividend distribution tax and divided paid on treasury shares).
- Identified an amount of upto approximately ₹10,400 crore (approximately $1,600 million) to be paid out to shareholders for fiscal 2019, in such a manner, to be decided by the Board, subject to applicable laws and requisite approvals

In line with the above, the Board, at its meeting on January 11, 2019, approved the buyback of equity shares from the open market route through the Indian stock exchanges, amounting to ₹8,260 crore (maximum buyback size) (approximately $1,184 million) at a price not exceeding ₹800 per share (maximum buyback price), subject to shareholders' approval by way of a postal ballot. Further, the Board also approved a special dividend of ₹4 per share ($0.06 per share) that resulted in a payout of approximately ₹2,107 crore (approximately $296 million) (including dividend distribution tax and divided paid on treasury shares converted using exchange rate on the date of payment).

The shareholders approved the proposal of a buyback of equity shares through the postal ballot that concluded on March 12, 2019. The buyback is offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through Indian stock exchanges. At the maximum buyback price of ₹800 per equity share and the maximum buyback size of ₹8,260 crore, the maximum indicative number of equity shares bought back would be 103,250,000 equity shares (maximum buyback shares) comprising approximately 2.36% of the paid-up equity share capital of the Company. The Company will fund the buyback from its free reserves. The buyback of equity shares through Indian stock exchanges commenced on March 20, 2019 and is expected to be completed by September 2019. During the year ended March 31, 2019, 12,652,000 equity shares were bought back from the Indian stock exchanges.

Subsequent to March 31, 2019, 57,600,000 equity shares have been bought back from the Indian stock exchanges resulting in a cash outflow of approximately $624 million.

After the execution of the above, along with the special dividend (including dividend distribution tax) of ₹2,633 crore ($386 million) already paid in June 2018, the Company would complete the distribution of ₹13,000 crore ($1,866 million*) which was announced as part of its capital allocation policy in April 2018.

*As the USD/INR exchange rates have moved from April 2018 when the capital allocation policy was announced, the total capital allocation in US$ terms amounts to $1,866 million (comprising $1,184 million pertaining to the buyback as mentioned above, $386 million towards special dividend paid in June 2018 and $296 million towards special dividend paid to shareholders in January 2019).

The outcome of capital allocation policy is summarized below:

(Dollars in millions)

Particulars	Fiscal 2019		Fiscal 2018
Buyback	1,184	(1)	2,035
Interim and final dividend[(2)(3)]	1,283	(5)	1,311
Special dividend[(2)(4)]	682		—
Total	3,149		3,346

(1) At maximum buyback size of ₹8,260 crore ($1,184 million) including the likely pay-outs till September 2019.
(2) Dividend includes dividend paid on treasury shares
(3) Interim and final dividend declared for the respective financial year
(4) Special dividend paid in the respective financial year
(5) Includes a final dividend of ₹10.50 per equity share (approximately $0.15 per equity share) recommended by the Board of Directors in their meeting held on April 12, 2019 for fiscal 2019. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company, to be held on June 22, 2019

2. Dividend

The following table sets forth for the dividend policy, and dividend per share declared for fiscal 2019, 2018 and 2017:

Dividend policy	Fiscal 2019		Fiscal 2018[(5)]		Fiscal 2017[(5)]	
	in ₹	in $ [(4)]	in ₹	in $[(4)]	in ₹	in $[(4)]
-Interim dividend	7.00	0.10	6.50	0.10	5.50	0.09
-Final dividend	10.50[(1)]	0.15[(1)]	10.25	0.16	7.38	0.12
-Special dividend	4.00	0.06	5.00	0.08	—	—
	21.50	**0.31**	**21.75**	**0.34**	**12.88**	**0.21**
Payout ratio (interim and final dividend)	68.6%[(3)(6)]		69.8%[(3)]		49.6%[(2)]	

(1) Recommended by the Board of Directors at its meeting held on April 12, 2019, subject to the approval by the shareholders at the Annual General Meeting of the Company to be held on June 22, 2019.

(2) *Our dividend policy was to pay up to 50% of consolidated post-tax profits.*

(3) *Our dividend policy is to pay up to 70% of free cash flow. 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 payout includes Dividend Distribution Tax.*

(4) *Converted at the monthly exchange rate in the month of declaration of dividend.*

(5) *Adjusted for September 2018 bonus issue, wherever applicable.*

(6) *Based on outstanding number of shares on March 31, 2019.*

3. Bonus shares

The Company has allotted 2,184,191,490 fully paid up equity shares (including treasury shares) of face value ₹5/- each during the three months ended September 30, 2018 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was September 5, 2018. The bonus shares were issued by capitalization of profits transferred from general reserve. Bonus share of one equity share for every equity share held, and a bonus issue, viz., a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged. Options granted under the stock option plan have been adjusted for bonus shares.

The bonus shares, once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and holders of the bonus shares shall be entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

2015 Stock Incentive Compensation Plan

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board has been 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 2015 Plan). The maximum number of shares under the 2015 plan shall not exceed 24,038,883 equity shares. These instruments will generally vest over a period of 4 years and the Company expects to grant the instruments under the 2015 Plan over the period of 4 to 7 years. The plan numbers mentioned above would further be adjusted for the September 2018 bonus issue.

Controlled trust holds 20,324,982 and 10,801,956 shares (not adjusted for September, 2018 bonus issue) as at March 31, 2019 and March 31, 2018, respectively under the 2015 plan. Out of these shares 200,000 and 100,000 (not adjusted for September, 2018 bonus issue) equity shares have been earmarked for welfare activities of the employees as at March 31, 2019 and March 31, 2018, respectively.

The following is the summary of grants made under the 2015 plan during fiscal 2019, 2018 and 2017 under the 2015 Plan:

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
RSU and ESOP			
Salil Parekh, Chief Executive Officer and Managing Director (CEO and MD)	260,130	226,048	—
U.B. Pravin Rao, Chief Operating Officer and Whole-time Director (COO and WTD)	68,250	140,500	—
Dr.Vishal Sikka*	—	1,201,498	241,400
Other Key Managerial Personnel (KMP)**	368,100	631,100	1,497,600
Employees other than KMP	3,644,220	3,345,220	6,422,080
	4,340,700	**5,544,366**	**8,161,080**
Incentive units- cash settled			
Other employees	74,090	100,080	224,420
	74,090	**100,080**	**224,420**
Total grants	**4,414,790**	**5,644,446**	**8,385,500**

Information in the table above is adjusted for September 2018 bonus issue.

* *Upon Dr. Vishal Sikka's resignation from the roles of the company, the unvested RSUs and ESOPs have been forfeited*

** *Refer note 2.19 Related party transactions under Item 18 of this Annual report in Form 20-F for details on appointment and resignation of certain KMPs*

These RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Committee. 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.

During the year ended March 31, 2019, March 31, 2018 and March 31, 2017, the Company recorded an employee stock compensation expense of $29 million, $13 million and $17 million, respectively in the statement of comprehensive income.

For additional information of the Company's stock incentive compensation plans, refer to Note 2.16 Employees' Stock Options Plans under Item 18 of this Annual Report on Form 20-F.

Adoption of accounting standards

IFRS 15, Revenue from Contracts with Customers

Effective April 1, 2018, the Company adopted IFRS 15, *Revenue from Contracts with Customers*, using the cumulative catch-up transition method applied to contracts that were not completed as at April 1, 2018. The effect on adoption of IFRS 15 was insignificant. The adoption of IFRS 15 required enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. Refer to note 2.10 in Item 18 of this Annual Report on Form 20-F for further details.

IFRIC 22, Foreign Currency Transactions and Advance Consideration

Effective April 1, 2018, the Group has adopted IFRS interpretation IFRIC 22- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant

Cybersecurity

Our business and operations are subject to cybersecurity and other information security risks that could have a material effect on our results of operations, liquidity, and financial condition. For discussion of these risks, please see section entitled 'Risk Factors' in this Annual Report on Form 20-F.

Results of Operations

The following table illustrates our compounded annual growth rate in revenues, net profit, earnings per equity share and number of employees from fiscal 2015 to fiscal 2019:

	(Dollars in millions except per share and employee data)		
	Fiscal 2019	**Fiscal 2015**	**Compounded annual growth rate**
Revenues	11,799	8,711	7.9%
Net profit	2,200	2,013	2.2%
Net profit attributable to Owners of the company	2,199	2,013	2.2%
Earnings per equity share (Basic)	0.51	0.44*	3.8%
Earnings per equity share (Diluted)	0.51	0.44*	3.8%
Number of employees at the end of the fiscal year	228,123	176,187	6.7%

* *Adjusted for bonus issue*

Revenue growth in reported numbers was attributable to a number of factors, including an increase in the volume as well as an expansion in the solutions that we provide to our clients. We added 345 new customers (gross) during fiscal 2019 as compared to 283 new customers (gross) during fiscal 2018 and 321 new customers (gross) during fiscal 2017. For fiscal 2019, 2018 and 2017, 97.3%, 98.5% and 97.3%, respectively, of our revenues came from repeat business, which we define as revenues from a client that also contributed to our revenues during the prior fiscal year.

The following table sets forth certain financial information as a percentage of revenues:

(in %)

	Fiscal 2019	Fiscal 2018	Fiscal 2017
Revenues	100.0	100.0	100.0
Cost of sales	65.2	64.0	63.1
Gross margin	**34.8**	**36.0**	**36.9**
Operating expenses:			
Selling and marketing expenses	5.4	5.0	5.2
Administrative expenses	6.6	6.7	6.9
Total operating expenses	**12.0**	**11.7**	**12.2**
Operating margin	**22.8**	**24.3**	**24.7**
Other income, net	3.5	4.7	4.5
Reduction in the fair value of Disposal Group held for sale	(0.3)	(0.2)	—
Adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale"	(0.5)	—	—
Share in net profit/(loss) of associate, including impairment	—	(0.1)	—
Profit before income taxes	**25.5**	**28.7**	**29.1**
Income tax expense	6.9	6.0	8.2
Net margin	**18.6**	**22.7**	**21.0**
Non-controlling interests	—	—	—
Net margin attributable to owners of the company	**18.6**	**22.7**	**21.0**

During fiscal 2019, the Group internally reorganized some of its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequent to the internal reorganization, there were changes in the reportable business segment based on “Management Approach” as defined under IFRS 8 – Operating Segments. Pursuant to this change, reportable segments are as follows:

- Financial Services, which includes enterprises in Financial Services and Insurance
- Retail, which includes enterprises in Retail, Consumer Packaged Goods and Logistics
- Communication, which includes enterprises in Communication, Telecom OEM and Media
- Energy, Utilities, Resources and Services
- Manufacturing
- Hi-tech
- Life Sciences, which includes enterprises in Life sciences and Health care
- Others, which includes India, Japan. China, Infosys Public Services and other Public Services enterprises

Refer to note 2.20 in Item 18 of this Annual Report on Form 20-F for further details.

Results for Fiscal 2019 compared to Fiscal 2018

Revenues

Our revenues are generated principally from services provided either on a time-and-materials or a fixed-price, fixed-timeframe basis. Many of our client contracts, including those that are on a fixed-price, fixed-timeframe basis can be

terminated by clients with or without cause and with short notice periods of 0 to 90 days. Since we collect revenues as portions of the contracts are completed, terminated contracts are only subject to collection for portions of the contract completed through the time of termination. In order to manage and anticipate the risk of early or abrupt contract terminations, we monitor the progress of contracts and change orders according to their characteristics and the circumstances in which they occur. This includes a review of our ability and our client's ability to perform on the contract, a review of extraordinary conditions that may lead to a contract termination and a review of the historical client performance considerations. Since we also bear the risk of cost overruns and inflation with respect to fixed-price, fixed-timeframe projects, our operating results could be adversely affected by inaccurate estimates of contract completion costs and dates, including wage inflation rates and currency exchange rates that may affect cost projections. Although we revise our project completion estimates from time to time, such revisions have not, to date, had a material adverse effect on our operating results or financial condition.

We experience from time to time, pricing pressure from our clients. For example, clients often expect that as we do more business with them, they will receive volume discounts. Additionally, clients may ask for fixed-price, fixed-timeframe arrangements or reduced rates. We attempt to use fixed-price arrangements for engagements where the specifications are complete.

The following table sets forth the growth in our revenues in fiscal 2019 from fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change	Percentage Change
Revenues	11,799	10,939	860	7.9%

The increase in revenues was primarily attributable to an increase in the volume across most of the segments.

Effective fiscal 2018, the Company has defined digital revenues as a set of use cases that drives business outcomes for our clients across five areas which are experience, insight, innovate, accelerate and assure.

Refer section ‘Our Strategy’ under Item 4 of this Annual Report on Form 20-F for further details.

The table below sets forth the percentage of our revenues by digital and core services for fiscal 2019 and fiscal 2018:

	Percentage of revenues	
	Fiscal 2019	Fiscal 2018
Digital revenue	31.2%	25.5%
Core revenue	68.8%	74.5%

The following table sets forth our revenues by business segments for fiscal 2019 and fiscal 2018:

Business Segments	Percentage of Revenues	
	Fiscal 2019	Fiscal 2018
Financial Services	32.0%	32.8%
Retail	16.4%	16.1%
Communication	12.6%	12.6%
Energy, Utilities, Resources and Services	12.6%	11.8%
Manufacturing	9.8%	9.4%
Hi-Tech	7.5%	7.3%
Life Sciences	6.3%	6.7%
All other Segments	2.8%	3.3%

There were significant currency movements during fiscal 2019 as compared to fiscal 2018. The U.S. dollar appreciated by 1.5% against the United Kingdom Pound Sterling, 1.7% against the Euro and by 6.4% against the Australian Dollar.

Constant currency (non-IFRS measure): We report revenue growth both in reported terms and in constant currency terms. Revenue growth in reported terms includes impact of currency fluctuations. We, therefore, additionally report the revenue growth in constant currency terms which represents the real growth in revenue excluding the impact of currency fluctuations. We calculate constant currency growth by comparing current period revenues in respective local currencies converted to US$ using prior-period exchange rates and comparing the same to our prior period reported revenues. Our revenues in reported currency terms for fiscal 2019 is $11,799 million. As against this, our revenues in constant currency terms for fiscal 2019 would have been $11,923 million, resulting in a growth of 9.0% as against a reported growth of 7.9%. in comparison to fiscal 2018.

The following table sets forth our business segment profit (revenues less identifiable operating expenses and allocated expenses) as a percentage of business segment revenue for fiscal 2019 and fiscal 2018 (see Note 2.20.1, under Item 18 of this Annual Report on Form 20-F for additional information):

	Business segment profit %	
Business Segments	**Fiscal 2019**	**Fiscal 2018**
Financial Services	26.0%	27.5%
Retail	29.8%	29.1%
Communication	24.2%	29.5%
Energy, Utilities, Resources and Services	24.5%	29.0%
Manufacturing	22.7%	19.1%
Hi-Tech	25.2%	28.2%
Life Sciences	27.2%	29.6%
All other Segments	4.9%	8.5%

Overall segment profitability has decreased primarily on account of increase in investments in key areas – sales and marketing, localization strategy, investments in Agile Digital, re-skilling of our workforce; increase in the cost of technical sub-contractors, cost of third-party items bought for service delivery to clients and compensation increase, cross currency fluctuations, partially offset by benefit on account of rupee depreciation and cost optimization benefits.

Communication profitability was lower on account of higher subcontractor costs during the year and also due to ramp up and transition costs of large deals. Large deals typically have lower margins in the initial deal period on account of transition and higher onsite mix.

Energy, Utilities, Resources and Services profitability was lower on account of higher subcontractor costs and higher third party cost to meet project specific requirements.

Manufacturing profitability improved due to increase in offshoring during the year as well as contingency loss provisions are booked on certain project during fiscal 2018.

Our revenues are also segmented into onsite and offshore revenues. The table below sets forth the percentage of our revenues by location from billable IT services professionals for fiscal 2019 and fiscal 2018:

	Percentage of revenues	
	Fiscal 2019	**Fiscal 2018**
Onsite revenue	54.9%	55.4%
Offshore revenue	45.1%	44.6%

We typically assume full project management responsibility for each project that we undertake. We divide projects into components that we execute simultaneously at client sites and our Development Centers located outside India (‘onsite’) and at our Global Development Centers in India (‘offshore’). The proportion of work performed at our facilities and at client sites varies from period-to-period. We charge higher rates and incur higher compensation and other expenses for work performed onsite. The services performed onsite typically generate higher revenues per-capita, but at lower gross margins in percentage as compared to the services performed at our own facilities in India. As a result, our total revenues, cost of sales and gross profit in absolute terms and as a percentage of revenues fluctuate from period-to-period.

The table below sets forth details of billable hours expended for onsite and offshore on our IT services professionals for fiscal 2019 and fiscal 2018:

	Fiscal 2019	Fiscal 2018
Onsite effort	28.6%	29.3%
Offshore effort	71.4%	70.7%

Revenues from software services represented 94.8% of total revenues for both the fiscal 2019 and fiscal 2018. We also generate revenue from products and platforms, which represented 5.2% of our total revenues for both fiscal 2019 and fiscal 2018.

The following table sets forth the revenues from fixed-price, fixed-timeframe contracts and time-and-materials contracts as a percentage of total revenues for fiscal 2019 and fiscal 2018:

	Percentage of total services revenues	
	Fiscal 2019	Fiscal 2018
Fixed-price, fixed-timeframe contracts	52.5%	51.8%
Time-and-materials contracts	47.5%	48.2%

Revenues and gross profits are also affected by employee utilization rates. We define employee utilization for IT services as the proportion of total billed person months to total available person months, excluding sales, administrative and support personnel. We manage utilization by monitoring project requirements and timetables. The number of technology professionals that we assign to a project will vary according to the size, complexity, duration, and demands of the project. An unanticipated termination of a significant project could also cause lower utilization. In addition, we do not utilize our technology professionals when they are enrolled in training programs, particularly during our training course for new employees.

The following table sets forth the utilization rates of billable IT services professionals:

	Fiscal 2019	Fiscal 2018
Including trainees	80.1%	81.2%
Excluding trainees	84.3%	84.6%

The following table sets forth our revenues by geography for fiscal 2019 and fiscal 2018:

Geography	Percentage of revenues	
	Fiscal 2019	Fiscal 2018
North America	60.5%	60.4%
Europe	24.1%	23.7%
Rest of the World	12.9%	12.7%
India	2.5%	3.2%

During fiscal 2019, the total billed person-months for our IT services professionals grew by 9% compared to fiscal 2018. The onsite and offshore billed person-months for our IT services professionals grew by 6.5% and 10.0%, respectively. During fiscal 2019, there was a 0.8 % decrease in offshore revenue realization, and a 0.8 % increase in the onsite revenue realization of our IT services professionals when compared to fiscal 2018. On a blended basis, the revenue realization decreased by 0.8% during fiscal 2019 when compared to fiscal 2018. Revenue realization is defined as revenue per billed person month.

Revenue per employee has decreased from US$ 54,602 in fiscal 2018 to US$ 54,038 in fiscal 2019.

Cost of sales

The following table sets forth our cost of sales for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change	Percentage Change
Cost of sales	7,687	7,001	686	9.8%
As a percentage of revenue	65.2%	64.0%		

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change
Employee benefit costs	5,780	5,379	401
Depreciation and amortization	287	289	(2)
Travelling costs	253	225	28
Cost of technical sub-contractors	860	666	194
Cost of Software packages for own use	129	136	(7)
Third party items bought for service delivery to clients	231	152	79
Operating lease payments	52	50	2
Consultancy and professional charges	6	8	(2)
Communication costs	34	35	(1)
Provision for post-sales client support	–	22	(22)
Repairs and maintenance	53	46	7
Other expenses	2	(7) *	9
Total cost of sales	**7,687**	**7,001**	**686**

* *includes write-back of accruals no longer required*

The increase in cost of sales as a percentage of revenue, during fiscal 2019 from fiscal 2018 was primarily due to increase in cost of efforts (comprising employee cost and cost of technical sub-contractors), and cost of third party items bought for service delivery to clients, partially offset by reduction in provision for post-sales client support and rupee depreciation.

The cost of efforts has increased on account of increase in volume, increase in compensation, increase in usage of technical sub-contractors to meet the talent crunch, lower utilization partially offset by improvement in onsite mix.

The increase in third party items bought for service delivery to clients has been primarily in infrastructure services.

The Group provides its clients with a fixed period post-sales support on all its fixed price, fixed time frame contracts. These costs are estimated based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

Gross profit

The following table sets forth our gross profit for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change
Gross profit	4,112	3,938	174
As a percentage of revenue	34.8%	36.0%	

The gross margins for fiscal 2019, were impacted by increase in cost of efforts, increase in third-party items bought for service delivery to clients, cross currency fluctuations, partially offset by benefit on account of rupee depreciation and provision for post sales client support.

Selling and marketing expenses

The following table sets forth our selling and marketing expenses for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change	Percentage Change
Selling and marketing expenses	638	552	86	15.6%
As a percentage of revenue	5.4%	5.0%		

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change
Employee benefit costs	462	425	37
Travelling costs	59	48	11
Branding and marketing	69	47	22
Operating lease payments	11	12	(1)
Consultancy and professional charges	28	10	18
Communication costs	3	3	—
Other expenses	6	7	(1)
Total selling and marketing expenses	**638**	**552**	86

The selling and marketing expenses has increased as a percentage of revenue by 0.4% during fiscal 2019 from fiscal 2018, in line with our plan to invest more to strengthen our relationship with our clients and increase our share of deal wins as well as new client wins.

Administrative expenses

The following table sets forth our administrative expenses for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change	Percentage Change
Administrative expenses	778	727	51	7.0%
As a percentage of revenue	6.6%	6.7%		

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change
Employee benefit costs	226	230	(4)
Consultancy and professional charges	154	144	10
Repairs and maintenance	134	127	7
Power and fuel	32	32	—
Communication costs	31	38	(7)
Travelling costs	36	37	(1)
Rates and taxes	27	25	2
Operating lease payments	20	20	—
Insurance charges	9	9	—
Impairment loss recognised/(reversed) on financial assets	35	11	24
Commission to non-whole time directors	1	1	—
Contribution towards Corporate Social Responsibility (CSR)	38	24	14
Other expenses	35	29	6
Total administrative expenses	**778**	**727**	**51**

The administrative expenses as a percentage of revenue has marginally reduced by 0.1% for fiscal 2019 as compared to fiscal 2018. The increase in impairment losses on financial assets is due to specific provisions made for certain customers. In accordance with the requirements of the Indian Companies Act, 2013, $38 million and $24 million were contributed towards Corporate Social Responsibility activities during the fiscal 2019 and fiscal 2018, respectively.

Operating profit

The following table sets forth our operating profit for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change
Operating profit	2,696	2,659	37
As a percentage of revenue	22.8%	24.3%	

The decrease in operating profit as a percentage of revenue for fiscal 2019 from fiscal 2018 was primarily attributable to a decrease of 1.2% in gross profit as a percentage of revenue during the same period and increase in selling and marketing expenses.

Other income

The following table sets forth our other income for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change	Percentage Change
Other income, net	411	513	(102)	(19.9)%

Other income for fiscal 2019 primarily includes income/gain from investments of $317 million, foreign exchange gain of $18 million on translation of other assets and liabilities and foreign exchange gain of $27 million on forward and option contracts.

Other income for fiscal 2018 primarily includes income/gain from investments of $406 million, foreign exchange gain of $36 million on translation of other assets and liabilities, foreign exchange gain of less than $1 million on forward and option contracts, and interest on tax refunds of $41 million.

Interest income in fiscal 2019 has declined as compared to fiscal 2018 primarily due to a decrease in investable base on account of execution of the Capital Allocation Policy of the Company.

Disposal Group reclassified as held for sale

During fiscal 2018, the Company had initiated identification and evaluation of potential buyers for its subsidiaries, Kallidus and Skava (together referred to as "Skava") and Panaya, collectively referred to as the "Disposal Group". The Disposal Group was classified and presented separately as "held for sale" and was carried at the lower of carrying value and fair value. Consequently, a reduction in the fair value of Disposal Group held for sale amounting to $18 million in respect of Panaya had been recognized in the consolidated statement of comprehensive income for fiscal 2018 and accordingly, assets amounting to $316 million and liabilities amounting to $50 million in respect of the disposal Group have been reclassified as "held for sale".

During quarter ended June 30, 2018, on remeasurement, including consideration of progress in negotiations on offers from prospective buyers for Panaya, the Company has recorded a reduction in the fair value of Disposal Group held for sale amounting to $39 million in respect of Panaya. The fair value of Panaya as of March 31, 2018 had not been adjusted to reflect the subsequent progress on negotiations because the impact of a lower indicative sale price on the financial results and earnings per equity share for the year ended March 31, 2018 was immaterial.

Further during fiscal 2019, based on evaluation of proposals received and progress of negotiations with potential buyers, the Company concluded that the Disposal Group did not meet the criteria for "Held for Sale' classification because it was no longer highly probable that sale would be consummated by March 31, 2019 (twelve months from date of initial classification " as held for sale") Accordingly, in accordance with IFRS 5 -"Non-current Assets held for Sale and Discontinued Operations", the assets and liabilities of Panaya and Skava have been included on a line by line basis in the consolidated financial statements as of March 31, 2019.

On reclassification from "Held for sale", the assets of Panaya and Skava have been remeasured at the lower of cost and recoverable amount. resulting in an adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale" of $65 million (comprising of $52 million towards goodwill and $13 million towards value of customer relationships) for Skava in the consolidated statement of comprehensive income for fiscal 2019.

Functional currency, presentation currency and foreign exchange

The functional currency of Infosys, Infosys BPM (formerly Infosys BPO), controlled trusts, EdgeVerve and Skava Systems Pvt. Ltd. is the Indian rupee. The functional currencies for all of the other subsidiaries are the respective local currencies. The consolidated financial statements included in this Annual Report on Form 20-F 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. The translation of functional currencies of foreign subsidiaries to U.S. dollars is performed for assets and liabilities using the exchange rate at the Balance Sheet date, and for revenue, expenses and cash flow items using a monthly average exchange rate for the respective periods. The gains or losses resulting from such translation are included in other comprehensive income and presented as currency translation reserves under other components of equity.

Generally, Indian law requires residents of India to repatriate any foreign currency earnings to India to control the exchange of foreign currency. More specifically, Section 8 of the Foreign Exchange Management Act, or FEMA, requires an Indian company to take all reasonable steps to realize and repatriate into India all foreign currency earned by the company outside India, within such time periods and in the manner specified by the RBI. The RBI has promulgated guidelines that require the company to repatriate any realized foreign currency back to a foreign currency account such as an Exchange Earners Foreign Currency, or EEFC account with an authorized dealer in India, subject to the condition that the sum total of the accruals in the account during a calendar month should be converted into rupees on or before the last day of the succeeding calendar month, after adjusting for utilization of the balances for approved purposes or forward commitments.

We generally collect our earnings denominated in foreign currencies using a dedicated foreign currency account located in the local country of operation. In order to do this, we are required to obtain, and have obtained, approval from an authorized dealer, on behalf of the RBI, to maintain a foreign currency account in overseas countries. Our failure to comply with RBI regulations could result in RBI enforcement actions against us.

We generate substantially all of our revenues in foreign currencies, particularly the U.S. dollar, the United Kingdom Pound Sterling, Euro and the Australian dollar, whereas we incur a significant portion of our expenses in Indian rupees. The exchange rate between the Indian rupee and the U.S. dollar has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of our operations are adversely affected as the Indian rupee appreciates against the U.S. dollar. Foreign exchange gains and losses arise from the depreciation and appreciation of the Indian rupee against other currencies in which we transact business and from foreign exchange forward and option contracts.

The following table sets forth the currencies in which our revenues for fiscal 2019 and fiscal 2018 were denominated:

Currency	Percentage of Revenues	
	Fiscal 2019	Fiscal 2018
U.S. dollar	67.3%	67.7%
United Kingdom Pound Sterling	5.0%	5.3%
Euro	11.9%	11.3%
Australian dollar	7.9%	7.8%
Others	7.9%	7.9%

The following table sets forth information on the foreign exchange rates in rupees per U.S. dollar, United Kingdom Pound Sterling, Euro and Australian dollar for fiscal 2019 and fiscal 2018:

	Fiscal 2019(₹)	Fiscal 2018(₹)	Appreciation / (Depreciation) of Indian Rupee in percentage
Average exchange rate during the period:			
U.S. dollar	70.04	64.46	(8.7)%
United Kingdom Pound Sterling	91.86	85.99	(6.8)%
Euro	80.98	75.84	(6.8)%
Australian dollar	50.92	49.96	(1.9)%

	Fiscal 2019(₹)	Fiscal 2018(₹)
Exchange rate at the beginning of the period: (a)		
U.S. dollar	65.18	64.85
United Kingdom Pound Sterling	92.28	80.90
Euro	80.81	69.29
Australian dollar	50.05	49.58
Exchange rate at the end of the period: (b)		
U.S. dollar	69.16	65.18
United Kingdom Pound Sterling	90.53	92.28
Euro	77.67	80.81
Australian dollar	49.02	50.05
Appreciation / (Depreciation) of the Indian rupee against the relevant currency: ((b) / (a) - as a percentage)		
U.S. dollar	(6.1)%	(0.5)%
United Kingdom Pound Sterling	1.9%	(14.1)%
Euro	3.9%	(16.6)%
Australian dollar	2.1%	(0.9)%

The following table sets forth information on the foreign exchange rates in U.S. dollar per United Kingdom Pound Sterling, Euro and Australian dollar for fiscal 2019 and fiscal 2018:

	Fiscal 2019 ($)	Fiscal 2018 ($)	Appreciation / (Depreciation) of US dollar in percentage
Average exchange rate during the period:			
United Kingdom Pound Sterling	1.31	1.33	1.5%
Euro	1.16	1.18	1.7%
Australian dollar	0.73	0.78	6.4%

	Fiscal 2019 ($)	Fiscal 2018 ($)
Exchange rate at the beginning of the period: (a)		
United Kingdom Pound Sterling	1.42	1.25
Euro	1.24	1.07
Australian dollars	0.77	0.76
Exchange rate at the end of the period: (b)		
United Kingdom Pound Sterling	1.31	1.42
Euro	1.12	1.24
Australian dollar	0.71	0.77
Appreciation / (Depreciation) of U.S. dollar against the relevant currency: ((b) / (a) - as a percentage)		
United Kingdom Pound Sterling	7.7%	(13.6)%
Euro	9.7%	(15.9)%
Australian dollar	7.8%	(1.3)%

For fiscal 2019 and fiscal 2018, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and the U.S. dollar has affected our incremental operating margins by approximately 0.47% and 0.50% respectively. The exchange rate between the Indian rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to do so in the future. We are unable to predict the impact that future fluctuations may have on our operating margins. For more discussion on our foreign exchange exposure, see Item 3 in the section titled "Risk Factors - Risks Related to Our Cost Structure - *Currency fluctuations and declining interest rates may affect the results or our operations*" in this Annual Report on Form 20-F.

We recorded a foreign exchange gain of $27 million and less than $1 million for fiscal 2019 and fiscal 2018, respectively, on account of foreign exchange forward and option contracts and foreign exchange gain of $18 million and foreign exchange gain of $36 million on translation of other assets and liabilities for fiscal 2019 and fiscal 2018, respectively.

Income tax expense

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

We, being a resident company in India as per the provisions of the Income Tax Act, 1961, are required to pay taxes in India on the global income in accordance with the provisions of Section 5 of the Indian Income Tax Act, 1961, which is reflected as domestic taxes. The geographical segment disclosures on revenue in note 2.10 of Item 18 of this Annual Report on Form 20-F are based on the location of customers and do not reflect the geographies where the actual delivery or revenue-related efforts occur. The income on which domestic taxes are imposed are not restricted to the income generated from the "India" geography. As such, amounts applicable to domestic income taxes and foreign income taxes will not necessarily correlate to the proportion of revenue generated from India and other geographical segments.

The applicable Indian Corporate statutory tax rate for the year ended March 31, 2019 is 34.96% and for the year ended March 31, 2018 is 34.6%

In India, we have benefited from certain tax incentives that the Government of India had provided for the export of software from the units registered under the Software Technology Parks Scheme (STP) and we continue to benefit from certain tax incentives for the units registered under the Special Economic Zones Act, 2005 (SEZ). However, as the income tax incentives provided by the Government of India for STP units have expired, the income from all of our STP units are now taxable. SEZ units that began the provision of services on or after April 1, 2005 are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the financial year in which the unit has commenced the provision of services and 50% of such profits or gains for the five years thereafter. Up to 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone Re-Investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve by the Company for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961.

As a result of these tax incentives, a portion of our pre-tax income has not been subject to income tax. These tax incentives resulted in a decrease in our income tax expense of $386 million and $321 million for fiscal 2018 and 2019, respectively, compared to the tax amounts that we estimate we would have been required to pay if these incentives had not been available. The per share effect of these tax incentives computed based on both basic and diluted weighted average number of equity shares for fiscal 2019 was $0.09 and for fiscal 2018 was $0.07 (adjusted for the September 2018 bonus issue). See Note 2.17, Income Taxes, under Item 18 of this Annual Report on Form 20-F for reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes.

The following table sets forth our income tax expense and effective tax rate for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change	Percentage Change
Income tax expense	803	657	146	22.2%
Effective tax rate	26.7%	20.9%		

Our effective tax rate has increased to 26.7% in fiscal 2019 from 20.9% in fiscal 2018. Effective tax rate is generally influenced by various factors including non-deductible expenses, exempt non-operating income, overseas taxes, benefits from SEZ units, tax reversals and provisions and other tax deductions. The increase in effective tax rate from fiscal 2018 to fiscal 2019 was mainly due to the reversal of income tax expense on account of conclusion of Advance Pricing Agreement (APA) in fiscal 2018, increase in branch profit tax, increase in non-deductible expenses, partially offset by increase in tax benefits from SEZ units.

During fiscal 2019, the Company entered into APA in an overseas jurisdictions resulting in a reversal of income tax expense of $7 million which pertained to prior periods.

In fiscal 2018, the Company concluded an APA with the U.S. Internal Revenue Service ("IRS") for the U.S. branch covering the years ending March 2011 to March 2021. Under the APA, the Company and the IRS have agreed on the methodology to allocate revenues and compute the taxable income of the Company's U.S. Branch operations. In accordance with the APA, the company had reversed income tax expense provision of $225 million which pertained to previous periods which are no longer required. This comprises of reduction in current tax expense of $253 million, offset by a reversal of $21 million on account of deferred tax assets pertaining to the temporary differences which are no longer required and an increase in deferred tax liability of $7 million pertaining to Branch profit tax on account of conclusion of APA. The Company had to pay an adjusted amount of approximately $223 million due to the difference between the taxes payable for prior periods as per the APA and the actual taxes paid for such periods. The Company has paid $222 million till date.

Additionally, income tax expense for fiscal 2019 and fiscal 2018 includes reversal (net of provisions) of $18 million and $45 million, respectively. For fiscal 2019, the tax reversals comprise of reversal of provisions of $42 million made in earlier periods which is partially offset by an additional tax provision of $24 million pertaining to prior periods. For fiscal 2018, the tax reversals comprise of reversal of provisions of $45 million made in earlier periods which is partially offset by an additional tax provision of less than $1 million pertaining to prior periods.

These reversals pertain to prior periods on account of adjudication of certain disputed matters in favor of the Company across various jurisdictions. The additional provision pertaining to prior periods is primarily due to audits and assessments in certain jurisdiction.

In the United States, the "Tax Cuts and Jobs Act (H.R.1)" was signed into law on December 22, 2017 ("US Tax Reforms"). The US Tax Reforms has reduced federal tax rates from 35% to 21% effective January 1, 2018 amongst other measures. During fiscal 2018, the US Tax Reforms has resulted in a positive impact of $24 million on account of credits pertaining to deferred tax liabilities on branch profit during fiscal 2018. We have no material impact on account of the "Tax Cuts and Jobs Act 2017.

During fiscal 2018, the Company received $130 million as dividend from Infosys BPM, its majority owned subsidiary. Dividend distribution tax paid by the subsidiary on such dividend has been reduced as credit against dividend distribution tax payable by Infosys. Accordingly, the group has recorded a charge of $27 million as income tax expense during fiscal 2018.

As at March 31, 2019, claims against the Group not acknowledged as debts from the Indian Income tax authorities amounted to ₹2,851 crore ($412 million). These matters are pending before various Appellate 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 above tax claims amounted to ₹5,924 crore ($857 million).

As at March 31, 2018, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹3,041 crore ($467 million).

Amount paid to statutory authorities against the above tax claims amounted to ₹6,540 crore ($1,003 million).

Net profit

The following table sets forth our net profit for fiscal 2019 and fiscal 2018:

(Dollars in millions)

	Fiscal 2019	Fiscal 2018	Change
Net profit	2,200	2,486	(286)
As a percentage of revenues	18.6%	22.7%	

The decrease in net profit as a percentage of revenues for fiscal 2019 as compared to fiscal 2018 was primarily attributable to decrease in operating profit by 1.5% and an increase of 0.9% in tax expenses and decrease in other income by 1.2% as a percentage of revenue.

Apart from the above, reduction in the fair value of the disposal group held for sale and adjustment in respect of excess of carrying amount over recoverable amount on reclassification from ‘Held for Sale’ have caused a decline in net profit.

Results for Fiscal 2018 compared to Fiscal 2017

Refer to the section ‘Results for Fiscal 2018 compared to Fiscal 2017’ under ‘Management's Discussion and Analysis of Financial Condition and Results of Operations’ of Item 5 in our Annual Report on Form 20-F for fiscal 2018, filed with the U.S. Securities and Exchange Commission on July 19, 2018, for analysis of our results for fiscal 2018 in comparison with fiscal 2017, except for the sections discussed below, which have updated information for fiscal 2018 and fiscal 2017.

Segment reorganization

During fiscal 2019, the Group internally reorganized some of its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequently, the figures for fiscal 2018 and fiscal 2017 have been restated. Refer to note 2.20 in Item 18 of this Annual Report on Form 20-F for further details.

The following table sets forth our revenues by business segments for fiscal 2018 and fiscal 2017:

Business Segments	Percentage of Revenues	
	Fiscal 2018	Fiscal 2017
Financial services	32.8%	32.9%
Retail	16.1%	16.8%
Communications	12.6%	12.3%
Energy, Utilities, Resources and Services	11.8%	11.1%
Manufacturing	9.4%	9.3%
Hi-Tech	7.3%	7.5%
Life Sciences	6.7%	6.5%
All Other segments	3.3%	3.6%

The following table sets forth our business segment profit (revenues less identifiable operating expenses and allocated expenses) as a percentage of business segment revenue for fiscal 2018 and fiscal 2017 (see Note 2.20.1, Business Segments under Item 18 of this Annual Report on Form 20-F for additional information):

	Business segment profit %	
Business Segments	Fiscal 2018	Fiscal 2017
Financial services	27.5%	27.1%
Retail	29.1%	28.1%
Communications	29.5%	31.5%
Energy, Utilities, Resources and Services	29.0%	29.8%
Manufacturing	19.1%	20.7%
Hi-Tech	28.2%	30.4%
Life Sciences	29.6%	30.9%
All Other segments	8.5%	4.4%

Overall segment profitability has marginally declined primarily on account of:

- Adverse currency impact of rupee appreciation, compensation increases and higher variable payouts
- Partially offset by cross currency benefit, improved operational parameters like higher utilization, benefits on account of automation, lower onsite mix and optimization of general and administration costs

Sensitivity analysis for significant defined benefit plans for Fiscal 2019 over Fiscal 2018

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

The following table sets forth the defined benefit obligation and fair value of plan assets as of March 31, 2019 and March 31, 2018:

(Dollars in millions)

	As of	
	March 31, 2019	March 31, 2018
Benefit obligation at the end	195	184
Fair Value of plan assets at the end	197	187
Funded Status	2	3
Prepaid gratuity benefit	6	7
Accrued gratuity	(4)	(4)

See Note 2.12.1, Gratuity, under Item 18 of this Annual Report on Form 20-F for disclosures on assumptions used, basis of determination of assumptions and sensitivity analysis for significant actuarial assumptions.

Liquidity and capital resources

In 1993, we raised approximately $4.4 million in gross aggregate proceeds from our initial public offering of equity shares in India. In 1994, we raised an additional $7.7 million through private placements of our equity shares with foreign institutional investors, mutual funds, Indian domestic financial institutions and corporations. On March 11, 1999, we raised $70.4 million in gross aggregate proceeds from our initial public offering of ADSs in the United States. Our growth in subsequent years has been financed largely by cash generated from operations.

As of March 31, 2019, 2018 and 2017, we had $4,951 million, $5,243 million and $6,121 million in working capital (working capital defined as current assets minus current liabilities), respectively. The working capital as of March 31, 2019 includes $2,829 million in cash and cash equivalents, $958 million in current investments. The working capital as of March 31, 2018 includes $3,041 million in cash and cash equivalents and $982 million in current investments. The working capital as of March 31, 2017 includes $3,489 million in cash and cash equivalents and $1,538 million in current investments. We have no outstanding borrowings. We believe that our working capital is sufficient to meet our current requirements. We believe that a sustained reduction in IT spending by clients, a longer sales cycle, or a continued economic downturn in any of the various geographic locations or business segments in which we operate, could result in a decline in our revenue and negatively impact our liquidity and cash resources.

Our principal sources of liquidity are cash and cash equivalents, investments and the cash flow that we generate from operations. Our cash and cash equivalents are comprised of deposits with banks and financial institutions with high credit-ratings assigned by international and domestic credit-rating agencies which can be withdrawn at any point of time without prior notice or penalty on principal. Cash and cash equivalents are primarily held in Indian Rupees. These cash and cash equivalents included a restricted cash balance of $52 million, $82 million and $88 million as of March 31, 2019, 2018 and 2017, respectively. These restrictions are primarily on account of bank balances held as margin money deposit against bank guarantees and cash balances held by irrevocable trusts controlled by us. Our investments comprise of mutual fund units (including investment in fixed maturity plan securities) and quoted debt securities (including investment in non-convertible debentures), certificates of deposit, commercial papers and government securities. Certificates of deposit represent marketable securities of banks and eligible financial institutions for a specified time period and with a high credit rating by domestic credit rating agencies. Investments made in non-convertible debentures represent debt instruments issued by government aided institutions and financial institutions with high credit rating.

The following table sets forth our cash flows for fiscal 2019, 2018 and 2017:

(Dollars in millions)

	Fiscal 2019	**Fiscal 2018**	**Fiscal 2017**
Net cash provided by operating activities	2,262	2,257	2,099
Net cash (used) generated in investing activities	(225)	482	(2,547)
Net cash (used) in financing activities	(2,073)	(3,197)	(1,032)

Net cash provided by operating activities:

Our cash flows are robust and our operating cash flows have marginally increased to $2,262 million in fiscal 2019 from $2,257 million in fiscal 2018.

In fiscal 2019, cash inflows from operating activities increased mainly on account of lower income tax payments and also on account of improved Days sales outstanding.

Trade receivables as a percentage of last 12 months' revenues were 18.2%, 18.4% and 18.6% as of March 31, 2019, 2018 and 2017, respectively. Days sales outstanding on the basis of last 12 months' revenues were 66 days, 67 days and 68 days as of March 31, 2019, 2018 and 2017, respectively.

In fiscal 2019, there was no income tax paid under protest.

In fiscal 2018, income tax paid under protest, consequent to demand from tax authorities in major tax jurisdictions was $46 million, $56 million and $46 million relating to fiscal 2012, fiscal 2014 and fiscal 2015, respectively. Further in fiscal 2018, refunds received from tax authorities in India was $36 million, $63 million and $82 million relating to fiscal 2007, fiscal 2008 and fiscal 2009 respectively. The above refunds include interest on income tax refunds received was $41 million.

In fiscal 2017, income tax paid under protest, consequent to demand from tax authorities in India was $36 million and $10 million relating to fiscal 2012 and fiscal 2013, respectively.

These demands were towards denial of certain tax benefits. We have filed an appeal with the Appellate Authorities (see note 2.17, Income Taxes, under Item 18 of this Annual Report on Form 20-F).

In line with the APA, the Company has to pay an adjusted amount of approximately $223 million due to the difference between the taxes payable for prior periods as per the APA and the actual taxes paid for such periods. The Company has paid $222 million till date.

Based on the assumptions as of March 31, 2019, we expect to contribute $23 million to gratuity trusts during fiscal 2020 (see note 2.12.1, Gratuity, under Item 18 of this Annual Report on Form 20-F).

Net cash used in investing activities:

Net cash used in investing activities relating to our business acquisitions for fiscal 2019, 2018 and 2017 was $77 million, $4 million and Nil respectively. Net cash used in investing activities, relating to acquisition of additional property, plant and equipment for fiscal 2019, 2018 and 2017 was $349 million, $310 million and $411 million, respectively for our software Development Centers. During fiscal 2019, 2018 and 2017, we invested $11,741 million $10,721 million and $9,888 million, in marketable securities. Further, we redeemed marketable securities of $11,922 million, $11,474 million and $7,760 million of during fiscal 2019, 2018 and 2017. During fiscal 2019 and fiscal 2018 we have redeemed certain investments to fund our business operations, dividend payouts and execution of buyback. Marketable securities include liquid mutual funds, fixed maturity plans securities, quoted debt securities, certificates of deposit and commercial papers. Investment in equity and preference securities and other investments was $6 million, $8 million and $14 million during fiscal 2019, 2018 and 2017, respectively. Further, redemption of such investments during fiscal 2019 and fiscal 2018 was $18 million and $5 million respectively. During fiscal 2019, 2018 and 2017, we invested $3 million, $20 million and $25 million, in deposits placed with corporation. During fiscal 2019 we have paid an amount of $30 million as advance payment to selling shareholders towards acquisition of HIPUS.

On September 8, 2017, Infosys acquired 100% of the voting interests in Brilliant Basics Holdings Limited., UK, (Brilliant Basics) a product design and customer experience innovator with experience in executing global programs. The business acquisition was completed by entering into a share purchase agreement for cash consideration of $4 million, contingent consideration of up to $3 million and an additional consideration of $2 million, referred to as retention bonus, payable to the employees of Brilliant Basics at each anniversary year over the next two years, subject to their continuous employment with the group at each anniversary.

On May 22, 2018, Infosys acquired 100% of the voting interests in WongDoody Holding Company Inc., (WongDoody) a U.S. based, full-service creative and consumer insights agency. The business acquisition was completed by entering into a share purchase agreement for a total consideration of up to $75 million, which includes a cash consideration of $38 million, contingent consideration of up to $28 million and an additional consideration of up to $9 million, referred to as retention bonus, payable to the employees of WongDoody over the next three years, subject to their continuous employment with the group.

On November 16, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 60% stake in Infosys Compaz Pte. Ltd, a Singapore based IT services company. The business acquisition was completed by entering into a share purchase agreement for a total consideration of up to SGD 17 million (approximately $13 million on the acquisition date), which includes a cash consideration of SGD 10 million (approximately $8 million on the acquisition date), contingent consideration of up to SGD 7 million (approximately $5 million on the acquisition date).

On October 11, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 100% of the voting interests in Fluido Oy (Fluido), a Nordic-based salesforce advisor and consulting partner in cloud consulting, implementation and training services for a total consideration of upto Euro 65 million (approximately $75 million), comprising of cash consideration of Euro 45 million (approximately $52 million), contingent consideration of upto Euro 12 million (approximately $14 million) and retention payouts of upto Euro 8 million (approximately $9 million), payable to the employees of Fluido over the next three years, subject to their continuous employment with the group.

On April 1, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 81% of the voting interests in Hitachi Procurement Service Co., Ltd., (HIPUS), Japan, a wholly owned subsidiary of Hitachi Ltd, Japan for a total cash consideration of JPY 3.29 billion (approximately $30 million) on fulfilment of closing conditions. The company has paid an advance of JPY 3.29 billion (approximately $30 million) to Hitachi towards the cash consideration on March 29, 2019. HIPUS handles indirect materials purchasing functions for the Hitachi Group. As on the date of adoption of financial statement by Board of Directors, the Company is in the process of finalizing the accounting for acquisition of HIPUS, including allocation of purchase consideration to identifiable assets and liabilities.

On May 23, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 75% of voting interests in Stater N.V (Stater), a wholly-owned subsidiary of ABN AMRO Bank N.V., Netherland\, for a total consideration of upto Euro 154 Million (approximately $ 171 Million). As on the date of adoption of financial statement by Board of Directors, the Company is in the process of finalizing the accounting for acquisition of Stater, including allocation of purchase consideration to identifiable assets and liabilities.

We have an innovation fund with an outlay of $500 million to support the creation of a global ecosystem of strategic partners, in the form of investments in early-stage companies. Out of the total outlay, $59 million has been invested as of March 31, 2019 and we have an uncalled capital commitment of $12 million. The carrying value of investments as on March 31, 2019 was $20 million.

We provide personal and salary advances and loans to employees.

The annual rates of interest for these loans vary from 0% to 10%. Loans and advances aggregating $38 million, $43 million and $47 million were outstanding as of March 31, 2019, 2018 and 2017, respectively.

The timing of recovery of employee loans and advances outstanding as of March 31, 2019 are as detailed below:

(Dollars in millions)

12 months ending March 31,	**Repayment**
2020	35
2021	3
	38

Net cash used in financing activities:

Net cash used in financing activities for fiscal 2019 includes $118 million towards share buyback including transaction costs and $1,956 million towards dividend payments including corporate dividend tax. Net cash used in financing activities for fiscal 2018 includes $2,042 million towards share buyback including transaction costs and $1,156 million towards dividend payments including corporate dividend tax. Net cash used in financing activities for fiscal 2017 was $1,032 million towards dividend payments including corporate dividend tax.

Buyback

The shareholders approved the proposal of a buyback of equity shares through the postal ballot that concluded on March 12, 2019. At the maximum buyback price of ₹800 per equity share and the maximum buyback size of ₹8,260 crore, the maximum indicative number of equity shares bought back would be 103,250,000 equity shares (maximum buyback shares) comprising approximately 2.36% of the paid-up equity share capital of the Company. During fiscal 2019, 12,652,000 equity shares were bought back from the Indian stock exchanges which resulted in a cash outflow of $118 million including transaction costs.

The buyback of equity shares through Indian stock exchanges commenced on March 20, 2019 and is expected to be completed by September 2019

Subsequent to March 31, 2019, 57,600,000 equity shares have been bought back from the Indian stock exchanges, resulting in a cash outflow of approximately $624 million

During fiscal 2018, the buyback offer comprised a purchase of 113,043,478 equity shares (not adjusted for September 2018 bonus issue) aggregating 4.92% of the paid-up equity share capital of the Company at a price of ₹1,150 per equity share which resulted in a cash outflow of $2,042 million including transaction costs.

Refer to section titled 'Corporate actions' under Item 5 of this Annual report for further details relating to buyback.

Dividends

The following table sets forth the dividend policy, and dividend per share declared for fiscal 2019, 2018 and 2017:

Dividend policy	**Fiscal 2019**		**Fiscal 2018[5]**		**Fiscal 2017[5]**	
	in ₹	**in $ [4]**	**in ₹**	**in $[4]**	**in ₹**	**in $[4]**
-Interim dividend	7.00	0.10	6.50	0.10	5.50	0.09
-Final dividend	10.50[1]	0.15[1]	10.25	0.16	7.38	0.12
-Special dividend	4.00	0.06	5.00	0.08	—	—
	21.50	**0.31**	**21.75**	**0.34**	**12.88**	**0.21**
Payout ratio (interim and final dividend)		68.6%[3][6]		69.8%[3]		49.6%[2]

[1] *Recommended by the Board of Directors at its meeting held on April 12, 2019, subject to approval by the shareholders at the Annual General Meeting of the Company to be held on June 22, 2019.*

[2] *Our dividend policy was to pay up to 50% of consolidated post-tax profits.*

(3) *Our dividend policy is to pay up to 70% of free cash flow. 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 payout ratio includes Dividend Distribution Tax*

(4) *Converted at the monthly exchange rate in the month of declaration of dividend*

(5) *Adjusted for September 2018 bonus issue, wherever applicable.*

(6) *Based on number of shares outstanding as of March 31, 2019.*

The following table shows the cash outflow in the form of dividend payments including dividend distribution tax:

(Dollars in millions)

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Cash outflow *#			
-Final dividend for fiscal 2018	779	—	—
-Special dividend declared in fiscal 2018	384	—	—
-Interim dividend for fiscal 2019	498	—	—
-Special dividend declared in fiscal 2019	295	—	—
-Final dividend for fiscal 2017	—	630	—
-Interim dividend for fiscal 2018	—	526	—
-Final dividend for fiscal 2016	—	—	579
-Interim dividend for fiscal 2017	—	—	453

* *excludes dividend paid on treasury shares*

\# *The Company declares and pays dividends in Indian rupees. The conversion of dividend paid to U.S. dollars is based on the exchange rate on date of payment.*

Bonus issue

The Company has allotted 2,184,191,490 fully paid up equity shares (including treasury shares) of face value ₹5/- each during the three months ended September 30, 2018 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was September 5, 2018. The bonus shares were issued by capitalization of profits transferred from general reserve. Bonus share of one equity share for every equity share held, and a bonus issue, viz., a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged. Options granted under the stock option plan have been adjusted for bonus shares.

The bonus shares, once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and holders of the bonus shares shall be entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

Contractual commitments

As of March 31, 2019, we had contractual commitments for capital expenditure of $249 million, as compared to $223 million and $177 million as of March 31, 2018 and 2017, respectively. These commitments include $214 million in commitments for domestic purchases as of March 31, 2019, as compared to $184 million and $132 million as of March 31, 2018 and 2017, respectively, and $35 million in overseas commitments to support our operations generally as of March 31, 2019, as compared to $39 million and $45 million as of March 31, 2018 and 2017, respectively. All our capital commitments will be financed out of cash generated from operations. We expect our outstanding contractual commitments as of March 31, 2019 to be majorly completed in a year.

Quantitative and Qualitative Disclosures about Market Risk

General

Market risk is attributable to all market sensitive financial instruments including foreign currency receivables and payables. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments.

Our exposure to market risk is a function of our revenue generating activities and any future borrowing activities in foreign currency. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss. Most of our exposure to market risk arises out of our foreign currency revenues, receivables and payables.

We have chosen alternative 1 provided by Item 11 of Form 20-F to disclose quantitative information about market risk. All the required information under alternative 1 has been either included in components of market risk as given below or in note 2.3 under Item 18 of this Annual Report and such information has been incorporated herein by reference.

The following table provides the cross references to notes under Item 18 of this Annual Report which contains disclosures required under alternative 1 of Item 11 of Form 20-F.

Sl. No.	Requirements of Alternative 1 of Item 11	Cross reference to notes in the financial statements for instruments held for trading (Derivative financial instruments)	Cross reference to notes in the financial statements for instruments other than for trading purposes (All other financial instruments)
1.	Fair values of market risk sensitive instruments	Table: The carrying value and fair value of financial instruments by categories under Note 2.3, Financial Instruments, of Item 18 of this Annual Report.	Table: The carrying value and fair value of financial instruments by categories under Note 2.3, Financial Instruments, of Item 18 of this Annual Report.
2.	Contract terms to determine future cash flows, categorized by expected maturity terms	Section: Derivative Financial Instruments under Note 2.3, Financial Instruments, of Item 18 of this Annual Report describing the terms of forward and options contracts and the table depicting the relevant maturity groupings based on the remaining period as of March 31, 2019 and March 31, 2018. We have provided the outstanding contract amounts in Note 2.3, Financial Instruments, of Item 18 of this Annual Report, table giving details in respect of outstanding foreign exchange forward and option contracts.	Current Financial Assets: The expected maturity of these assets falls within one year, hence no additional disclosures are required. Non-Current Financial Assets: Prepayments and Other Assets - Primarily consist of deposit held with corporation to settle certain employee-related obligations as and when they arise during the normal course of business, rental deposits and security deposits with service providers. Consequently, the period of maturity could not be estimated. (see Note 2.4, Prepayments and Other Assets, under Item 18 of this Annual Report on Form 20-F for additional information). Hence we have not made any additional disclosures for the maturity of non-current financial assets. Financial Liabilities: Refer to Section "Liquidity Risk" under Note 2.3 of Item 18 of this Annual Report, table containing the details regarding the contractual maturities of significant financial liabilities as of March 31, 2019 and March 31, 2018.
3.	Contract terms to determine cash flows for each of the next five years and aggregate amount for remaining years.	Same table as above however as all our forward and option contracts mature within 12 months, we do not require further classification.	Refer to Section "Liquidity Risk" under Note 2.3 of Item 18 of this Annual Report, table containing the details regarding the contractual maturities of significant financial liabilities as of March 31, 2019 and March 31, 2018.

Sl. No.	Requirements of Alternative 1 of Item 11	Cross reference to notes in the financial statements for instruments held for trading (Derivative financial instruments)	Cross reference to notes in the financial statements for instruments other than for trading purposes (All other financial instruments)
4.	Categorization of market risk sensitive instruments	We have categorized the forwards and option contracts based on the currency in which the forwards and option contracts were denominated in accordance with instruction to Item 11(a) 2 B (v). Refer to section entitled: Derivative Financial Instruments under Note 2.3, Financial Instruments, of Item 18 of this Annual Report; table giving details in respect of outstanding foreign exchange forward and option contracts.	We have categorized the financial assets and financial liabilities based on the currency in which the financial instruments were denominated in accordance with instruction to Item 11(a) 2 B (v). Refer to section entitled: Financial Risk Management under Note 2.3, Financial Instruments, under Item 18 of this Annual Report; table analyzing the foreign currency risk from financial instruments as of March 31, 2019 and March 31, 2018.
5.	Descriptions and assumptions to understand the above disclosures	All the tables given under Note 2.3, Financial Instruments, under Item 18 of this Annual Report have explanatory headings and the necessary details to understand the information contained in the tables.	All the tables given under Note 2.3, Financial Instruments, under Item 18 of this Annual Report have explanatory headings and the necessary details to understand the information contained in the tables.

Risk Management Procedures

We manage market risk through treasury operations. Our treasury operations' objectives and policies are approved by senior management and our Audit Committee. The activities of treasury operations include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, if any, and ensuring compliance with market risk limits and policies.

Components of Market Risk

(1) *Exchange rate risk.* Our exposure to market risk arises principally from exchange rate risk. Even though our functional currency is the Indian rupee, we generate a major portion of our revenues in foreign currencies, particularly the U.S. dollar, the United Kingdom Pound Sterling, Euro and the Australian dollar, whereas we incur a significant portion of our expenses in Indian rupees. The exchange rate between the Indian rupee and the U.S. dollar has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of our operations are adversely affected as the Indian rupee appreciates against the U.S. dollar. For fiscal 2019, 2018 and 2017, U.S. dollar denominated revenues represented 67.3%, 67.7% and 69.6% of total revenues, respectively. For the same periods, revenues denominated in United Kingdom Pound Sterling represented 5.0%, 5.3% and 5.8% of total revenues, revenues denominated in the Euro represented 11.9%, 11.3% and 9.6% of total revenues while revenues denominated in the Australian dollar represented 7.9%, 7.8% and 7.3% of total revenues. Our exchange rate risk primarily arises from our foreign currency revenues, receivables and payables.

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

Refer to Note 2.3 in Item 18 in this Annual Report for the details in respect of outstanding foreign exchange forward and options contracts.

The forward and option contracts typically mature within 12 months, must be settled on the day of maturity and may be cancelled subject to the receipt or payment of any gains or losses in the difference between the contract exchange rate and the market exchange rate on the date of cancellation. We use these derivative instruments only as a hedging mechanism and not for speculative purposes. We may not purchase adequate instruments to insulate ourselves from foreign exchange currency risks. In addition, any such instruments may not perform adequately as a hedging mechanism. The policies of the RBI may change from time to time which may limit our ability to hedge our foreign currency exposures adequately. We may, in the future, adopt more active hedging policies, and have done so in the past.

(2) Fair value. Refer to Note 2.3 in Item 18 in this Annual Report for the disclosure on carrying value and fair value of financial assets and liabilities.

Recent Accounting Pronouncements

IFRS 16 Leases:

On January 13, 2016, the International Accounting Standards Board issued IFRS 16, Leases replacing the existing leases Standard, IAS 17 Leases and related Interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. IFRS 16 introduces a single lessee accounting model for a lessee and requires the lessee to recognize assets and liabilities for all leases unless the lease term is twelve months or less or unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of comprehensive income. IFRS 16 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of repayment of lease liabilities. The Standard also contains enhanced disclosure requirements for lessees. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under IAS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The effective date for adoption of IFRS 16 is annual periods beginning on or after January 1, 2019, though early adoption is permitted for companies applying IFRS 15 Revenue from Contracts with Customers.

On completion of evaluation of the effect of adoption of IFRS 16, we are proposing to use the 'Modified Retrospective Approach' for transitioning to IFRS 16, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. We have elected certain available practical expedients on transition.

The effect of adoption as on transition date would result in an increase in Right of use asset approximately by $395 million, net investment in sub-lease approximately by $60 million and an increase in lease liability approximately by $495 million with the cumulative effect of applying the standard which would be adjusted in retained earnings, net of taxes.

IFRIC 23, Uncertainty over Income Tax Treatments:

The International Accounting Standards Board (IASB) issued IFRS interpretation IFRIC 23 Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. According to IFRIC 23, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, IFRIC 23 will be applied retrospectively to each prior reporting period presented in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying IFRIC 23 recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of IFRIC 23 is annual periods beginning on or after January 1, 2019, though early adoption is permitted. We will adopt the standard on April 1, 2019 and have decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of IFRIC 23 would be insignificant in the consolidated financial statements.

Amendment to IAS 12 – Income taxes:

In December 2017, the IASB issued amendments to the guidance in IAS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

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

Effective date for application of this amendment is annual period beginning on or after January 1, 2019, although early application is permitted. We are currently evaluating the effect of this amendment on the consolidated financial statements.

Amendment to IAS 19 – plan amendment, curtailment or settlement- On February 7, 2018, the IASB issued amendments to the guidance in IAS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

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

Effective date for application of this amendment is annual period beginning on or after January 1, 2019, although early application is permitted. We do not have any impact on account of this amendment.

Amendment to IFRS 3 Business Combinations –

On October 22, 2018, the IASB issued amendments to the definition of a business in IFRS 3 Business Combinations. The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment also introduces an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2020, although early adoption is permitted. We are currently evaluating the effect of this amendment on the consolidated financial statements.

Critical Accounting Policies

We consider the policies discussed below to be critical to an understanding of our financial statements as their application places the most significant demands on management's judgment, with financial reporting results relying on estimation about the effect of matters that are inherently uncertain. Specific risks for these critical accounting policies are described in the following paragraphs. For all of these policies, future events rarely develop exactly as forecast, and the best estimates routinely require adjustment.

Estimates and judgments

We prepare financial statements in conformity with IFRS, which requires us to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies which require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the consolidated financial statements have been disclosed below. However, accounting estimates and judgments could change from period to period and actual results could differ from those estimates. Appropriate changes in estimates and judgments are made as and when we become aware of changes in circumstances surrounding the estimates and judgements. Changes in estimates and judgments are reflected in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

a. Revenue recognition

We use the percentage-of-completion method in accounting for fixed-price contracts. Use of the percentage-of-completion method requires us to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Further, the Group uses significant judgements while determining the transaction price allocated to performance obligations using the expected cost plus margin approach. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Income taxes

Our two major tax jurisdictions are India and the U.S., though we also file tax returns in other overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes, including the 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 2.17 under Item 18 of this Annual Report on Form 20-F

c. Business combinations and Intangible assets

Our 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. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts. Refer to Note 2.8 and 2.9 of Item 18 of this Annual Report on Form 20-F.

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 under Item 18 of this Annual Report on Form 20-F.

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

We use market related information and estimates to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. Refer to Note 2.8 under Item 18 of this Annual Report on Form 20-F.

f. Non-current assets and Disposal Groups held for sale

Assets and liabilities of Disposal Groups held for sale are measured at the lower of carrying amount and fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the Disposal Groups has been estimated using valuation techniques including income and market approach which includes unobservable inputs. Non-current assets and Disposal Group that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the Non-current asset and Disposal Group was classified as held for sale adjusted for any depreciation/ amortization and its recoverable amount at the date when the Disposal Group no longer meets the " Held for sale" criteria. Recoverable amounts of assets reclassified from held for sale have been estimated using management's assumptions which consist of significant unobservable inputs. Refer to Note 2.9 under Item 18 of this Annual Report on Form 20-F.

Revenue Recognition

We derive revenues primarily from business IT services comprising of software development and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings (together referred to as "software related services")

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing 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, we applied the guidance in IFRS 15, Revenue from contract with customer, 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, we have measured 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 we are unable to determine the standalone selling price, we used 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.

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). We applied the principles under IFRS 15 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two 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 performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably over the period in which the services are rendered.

We account for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, we recognize the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. We recognize changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Deferred contract costs are incremental costs of obtaining a contract which are recognised as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Income Taxes

Our income tax expense comprises current and deferred income tax and is recognized in net profit in the 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. 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. We offset current tax assets and current tax liabilities, where we have a legally enforceable right to set off the recognized amounts and where we intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously. We offset deferred tax assets and deferred tax liabilities wherever we have a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

Business Combinations, Goodwill and Intangible Assets

Business combinations have been accounted for using the acquisition method under the provisions of IFRS 3 (Revised), Business Combinations. The cost of 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. The cost of acquisition 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. Business combinations between entities under common control is outside the scope of IFRS 3 (Revised), Business Combinations and is accounted for at carrying value. Transaction costs that we incur in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Goodwill represents the cost of business acquisition in excess of our interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceed the cost of the business acquisition, we recognize a gain immediately in net profit in the statement of comprehensive income. Goodwill is measured at cost less accumulated impairment losses.

Intangible assets are stated at cost less accumulated amortization and impairments. They 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.

We expense research costs as and when the same are incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, we have the 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 preparing the asset for its intended use. Research and development costs and software development costs incurred under contractual arrangements with customers are accounted as cost of sales.

OFF - BALANCE SHEET ARRANGEMENTS

None.

CONTRACTUAL OBLIGATIONS

Set forth below are our outstanding contractual obligations as of March 31, 2019.

(Dollars in millions)

Contractual obligations	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Operating lease obligations	477	90	145	114	128
Purchase obligations	699	645	40	13	1
Post-retirement benefits obligations	324	29	61	66	168

We have various operating leases, mainly for office buildings, that are renewable on a periodic basis. A majority of our operating lease arrangements extend up to a maximum of ten years from their respective dates of inception, and relate to rented premises.

Purchase obligation means an agreement to purchase goods or services that are enforceable and legally binding on the Company that specifies all significant terms, including fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Purchase obligations include capital commitments.

Additionally, as of March 31, 2019, we have uncalled capital commitments of $12 million towards investments made out of innovation fund, which shall be paid as and when the capital call is made by the investee.

Post-retirement benefits obligations are the benefit payments, which are expected to be paid under our gratuity plans.

Unrecognized tax benefits amounting to $630 million relate to liability towards uncertain tax positions taken in major tax jurisdictions. The period in which these uncertain tax positions will be settled is not practically determinable and accordingly has not been disclosed in the above table.

Item 6. Directors, Senior Management and Employees

DIRECTORS AND EXECUTIVE OFFICERS

As of March 31, 2019, set forth below are the respective ages and positions of our directors and executive officers:

Name	Age	Position
Nandan M. Nilekani	63	Non-executive, Non-Independent Chairman
Salil Parekh	54	Chief Executive Officer and Managing Director
U. B. Pravin Rao	57	Chief Operating Officer and Whole-time Director
Kiran Mazumdar-Shaw[(1)]	66	Lead Independent Director
Roopa Kudva	55	Independent Director
Dr. Punita Kumar-Sinha	56	Independent Director
D. N. Prahlad	63	Independent Director
D. Sundaram	66	Independent Director
Michael Gibbs[(2)]	61	Independent Director
Nilanjan Roy[(3)]	52	Chief Financial Officer
Ravi Kumar S.	48	President and Deputy Chief Operating Officer
Mohit Joshi	44	President
Krishnamurthy Shankar	56	Group Head - Human Resources and Infosys Leadership Institute
Inderpreet Sawhney	54	Group General Counsel and Chief Compliance Officer

(1) Appointed as Lead Independent Director effective April 13, 2018. Re-appointed as Independent Director for a second consecutive term effective April 1, 2019. Re-appointment approved by shareholders through Postal ballot concluded on March 12, 2019.

(2) Appointed as Independent Director effective July 13, 2018. Appointment approved by shareholders through postal ballot concluded on August 22, 2018.

(3) Appointed as Chief Financial Officer and Key Managerial Personnel effective March 1, 2019.

The following are the details of membership and chairmanship in Board committees as of March 31, 2019:

Name	Board	AC	RMC	NRC	SRC	CSR
Nandan M. Nilekani	Chair					
Salil Parekh	●					
U.B. Pravin Rao	●					●
Kiran Mazumdar- Shaw	●		●	Chair		Chair
Roopa Kudva[(1)]	●	●			Chair	●
Dr. Punita Kumar-Sinha	●	●			●	●
D. N. Prahlad[(2)]	●		Chair	●	●	
D. Sundaram	●	Chair	●	●		
Michael Gibbs[(3)]	●		●			
Total no. of members	9	3	4	3	3	4

Note: The Board dissolved the Finance and Investment Committee and deliberated that the roles and responsibilities of the Finance and Investment Committee will be overseen by the Audit Committee, effective April 13, 2018.

1) Roopa Kudva appointed as Chairperson of Stakeholders Relationship Committee effective May 21, 2018.
2) D. N. Prahlad appointed as member of Stakeholders Relationship Committee effective May 21, 2018.
3) Michael Gibbs was appointed as an Independent Director and inducted as member of Risk Management Committee effective July 13, 2018,

Chair- Chairperson;
● - Member of the Committee;
AC- Audit Committee;
RMC- Risk Management Committee;
NRC- Nomination and Remuneration Committee;
SRC- Stakeholders Relationship Committee;
CSR- Corporate Social Responsibility Committee;

Size and composition of the Board

We believe that our Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management. The Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (Listing Regulations) mandates that for a company with a non-executive Chairman who is a Promoter, at least half of the board should be independent directors. As of March 31, 2019, our Board comprised nine members, consisting of a Non-Executive and Non-Independent Chairman, two executive directors, and six independent directors. Independent directors constitute 67% of the Board's strength – more than the requirements of the Companies Act, 2013 and the Listing Regulations and as defined by Rule (303A.02) of the Listed Company Manual of the New York Stock Exchange. Listing Regulations also mandate that the Board of Directors of top-500 list entities shall have atleast one independent women director. Three out of the nine directors on our Board are women – and all three are independent directors - making up 33% of the Board's strength. The Board periodically evaluates the need for change in its size and composition.

Definition of Independent Directors

The Companies Act, 2013 and the Listing Regulations define an 'independent director' as a person who, *inter-alia,* is not a promoter or employee or one of the key managerial personnel of the Company or its subsidiaries. They also state that the person should not have a material pecuniary relationship or transactions with the Company or its subsidiaries, during the two immediate preceding financial year or during current financial year, apart from receiving remuneration as an independent director.

We abide by these definitions of independent director in addition to the definitions of an independent director as defined in the New York Stock Exchange (NYSE) listed company manual and the Sarbanes-Oxley Act, and U.S. securities laws by virtue of our listing on the NYSE in the U.S.

Board membership criteria

The Company inducts eminent individuals from diverse fields as directors on its Board. The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, and ability to contribute to the Company's growth.

The age limit for a Managing Director / Executive Director is 60 years, while the age limit for an independent / non-executive director is 70 years. A director's term may be extended at the discretion of the committee beyond the age of 60 or 70 years with shareholders' approval by passing a special resolution, based on the explanatory statement annexed to the Notice for such motion indicating the justification for the extension of appointment beyond 60 or 70 years as the case may be.

Based on the disclosures received from all the independent directors and also in the opinion of the Board, the independent directors fulfill the conditions specified in Companies Act, 2013, NYSE listing manual and Listing Regulations and are independent of the Management.

Membership term

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

An independent director can hold office for only two consecutive terms, and will be eligible for reappointment after three years of ceasing to be an independent director, provided he/she isn't appointed in or associated with the company in any capacity (whether directly or indirectly) during such three-year period.

Profiles of Directors and Executive Officers

Nandan M. Nilekani is the Non-executive, Non-independent Chairman of the Board. He re-joined the Board on August 24, 2017. He is one of the co-founders of Infosys, and was the CEO & MD of the Company between March 2002 to April 2007 and the Co-Chairman of the Company till 2009. In 2009, he left Infosys to assume charge of the Unique Identification Authority of India (UIDAI) in the rank of a Cabinet Minister, and re-joined the Company in 2017 as the non-executive Chairman of the Board. Mr. Nilekani is the Co-founder and Chairman of EkStep, a not-for-profit effort to create a learner-centric, technology-based platform to improve basic literacy and numeracy for millions of children. *Fortune* magazine named him 'Asia's Businessman of the Year' for 2003. In 2005, he received the prestigious Joseph Schumpeter Prize for innovative services in economy, economic sciences and politics. In 2006, he was awarded the Padma Bhushan. In the same year, he was named 'Businessman of the Year' by *Forbes Asia*. *TIME* magazine listed him as one of the 100 most influential people in the world in 2006 and 2009. *Foreign Policy* magazine listed him as one of the Top 100 Global thinkers in 2010. He won The Economist Social & Economic Innovation Award for his leadership of India's unique identification initiative (Aadhaar). In 2017, he received the Lifetime Achievement Award from EY. CNBC TV18 conferred on him the India Business leader award for outstanding contribution to the Indian Economy in 2017. He also received the 22nd Nikkei Asia Prize for Economic & Business Innovation 2017. Mr. Nilekani received his Bachelor's degree from Indian Institute of Technology Bombay. He is the author of *Imagining India* and co-authored with Viral Shah his second book, *Rebooting India: Realizing a Billion Aspirations*.

Salil Parekh is the Chief Executive Officer and Managing Director (CEO & MD) of Infosys. He started in this role on January 2, 2018. He sets and evolves the strategic direction for the Company and its portfolio of offerings, while leading the team to drive its execution. Mr. Parekh has thirty years of global experience in the IT services industry, driving digital transformation for enterprises, enabling growth, executing business turnarounds and managing successful acquisitions. Mr. Parekh was a member of the Group Executive Board at Capgemini, where he held several leadership positions for twenty five years. He was responsible for overseeing a business cluster comprising Application Services (North America, UK, Asia), Cloud Infrastructure Services, and Sogeti (Technology & Engineering Services Division). He was responsible for the strategy and execution of these businesses – setting direction and enabling rapid client adoption. He was also the Chairman of Capgemini's North America Executive Council. He was the architect of the North America growth and turnaround strategy, and was instrumental in setting up their offshoring capabilities. In his earlier role as Partner at Ernst & Young, he was widely credited for bringing scale and value to the Indian operations of the consultancy firm. Mr. Parekh holds Master of Engineering degrees in Computer Science and Mechanical Engineering from Cornell University, and a Bachelor of Technology degree in Aeronautical Engineering from Indian Institute of Technology, Bombay.

U. B. Pravin Rao is the Chief Operating Officer of Infosys and a Whole-time Director of the Board. He was inducted on January 10, 2014 as a member of the Board. He is the member of Corporate Social Responsibility Committee of the Board. As the Chief Operating Officer, Mr. Rao has overall strategic and operational responsibility for the entire portfolio of the Company's offerings. Mr. Rao oversees the key functions of global delivery and business enablement. He has over 31 years of industry experience. Since joining Infosys in 1986, he has held a number of senior leadership roles including Interim Chief Executive Officer and Managing Director, Head of Infrastructure Management Services, Delivery Head for Europe, and Head of Retail, Consumer Packaged Goods, Logistics and Life Sciences. Mr. Rao holds a degree in Electrical Engineering from Bangalore University, India. He is the member of National Council of the Confederation of Indian Industry (CII) and the Vice Chairman of NASSCOM.

Kiran Mazumdar-Shaw is the Lead Independent Director of Infosys. She has served as one of our directors since January 2014. She is the Chairperson and Managing Director of Biocon Limited, a biotechnology company based in Bengaluru, India. She is the Chairperson of our Nomination and Remuneration Committee and Corporate Social Responsibility Committee. She is also a member of our Risk Management Committee. Ms. Mazumdar-Shaw also serves on the Board of MIT Corporation and she has recently been inducted into the prestigious US National Academy of Engineering. Ms. Mazumdar-Shaw is highly respected in the corporate world and has been named among TIME magazine's 100 most influential people in the world. *The Economic Times* placed her as one of India Inc.'s top 10 most powerful women CEOs for the year 2012. Her pioneering efforts in biotechnology have drawn global recognition both for the Indian Industry and Biocon. Ms. Mazumdar-Shaw received a graduate honors degree in Zoology from Bangalore University in 1973 and qualified as a Master Brewer from University of Ballarat, Australia. Ms. Mazumdar-Shaw has also received many honorary doctorates in recognition of her pre-eminent contributions to the field of biotechnology.

Dr. Punita Kumar-Sinha is an Independent Director of Infosys. She has served as one of the directors on our Board since January 2016. She is the member of the Audit Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. Dr. Kumar-Sinha has focused on investment management and financial markets during her career of over 28-years. She spearheaded some of the first foreign investments into the Indian equity markets in the early 1990s. She is the Founder and Managing Partner, Pacific Paradigm Advisors, an independent investment advisory and management firm focused on Asia. Dr. Kumar-Sinha is also a Senior Advisor and serves as an independent director for several companies. Prior to founding Pacific Paradigm Advisors, she was a Senior Managing Director of Blackstone and Chief Investment Officer of Blackstone Asia Advisors. She was also the Senior Portfolio Manager and CIO for The India Fund (NYSE:IFN), the largest India Fund in the US, for almost 15 years, The Asia Tigers Fund (NYSE:GRR), and The Asia Opportunities Fund. At Blackstone Asia Advisors, she led the business and managed teams in the US, India, and Hong Kong. Prior to joining Blackstone, Dr. Kumar-Sinha was a Managing Director and Senior Portfolio Manager at Oppenheimer Asset Management Inc., and CIBC World Markets, where she helped open one of the first India advisory offices for a foreign firm. She also worked at Batterymarch (a Legg Mason company), Standish Ayer & Wood (a BNY Mellon company), JP Morgan and IFC / World Bank. She has been a speaker at several forums and many of her contributions at seminars and conferences have projected the potential and prospects of Asia as an investment destination. She has a Ph.D. and a Masters in Finance from the Wharton School, University of Pennsylvania. She received her undergraduate degree in Chemical Engineering with distinction from the Indian Institute of Technology Delhi. She has an MBA and is also a CFA Charter holder. She is also on the Board of Governors of the CFA Institute and a member of the Council on Foreign Relations. She is a Charter Member and was a Board Member of TiE Boston. Dr. Kumar-Sinha has been awarded the Distinguished Alumni Award by IIT Delhi.

Roopa Kudva is an Independent Director of Infosys. She has served as a director on our Board since February 2015. Ms. Kudva leads Omidyar Network India, an investment firm focused on social impact. Previously, she was the Managing Director and Chief Executive Officer of CRISIL, a global analytical company providing ratings, research, and risk and policy advisory services. She is the Chairperson of our Stakeholder Relationship Committee, member of the Audit Committee, and Corporate Social Responsibility Committee. She has regularly featured in lists of the most powerful women in business compiled by prominent publications, including Fortune and Business Today. She is the recipient of several prestigious awards including the 'Outstanding Woman Business Leader of The Year' at CNBC TV18's 'India Business Leader Awards 2012', India Today's 'Corporate Woman Award 2014' and Indian Merchants' Chamber Ladies' Wing's 'Woman of the Year Award 2013-14'. She has served as a member of several policy-level committees relating to the Indian financial system, including committees of the Securities and Exchange Board of India and the RBI. She has also been a member of the Executive Council of NASSCOM. She is a regular speaker at global conferences and seminars by multilateral agencies, market participants, and leading academic institutions. She holds a postgraduate diploma in management from the Indian Institute of Management Ahmedabad and also received the Distinguished Alumnus Award from her alma mater.

D.N. Prahlad is an Independent Director of Infosys. He has served as a director on our Board since October 2016. He is the Chairperson of the Risk Management Committee, member of the Nomination and Remuneration Committee and Stakeholder Relationship Committee. Mr. Prahlad is the founder and CEO of Surya Software Systems Private Limited, Bengaluru, India. Surya focuses on products for financial risk management of financial institutions in general and banks in particular. Mr. Prahlad served as Non-Executive Independent Chairman of EdgeVerve Systems Limited from August 2017 to April 2019 and as an Independent Director in Infosys BPM

Limited from January 2017 and April 2019. He is also the Non-Executive Director in SolCen Technologies Private Limited. Mr. Prahlad is on the advisory board of Computer Science and Automation Department of the Indian Institute of Science, Bengaluru. He served as an adjunct faculty at the Indian Institute of Information Technology, Bengaluru in its formative years. He serves as an advisory board member of PathShodh Healthcare, a company with leading-edge nanotechnology in diagnostic measurements related to diabetes. Mr. Prahlad is a B.Sc. with honors in mathematics from Bengaluru University and a B.E. (Electrical technology and Electronics) from the Indian Institute of Science, Bengaluru. Prior to founding Surya, Mr. Prahlad played a key role in the rapid growth of Infosys, being associated with the Company in its formative years. He brings with him a high level of experience of working with multiple Fortune 50 clients, creation of new services, products and strategies.

D. Sundaram is an Independent Director of Infosys from July 2017. He is the Chairman of the Audit Committee, member of the Nomination and Remuneration Committee, and also of Risk Management Committee of the Board. Mr. Sundaram's experience spans corporate finance, business performance, monitoring operations, governance, mergers & acquisitions, talent / people management and strategy. Mr. Sundaram joined Hindustan Unilever Limited (HUL), the Indian listed subsidiary of Unilever Plc, as a management trainee in June 1975 and served in various capacities including six years in Unilever, London as Commercial officer: Africa and Middle East (90-93) and as Sr. V.P for South Asia and Middle East (96-99). He was the Chief Finance Officer of HUL from April 99 to March 08 and as the Vice Chairman and CFO from April 08 to July 09. He is a two-time winner of the prestigious "CFO of the Year for FMCG Sector" award by CNBC TV18 (2006 and 2008). Mr. Sundaram is currently the Vice Chairman and Managing Director of TVS Capital Funds Ltd in managing a growth capital Private Equity Fund (TVS Shriram Growth Fund.) Mr. Sundaram is a post-graduate in Management Studies (MMS) from Chennai, Fellow of the Institute of Cost Accountants, and has done Harvard Business School's Advanced Management Program (AMP). He currently serves as an independent director on the boards of SBI General Insurance, GSK Pharma India, Crompton Greaves Consumer Limited and ACC Limited

Michael Gibbs is an Independent Director of Infosys from July 2018. He is the member of Risk Management Committee of the Board. He is the former Group CIO for BP, PLC having responsibility for setting and implementing BP's IT strategy and providing computing and telecommunications technology services worldwide. As CIO, Mr. Gibbs led a transformation of the IT function at BP, reorganizing the function and operating model. He led improvements in Cyber Security and the application of emerging digital technologies including plans for a migration of legacy data centers to the cloud. Mr. Gibbs served as CIO for various businesses including Conoco Refining & Marketing, Europe and Asia, based in London and ConocoPhillips Supply and Trading, Corporate Functions and Global Downstream, based in Houston. In 2008, Michael returned to London joining BP as VP/CIO, Refining & Marketing, before becoming Group CIO in 2013. He has chaired several church and mission's boards and currently serves as Vice-Chair of "A Child's Hope – Haiti" serving the orphans of Haiti. Mr. Gibbs graduated summa cum laude from Oklahoma State University with a degree in Management Science. He completed the Executive Management Program at Penn State University in 1997 and the Concours/Cash CIO Leadership Program in 2004. In 2015 he was named to CIO magazine's list of the most influential Global CIOs and ranked as I-CIO's 2nd most powerful IT executive in Europe.

Nilanjan Roy is the Chief Financial Officer (CFO) of Infosys Limited. He was inducted on March 1, 2019 as the CFO. He served as the Global Chief Financial Officer of Bharti Airtel Ltd. and was responsible for the finance function across India and Africa. He has held various leadership positions for the last 13 years in Bharti Airtel, prior to which he worked with Unilever for 15 years in their global operations across India, Europe, and the US. As an established finance leader, Mr. Roy has extensive and rich global experience including shareholder value creation, corporate governance, business partnering, mergers and acquisitions, treasury and funding, investor relations, cost management, financial operations, taxation, financial accounting, and reporting. Mr. Roy holds a Bachelor of Commerce (Hons.) degree from Delhi University and is a Chartered Accountant.

Ravi Kumar S. is a President and the Deputy Chief Operating Officer at Infosys. In this role, he leads the Infosys global delivery model across all global industry segments. In addition, Mr. Kumar leads the U.S. talent model for Infosys to drive the creation of new Innovation and Technology Hubs by collaborating with clients, local state governments and academic ecosystems. He oversees Infosys Business Process Management (BPM) and is the Chairman of the Board of Infosys BPM Ltd. He also oversees operations for Infosys Public Services, and the Infosys arms in Latin America, Japan and China. He is the Chairman of the Board of Infosys China, Fluido Oy, HIPUS Co., Ltd, and WongDoody Holding Company Inc. and is also on the Board of Infosys Public Services, Infosys Consulting and Brilliant Basics Limited. He is the Chairman of Infosys Foundation, USA. Mr. Kumar's

responsibilities include managing the alliances organization and the partner ecosystems at Infosys. He has over 20 years of experience in the consulting space, incubating new practice lines, driving large transformational programs, and evangelizing new business models across industry segments. He has played diverse roles across organizations within the CRM space for Oracle Corporation, building a next-generation CRM practice at Cambridge Technology Partners. He has also worked on process and technology transformation for the unbundling of Indian State Electricity Boards at PricewaterhouseCoopers. Mr. Kumar started his career as a nuclear scientist at the Bhabha Atomic Research Center. He is a part of several steering committee boards of large transformational initiatives for global clients. He is a member of the Young Presidents Organization (YPO) Manhattan Chapter; NASSCOM IT Services Council and many other industry forums. Mr. Kumar has a Master's degree in Business Administration from Xavier Institute of Management, Bhubaneswar, India.

Mohit Joshi is a President of the Company. He is Head of Financial Services & Insurance, Healthcare and Life Sciences at Infosys and is also responsible for firm-wide sales operations and reporting processes, including large deal pursuits and top account growth. Mr. Joshi was appointed as Non-Executive Director of EdgeVerve Systems in January 2019 and as Chairman of the Board in April 2019. He is on the Board of Infosys Americas and Infosys Sweden. Mr. Joshi has over 20 years of professional experience working across the US, India, Mexico, and Europe. Mr. Joshi was also selected as a Young Global Leader (YGL) by the World Economic Forum, Davos in 2014. He joined Infosys in 2000 and has since worked in different capacities. In his previous role, he was responsible for leading the Financial Services practice in Europe. In 2007, Mr. Joshi was appointed CEO of Infosys Mexico and was instrumental in setting up the first subsidiary in Latin America. He has previously worked in India with ABN AMRO and ANZ Grindlays in their corporate and investment banks. Mr. Joshi holds a Master of Business Administration degree from the Faculty of Management Studies, Delhi University and a Bachelor's degree in History from St. Stephen's College, Delhi.

Krishnamurthy Shankar is the Group Head of Human Resources and Infosys Leadership Institute. In this role, he is responsible for envisioning the roadmap for HR and driving the talent and organization strategy. Mr. Shankar leads multiple teams across various HR functions with the goal of providing employees with the best experience, both in terms of their career development and the work environment. He is also focused on developing our leadership pipeline for the future. He has over 30 years of experience and has led HR functions in organizations like Bharti Airtel, Philips, Hindustan Unilever and Unilever. In his wide ranging experience in these organizations, he has facilitated organization-wide transformation and capability development, along with leading the transformation of HR into a strategic partner. Mr. Shankar holds a postgraduate diploma in HR from XLRI, Jamshedpur, and has received an executive certificate in Strategy and Organization from the Stanford Graduate School of Business.

Inderpreet Sawhney is the Group General Counsel & the Chief Compliance Officer of Infosys. In this role she is responsible for overseeing the legal matters of the organization globally and execution of various compliance and ethics programs in the Company. She leads a team of more than 100 professionals in the legal and compliance function of the Company. She is a strategic business partner supporting the business with respect to the overall legal and regulatory regime. Ms. Sawhney also serves as a member of the Board of Directors of EdgeVerve, Infosys Americas Inc. and Infosys Business Process Management Ltd. Ms. Sawhney is a seasoned international professional with over 25 years of experience, including as a General Counsel of a large IT Service company, and as Managing Partner of a mid-sized law firm in Silicon Valley where her mandate included counsel on complex international transactions. She also serves on the National Advisory Council of SABANA (South Asian Bar Association of North America). Her past leadership positions include President SABANA, Board Member of Pratham Bay Area, Foundation for Excellence and Indus Women Leaders. In recognition for her work, Inderpreet has been awarded the 2018 Transformative Leaders Award from the GLL, 2010 Outstanding Mentorship Award – SABA Northern California, 2010 NASABA (North American South Asian Bar Association) Cornerstone Award, and the 2013 NASABA Corporate Counsel Achievement Award and the 2006 Minority Bar Coalition Award. Ms. Sawhney holds a Bachelor's Degree in Arts Honors and a Bachelor of Law Degree from the Delhi University and an LL.M from Queen's University, Kingston, Canada.

COMPENSATION

In order to adapt to the changing business context and the highly competitive environment that we operate in, our Executive Compensation philosophy has evolved to reward long term sustainable performance. Our Executive Compensation Policy is based on a total rewards structure where a significant portion of the rewards is in the form of stock incentives. The Overview of Executive Leadership Compensation is filed as an exhibit to this Annual Report on Form 20-F.

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to the directors and senior management. All Board-level compensation is based on the approval obtained from shareholders and is disclosed separately in the financial statements. The remuneration of executive directors consists of a fixed component and a variable component, including stock incentives, which is subject to achievement of certain periodic milestones by the Company as determined by the Board.

The Nomination and Remuneration Committee makes a periodic appraisal of the performance of the executive directors based on a detailed performance matrix. The annual compensation of the executive directors is approved by the Committee and placed before the shareholders at the shareholders' meeting / postal ballot

The executive directors of the Company are entitled to an annual/half yearly variable pay including stock incentives, which is subject to the achievement of certain periodic milestones by the Company, as determined by the Board. The Board reserves the authority to set such milestones on a GAAP or non-GAAP basis.

The compensation payable to the independent directors is limited to a fixed amount per year as determined and approved by the Board, the sum of which does not exceed 1% of our net profits for the year, calculated as per the provisions of the Companies Act, 2013. The Board reviews the performance of independent directors on an annual basis.

In fiscal 2019, we paid independent directors an aggregate of $992,432. Independent directors are also reimbursed for certain expenses in connection with their attendance at Board and committee meetings. Executive directors do not receive any additional compensation for their service on the Board apart from remuneration approved by shareholders.

We operate in numerous countries and compensation for our officers and employees may vary significantly from country to country. As a general matter, we seek to pay competitive salaries in all the countries in which we operate.

(A) The table below describes the compensation for our Non- Executive and Independent Directors, for fiscal 2019.

Name	Commission ($)
Non-Executive, Non Independent Director:	
Nandan M. Nilekani[(1)]	—
Non-Executive, Independent Directors:	
Kiran Mazumdar-Shaw[(2)]	150,000
Ravi Venkatesan[(3)]	20,164
Roopa Kudva	148,630
Dr. Punita Kumar-Sinha	217,000
D. N. Prahlad[(4)]	197,624
D. Sundaram	150,000
Michael Gibbs[(5)]	109,014

(1) *Nandan Nilekani voluntarily chose not to receive any remuneration for his services rendered to the Company.*
(2) *Appointed as Lead Independent Director effective April 13, 2018*
(3) *Resigned as Independent Director effective May 11, 2018.*
(4) *Includes remuneration of US $ 58,994 received for services as director to Infosys BPM Ltd. and EdgeVerve Systems Ltd, subsidiaries of Infosys Ltd.*
(5) *Appointed as an Independent director effective July 13, 2018*.

(B) The table below describes the compensation for our executive directors and other executive officers, for fiscal 2019.

Name	Salary ($)	Bonus & incentive ($)	Amount accrued for long term benefits ($)	Value of RSUs granted ($)	Number of RSUs granted
Salil Parekh [1]	812,746	1,566,294	54,191	2,405,579 [2]	260,130 [2]
U. B. Pravin Rao	603,502	545,284	27,386	601,892 [3]	68,250 [3]
Nilanjan Roy [4]	28,562	256,340	2,204	— [4]	— [4]
Ravi Kumar S	656,250	485,543	30,985	1,233,750 [5]	141,500 [5]
Mohit Joshi	704,306	519,097	246,366	1,165,193 [5]	133,650 [5]
Krishnamurthy Shankar	293,688	296,508	22,971	215,167 [5]	24,400 [5]
Inderpreet Sawhney	576,862	343,973	26,161	380,000 [5]	43,600 [5]
Jayesh Sanghrajka[6]	50,538	39,562	4,217	220,048 [5]	24,950 [5]
M. D. Ranganath [7]	437,885	271,021	115,863	—	—

The performance bonuses include accruals for the second half of the year. The actuals could differ based on the completion of performance evaluation and differences are adjusted at the time of payouts

(1) *Appointed as Chief Executive Officer and Managing Director effective January 2, 2018*

(2) *a) On the recommendation of the Nomination and Remuneration Committee, in accordance with the terms of his employment agreement, under the 2015 Plan, the Board granted 2,17,200 (adjusted for the September 2018 bonus issue), performance-based RSUs with an effective date of May 2, 2018. The grants would vest upon the successful completion of three full fiscal years with the Company and will be determined based on the achievement of certain performance targets of the said three-year period.*

b) On the recommendation of the Nomination and Remuneration Committee, in accordance with the terms of his employment agreement, under the 2015 Plan, the Board approved the grant of annual time-based RSUs for fiscal 2019 of 42,930 RSUs. The grants were made effective February 1, 2019. The RSUs would vest over a period of three years and the exercise price of RSUs will be equal to the par value of the shares.

c) The Board, on April 12, 2019, based on the recommendations of the Nomination and Remuneration Committee, approved the performance-based grant of RSUs amounting to ₹13 crore (approximately $2 million) for the financial year 2020 under the 2015 Plan. These RSUs will vest in line with the current employment agreement. Accordingly, 177,887 performance based RSU's were granted effective May 2, 2019.

(3) *On the recommendations of the Nomination and Remuneration Committee, in accordance with the terms of his employment agreement, under the 2015 Plan, the Board approved grant of 68,250 RSUs to U.B. Pravin Rao, based on his performance in fiscal 2018. The grants were made effective February 1, 2019. These RSUs would vest over a period of four years and the exercise price of RSUs will be equal to the par value of the shares.*

(4) *a) Appointed as Chief Financial Officer effective March 1, 2019*

b) The Board, on April 12, 2019, under the 2015 Plan, based on the recommendations of the Nomination and Remuneration Committee, approved the grant of annual time based RSUs of fair value ₹1.75 crore (approximately $0.25 million), in accordance with his employment agreement. These RSUs will vest equally over a period of four years from the date of grant. The Committee also approved an annual performance-based RSUs of fair value ₹0.75 crore (approximately $0.11 million) which will vest equally over a period of three years subject to achievement of performance targets in accordance with his employment agreement. Accordingly, 23,946 time-based RSU's and 10,263 performance based RSU's have been granted effective May 2, 2019.

(5) *The Nomination and Remuneration Committee recommended granting of RSUs under the 2015 Plan to the executive officers for fiscal 2019. The grants have been made with an effective date of February 1, 2019. These RSUs would generally vest over a period of four years.*

(6) *Appointed as the Interim Chief Financial Officer effective November 17, 2018. He resumed his responsibilities as Deputy Chief Financial Officer effective March 1, 2019; hence remuneration for fiscal 2019 is from November 17, 2018 to February 28, 2019*

(7) *Resigned as Chief Financial Officer effective November 16, 2018. Consequently, the unvested outstanding RSUs and ESOPs have been forfeited.*

All the above grants were made in accordance with the 2015 Plan. The exercise price for the RSU's will be equal to the par value of the shares. Refer to Note 2.16 of Item 18 of this Annual Report for further details.

All compensation to directors and officers disclosed in the table above that was paid in various currencies have been converted, for the purposes of the presentation in such table, at average exchange rates.

Under the Listing Regulations, no employee of a listed company including key managerial personnel or promoter may enter into an agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of such listed company, unless the same has been approved by the Board of Directors as well as a majority of the public shareholders of the listed company by way of an ordinary resolution. In such general meeting, those persons who are affected by such resolutions are to abstain from voting in such general meeting. There are no such arrangements in Infosys as on the date of this Annual Report on Form 20-F.

Equity Grants

The following is the summary of grants made to KMP during fiscal 2019, 2018 and 2017 under the 2015 Plan:

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
RSU and ESOP			
Salil Parekh, CEO and MD*	260,130	226,048	—
U.B. Pravin Rao, COO and WTD*	68,250	140,500	—
Dr.Vishal Sikka[(1)]	—	1,201,498	241,400
Other KMP[(2)]	368,100	631,100	1,497,600
Total grants to KMP	**696,480**	**2,199,146**	**1,739,000**

Information in the above table is adjusted for September 2018 bonus issue wherever applicable.

(1) *Upon Dr. Vishal Sikka's resignation from the roles of the company, the unvested RSUs and ESOPs have been forfeited.*

(2) *Refer to the section 'Board and Management changes' for details on resignation of certain KMPs*

** Refer to note 2.16 Employees' Stock Option Plans under Item 18 of this Annual report on Form 20F for details of stock incentives granted to Salil Parekh and U.B. Pravin under the 2015 plan*

The RSUs, ESOPs and incentive units granted under the 2015 plan shall vest within a period of 4 years and shall be exercisable within the period as approved by the Committee.

Option Exercises and holdings

The following table gives details of exercises of RSUs and ESOPs by KMP for fiscal 2019

Name of KMP	Number of RSU exercised	Number of ESOP exercised
Salil Parekh	103,604	—
U. B. Pravin Rao [(1)]	6,812	—
Ravi Kumar S.	59,600	56,376
Mohit Joshi	59,600	—
Inderpreet Sawhney [(1)]	28,082	—
Krishnamurthy Shankar	12,226	—
Jayesh Sanghrajka [(2)]	4,376	—
M. D. Ranganath [(3)]	15,326	32,000

(1) *Not adjusted for September 2018 bonus issue.*

(2) *Appointed as the Interim Chief Financial Officer effective November 17, 2018. He resumed his responsibilities as Deputy Chief Financial Officer effective March 1, 2019; hence exercises between November 17, 2018 to February 28, 2019 is given in the table above*

(3) *M.D. Ranganath has resigned as Chief Financial Officer effective November 16, 2018*.

The following table gives details of exercises of RSUs and ESOPs by KMP for fiscal 2018

Name of KMP	Number of RSU exercised	Number of ESOP exercised
Dr. Vishal Sikha	70,772	—
Krishnamurthy Shankar	3,012	—
M. D. Ranganath[(1)]	7,662	—
Ravi Kumar S.	13,087	28,187
Rajesh K Murthy	11,250	24,225
Mohit Joshi	13,087	—

The details in the table above are not adjusted for September 2018 bonus issue.

(1) *M.D. Ranganath has resigned as Chief Financial Officer effective November 16, 2018.*

During fiscal 2017, Dr. Vishal Sikka exercised 34,062 RSUs (not adjusted for September 2018 bonus issue) granted to him under the 2015 stock incentive plan. None of the KMPs except Dr. Vishal Sikka exercised any options during fiscal 2017.

The following table gives details of outstanding RSUs and ESOPs held by KMPs as at March 31, 2019:

Name of KMP	As at March 31, 2019	
	RSU	ESOP
Salil Parekh	382,574	—
U. B. Pravin Rao	109,126	86,000
Ravi Kumar S	294,126	112,750
Mohit Joshi	286,276	225,500
Inderpreet Sawhney	103,736	88,900
Krishnamurthy Shankar	55,050	38,000
Total	**1,230,888**	**551,150**

Information the table above is adjusted for September, 2018 bonus issue wherever applicable.

Term of Office

The Indian Companies Act, 2013 excludes independent directors from retiring by rotation. Independent Directors shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company. Accordingly, Nandan M. Nilekani, Non-Executive, Non-Independent Director retires by rotation at the ensuing Annual General Meeting of the Company to be held on June 22, 2019 pursuant to director liable to retire by rotation as per Indian Companies Act, 2013. The term of office of each of the directors as on March 31, 2019 is given below:

Name	Date when Current Term of Office Began [1]	Expiration / Renewal Date of Current Term of Office [2]	Whether Term of Office is subject to retirement by rotation
Nandan M. Nilekani	August 24, 2017	—	Yes
Salil Parekh	January 2, 2018	January 1, 2023	Yes
U. B. Pravin Rao	January 10, 2014	December 11, 2021	Yes
Kiran Mazumdar-Shaw[3]	April 1, 2019	March 22, 2023	—
Roopa Kudva	February 4, 2015	February 3, 2020	—
Dr. Punita Kumar-Sinha	January 14, 2016	January 13, 2021	—
D.N. Prahlad	October 14, 2016	October 13, 2021	—
D. Sundaram	July 14, 2017	July 13, 2022	—
Michael Gibbs[4]	July 13, 2018	July 12, 2021	—

[1] *For executive directors, this date is the date such director was appointed as an executive director. For non-executive directors, this date is the date such director was appointed / re-appointed as a director not liable to retire by rotation.*

[2] *For executive directors, this date is the date when such director's current term of appointment as an executive director expires.*

[3] *Re-appointed as Independent Director and member of Board for second consecutive term effective April 1, 2019. Re-appointment approved by shareholders through Postal ballot concluded on March 12, 2019.*

[4] *Appointed as an Independent director and member of the Board effective July 13, 2018. Appointment approved by shareholders through Postal Ballot concluded on August 22, 2018.*

Employment and Indemnification agreements

Under the Indian Companies Act, our shareholders must approve the salary, bonus and benefits of all executive directors. We have entered into agreements with our executive directors, Salil Parekh, Chief Executive Officer and Managing Director and U.B. Pravin Rao, Chief Operating Officer and Whole-time Director. Refer to the section titled 'Material Contracts' in Item 10 of this Annual Report for the details of their contracts.

We have also entered into agreements to indemnify our directors and officers for claims brought against them to the fullest extent permitted under applicable law. These agreements, among other things, indemnify our directors and officers for certain expenses, judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of Infosys Limited, arising out of such persons' services as our director or officer, expenses in relation to public relation consultation if required.

Indemnification agreements for directors and officers were filed previously as an exhibit to the Annual Report on Form 20F. Other than the appointment and indemnification agreements referred to in this paragraph, we have not entered into any agreements with non-executive directors.

Board Leadership Structure

The Board upon recommendation of the Nomination and Remuneration Committee unanimously appointed Nandan M. Nilekani as Non-Executive, Non-Independent Chairman of the Board ('the Chairman') with effect from August 24, 2017, and Salil Parekh as the Chief Executive Officer and Managing Director (CEO and MD) with effect from January 2, 2018. The Board also appointed Kiran Mazumdar-Shaw, Chairperson of the Nomination and Remuneration Committee, as the Lead Independent Director of the Board with effect from April 13, 2018. Kiran

Mazumdar-Shaw was re-appointed as Independent Director and member of Board for a second consecutive term effective April 1, 2019. The re-appointment was approved by shareholders through Postal Ballot concluded on March 12, 2019.

The responsibilities and authority of these officials are as follows:

The Chairman leads the Board. As Chairman, he is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairman is primarily responsible for ensuring that the Board provides effective governance to the Company. In doing so, the Chairman will preside over meetings of the Board and of the shareholders of the Company.

The Chairman will take a lead role in managing the Board and facilitate effective communication among directors. He is responsible for matters pertaining to governance, including the organization, composition and effectiveness of the Board and its Committees, and individual directors in fulfilling their responsibilities. The Chairman will provide independent leadership to the Board, identify guidelines for the conduct and performance of directors, and oversee the management of the Board's administrative activities, such as meetings, schedules, agendas, communication and documentation. The Chairman is also responsible for the overall strategy of the Company.

The Chairman will actively work with the Nomination and Remuneration Committee to plan the composition of the Board and Board Committees, induct directors to the Board, plan for director succession, participate effectively in the Board evaluation process and meet with individual directors to provide constructive feedback and advice.

The CEO and MD is responsible for executing corporate strategy in consultation with the Board, brand equity, planning, external contacts and all matters related to the management of the Company. He is also responsible for achieving annual and long-term business targets maintaining awareness of both the external and the internal competitive landscape, opportunities for expansion, customers, markets, new industry developments and standards, and acquisitions for enhancing shareholder value and implementing the organization's vision, mission, and overall direction.

The CEO and MD acts as a link between the Board and the management and is also responsible for leading and evaluating the work of other executive leaders including the Chief Operating Officer (COO), Chief Financial Officer (CFO), Presidents and Executive Vice Presidents as per the organizational structure.

The role of the lead independent director is to provide leadership to the independent directors, liaise on behalf of the independent directors and ensure Board effectiveness to maintain high-quality governance of the organization and the effective functioning of the Board.

Board's Role in Risk Oversight

Our Board is responsible for overall oversight of risk management. The Risk Management Committee, comprising of independent directors, assists the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Risk Management Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company. It is also responsible for reviewing and approving risk disclosure statements in public documents or disclosures.

As part of exercising its risk oversight, the Board receives periodic presentations from Company officials with respect to cybersecurity and other information security matters, and both the Audit and Risk Committees of the Board receive regular updates from Company's management regarding cybersecurity matters. The Company's cyber security policy and risk management framework is presented annually to both the Audit and Risk Committees of the Board. The Company's management meet on a periodic basis to discuss cybersecurity and other information security matters relevant to the Company and to oversee the Company's adherence to its information security program.

Board and Management Changes

Kiran Mazumdar-Shaw was reappointed as an Independent Director for a second consecutive term effective April 1, 2019 for a term of 5 years ending March 22, 2023 and the same was approved by shareholders through Postal Ballot on March 12, 2019.

Michael Gibbs was appointed as an Independent Director of the Board effective July 13, 2018, and his appointment was confirmed by shareholders through a postal ballot concluded on August 22, 2018.

Nilanjan Roy was appointed as Chief Financial Officer and as executive officer effective March 1, 2019.

Ravi Venkatesan, Independent Director, resigned as member of the Board effective May 11, 2018.

M.D Ranganath, resigned as Chief Financial Officer and executive officer effective November 16, 2018.

The Board, upon the resignation of M.D Ranganath, appointed Jayesh Sanghrajka, who was the Deputy Chief Financial Officer as Interim Chief Financial Officer at its meeting held on November 15, 2018. He was re-designated as the Deputy Chief Financial Officer effective March 1, 2019.

Board Committee Information

Currently, the Board has five Committees: The Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility (CSR) Committee. The charters governing these Committees and corporate governance guidelines are posted on our website at https://www.infosys.com/investors/corporate-governance/Pages/policies.aspx. All Committees except the CSR Committee consist entirely of independent directors.

The Board in order to execute the buyback procedures had on January 11, 2019 formed Buyback Committee comprising CEO, CFO, Deputy CFO, Group General Counsel and Company Secretary as members of the Committee. During the year, the Committee executed buyback procedures as required under SEBI (Buy-Back of Securities) Regulations, 2018.

The Board, in consultation with the Nomination and Remuneration Committee, is responsible for assigning and fixing terms of service for Committee members. It delegates these powers to the Nomination and Remuneration Committee.

The Non-Executive and Non-Independent Chairman of the Board, in consultation with the Company Secretary and the Committee Chairperson, determines the frequency and duration of the Committee meetings. Normally, all the Committees meet four times a year. Recommendations of the Committees are submitted to the Board for approval. During the year, all the recommendations of the Committees were approved by the Board. The quorum for meetings is higher of two members or one-third of the members of the Committee.

Board member evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board Committees, and executive / non-executive / independent directors through a peer evaluation, excluding the director being evaluated.

To improve the effectiveness of the Board and its Committees, as well as that of each individual Director, a formal and rigorous Board review is internally undertaken on an annual basis.

The Board had engaged an external agency to conduct Board evaluation for fiscal 2019. The evaluation process focused on Board dynamics and softer aspects. The process involved independent discussions with all Board Members. The Board evaluation was completed for fiscal 2019.

Succession Planning

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavor to introduce new perspectives while maintaining experience and continuity.

By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met.

As on March 31, 2019, our Board includes nine directors with broad and diverse skills and viewpoints to aid the Company in advancing its strategy. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

Details relating to the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee as on March 31, 2019, are provided below.

Audit Committee

The Audit Committee comprised three independent directors each of whom was determined by the Board to be an independent director under applicable NYSE rules and Rule 10A-3 under the Exchange Act as of March 31, 2019. They were:

- D. Sundaram, *Chairperson and Financial Expert*
- Roopa Kudva
- Dr. Punita Kumar-Sinha

Ravi Venkatesan ceased to be a member of the Committee effective May 11, 2018.

The Company Secretary acts as the secretary to the Audit Committee.

The primary objective of Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors. The Committee also notes the processes and safeguards employed by each one of them. The Audit Committee is responsible for recommending selection evaluation and, where appropriate, replacing the independent auditors in accordance with the law. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditors.

The Board dissolved the Finance and Investment Committee and deliberated that the roles and responsibilities of the Finance and Investment Committee will be overseen by the Audit Committee, effective April 13, 2018. Accordingly, the Committee reviewed, approved and recommended investments, divestments and acquisitions made during the year to the Board.

The Committee approved and the Board adopted the revised Insider Trading Policy, Corporate Policy on Investor Relations, and the Whistleblower Policy effective April 1, 2019. The policies are available on our website: https://www.infosys.com/investors/corporate-governance/Pages/policies.aspx s

In India, we are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). We are also listed on the NYSE in the US. In India, Regulation 18 of the Listing Regulations and in the US, the Blue Ribbon Committee set up by the U.S. Securities and Exchange Commission (SEC) mandate that listed companies adopt an appropriate Audit Committee charter.

The Audit Committee held twelve meetings in person during fiscal 2019.

The Audit Committee charter containing exhaustive terms of reference was amended on April 12, 2019 which is available on our website at: https://www.infosys.com/investors/corporate-governance/Documents/audit-committee-charter.pdf

See Item 18 for the report of the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of three independent directors each of whom was determined by the Board to be an independent director under applicable NYSE rules as of March 31, 2019. They were:

- Kiran Mazumdar-Shaw, *Chairperson*
- D. N. Prahlad
- D. Sundaram

Ravi Venkatesan ceased to be a member of the Committee effective May 11, 2018.

The purpose of the Nomination and Remuneration Committee is to screen and review individuals qualified to serve as Executive Directors, Non-Executive Directors, Key managerial personnel and Independent Directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the annual meeting of shareholders. It also designs, benchmarks and continuously reviews the compensation program for the Board and the CEO and MD against the achievement of measurable performance goals. The Committee also reviews and approves senior management compensation to ensure it is competitive in the global markets in which we operate to attract and retain the best talent.

The Committee makes recommendations to the Board on candidates for (i) nomination for election or re-election by the shareholders; and (ii) any Board vacancies that are to be filled. It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board. The Committee annually reviews and approves for the CEO and MD, the executive directors and executive officers: (a) the annual base salary; (b) the annual incentive bonus, including the specific performance based goals and amount; (c) equity compensation; (d) employment agreements, severance arrangements, and change in control agreements / provisions; and (e) any other benefits, compensation or arrangements. It reviews and discusses all matters pertaining to candidates and evaluates the candidates. The Committee coordinates and oversees the annual self-evaluation of the Board and of individual directors. It also reviews the performance of all the executive directors on a periodic basis or such intervals as may be necessary on the basis of the detailed performance parameters set for each executive director at the beginning of the year. The Committee may also regularly evaluate the usefulness of such performance parameters, and make necessary amendments.

The Nomination and Remuneration Committee held seven meetings in person during fiscal 2019.

The Board amended the charter of the Nomination and Remuneration Committee on April 1, 2019 which is available on our website at: https://www.infosys.com/investors/corporate-governance/Documents/nomination-remuneration-committee-charter.pdf

Risk Management Committee

The Risk Management Committee comprised four independent directors each of whom was determined by the Board to be an independent director under applicable NYSE rules, as of March 31, 2019. They were:

- D. N. Prahlad, *Chairperson*
- D. Sundaram
- Kiran Mazumdar-Shaw
- Michael Gibbs

Ravi Venkatesan ceased to be a member of the Committee effective May 11, 2018.

Michael Gibbs was appointed as a member of the Committee effective July 13, 2018.

The purpose of the Risk Management Committee is to assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Risk Management Committee has overall responsibility for monitoring and approving our risk policies and associated practices. The Risk Management Committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

The Risk Management Committee held five meetings in person during fiscal 2019.

During the year, the Board changed the name of the Committee from Risk and Strategy Committee to Risk Management Committee and revised the Committee's charter effective April 1, 2019, to include cyber security as a function of the Committee and monitoring of enterprise risk management framework by the Committee. The Committee charter is available on our website at: https://www.infosys.com/investors/corporate-governance/Documents/risk-management-committee-charter.pdf

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprised three independent directors, each of whom was determined by the Board to be an independent director under applicable NYSE rules as of March 31, 2019. They were:

- Roopa Kudva, *Chairperson*
- D. N. Prahlad
- Dr. Punita Kumar-Sinha

Roopa Kudva was appointed as Chairperson of the Committee effective May 21, 2018.

Ravi Venkatesan ceased to be a Chairperson and member of the Committee effective May 11, 2018.

D.N. Prahlad was appointed as a member of the Committee effective May 21, 2018.

The Stakeholders Relationship Committee has a mandate to review and redress stakeholder grievances.

The Stakeholders Relationship Committee held four meetings in person during fiscal 2019.

The Board amended the charter of the Stakeholders Relationship Committee on April 1, 2019 which is available on our website at: https://www.infosys.com/investors/corporate-governance/Documents/stakeholders-relationship-committee.pdf

Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee comprised three independent directors and an executive director as members as of March 31, 2019. They are:

- Kiran Mazumdar-Shaw, *Chairperson*
- Dr. Punita Kumar-Sinha
- Roopa Kudva
- U. B. Pravin Rao

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

The CSR Committee is also responsible for overseeing the activities / functioning of the Infosys Foundation and Infosys Foundation, USA in identifying the areas of CSR activities, programs and execution of initiatives as per pre-defined guidelines. The Foundations, in turn, guide the CSR Committee in reporting the progress of deployed initiatives, and making appropriate disclosures on a periodic basis.

The CSR Committee held four meetings in person during fiscal 2019.

The CSR Committee has adopted a charter. The charter has been filed previously as an exhibit to the Annual Report on Form 20-F.

EMPLOYEES

As of March 31, 2019, we had 228,123 employees, of which 214,727 were professionals, involved in service delivery to clients. As of March 31, 2018, we had 204,107 employees, of which 192,179 were software professionals. As of March 31, 2017, we had 200,364 employees, of which 188,665 were software professionals.

As of March 31, 2019, we had 173,005 employees in India, 27,713 employees in the Americas, 14,175 employees in Europe and 13,230 employees in the Rest of the World.

Some of our employees in jurisdictions like Europe are covered by collective bargaining agreements that have been adopted at a government level, across the information technology sector or otherwise. We believe that our management maintains good relations with our employees, including those employees covered under collective bargaining agreements.

At Infosys we focus on the workplace of tomorrow that promotes collaborative, transparent, participative organization culture, innovation and rewards individual contribution. The focus of human resources management at Infosys is to ensure that we enable each and every Infoscion to navigate the next, not just for clients, but also for themselves. We have reimagined our employee value proposition (EVP), to make it more meaningful - MOVE FORWARD. TAKE THE WORLD WITH YOU. The three key strategic pillars under this are:

- ✓ Inspiring you to build what's next
- ✓ Making sure your career never stands still
- ✓ Navigating further, together

Here are some of the initiatives we have pioneered this year:

- ***Be the Navigator:*** An empowerment program to encourage purposeful innovation for clients. Impetus and incentives are provided in the form of hackathons, makeathons, ideathons and knowledge-sharing sessions. The initiative has been taken up in the US, Australia and UK as well. We already have a repository of 2000+ stories of incremental innovation.

- ***Awards for Excellence 2018-19:*** Awards for Excellence remains to be our largest rewards and recognition platform for employees. We received the highest number of nominations across geographies, covering over 20 categories.
- ***Petit Infoscion Day:*** An eagerly awaited family-day event for employees completes 25 exciting years. Children are engaged through fun and educational activities and their academic and co-curricular achievements rewarded.
- ***HALE:*** The Health Assessment & Lifestyle Enrichment is celebrating 15 years of building and sustaining a healthy and productive workforce by promoting health and well-being, ensuring safety, encouraging work life balance.
- ***Manager Enablement:*** Empowering managers through analytics-based, customizable learning tools such as MaQ, and initiatives such as MPACT, MSPEED and Pravesh, that focus on continuous learning, reskilling and refactoring of talent. Significant rewards await the top managers who ace the challenges.
- ***Digital Transformation:*** Key initiative in HR for creating an agile, connected and empowered workforce. InfyMe, a mobile app helps employees with first-hand information and access to systems & processes anytime, anywhere.
- ***Onboarding Experience:*** Launchpad app has simplified the joining of our new hires in the US and in India, ensuring easy connect, less paperwork, and seamless integration into the organization.
- ***Skill tags and Bridge program:*** To help our employees reskill, we introduced Skill Tags, aligned to our digital and niche service offerings which offer employees a new-age skill identity. The Bridge Program enables employees to steer their career into new areas of work like Domain and Techno-Functional Consulting, Specialist Programming, Technical Architect and Design roles.
- ***Expanding our overseas workforce:*** With a constant focus on localization, we have increased our emphasis on rewards and recognitions to keep the local talent pool motivated in our key market like the US. In UK and the rest of Europe, we have partnered with local universities, supported large people transition and integration programs, and for the first time, made it to the list of Forbes' Best Employers for New Graduates List. Infosys China celebrated 15 years and Impressions - New Joinee Assimilation Program was reinstated. In Australia, we have been hiring local talent and absorbing them into key accounts.
- ***Stock Incentive Rewards program:*** Focus on differentiated Rewards for high performers via Restricted Stock Units in the form of Indian shares or ADRs across levels. We also have points-based incentives for learning new skills, enhanced maternity benefits in the US, new retail insurance plans in India, and various compensation programs across geographies to attract and retain the best talent.
- ***Our professionals receive competitive salaries and benefits***. Our variable compensation program links compensation to Company and individual performance. In order to attract, retain and motivate talented and critical employees and to encourage employees to align individual performance with Company objectives and reward employee performance with ownership, the Company granted share based benefits to high performing executives and senior-level managers.

Recruiting

We focus our recruitment on the top talent from engineering departments of Indian schools and rely on a rigorous selection process involving a series of written tests and interviews to identify the best applicants. We also recruit students from campuses in the United States, the United Kingdom, Australia and China. Our reputation as a premier employer enables us to select from a large pool of qualified applicants.

For example, during fiscal 2019, we received 2,333,420 employment applications, interviewed 180,255 applicants and extended offers of employment to 94,324 applicants. These statistics do not include our subsidiaries. We added 24,016 new employees, net of attrition during fiscal 2019.

Education, Training and Assessment

Infosys believes in lifelong learning for its employees, and competency development continues to be a key area of strategic focus for us. Our Education, Training and Assessment (ETA) department is at the forefront of creating a culture of learning in the organization. We took a mobile first approach to make learning content available to our employees through Lex, a highly scalable and modular learning platform that allows our employees to access learning content from anywhere, from any device, at any time, and learn at a time convenient for them. Employees can download the content and read it later when they are offline, take assessments on the go in a video proctored environment and get certified as well using Lex. The same Lex platform is being made available to our customers as Wingspan.

Our recommendation engine in Lex suggests appropriate learning paths based on the adjacency skills they possess currently, and helps our employees learn new technologies and keep abreast with the industry trends. This helps us bring our re-skilling programs in line with our growth projections and address our employees' aspirations. We now have about 700 courses on Lex, in addition to the 1500+ courses available in instructor-led training mode. We created 100+ guided learning paths and made them available to our employees through Lex. In addition, managers can create their own learning paths and learning goals and share them with their teams.

We are working with various academic institutions to reskill our employees. We have collaborations with the Rhode Island School of Design to train our employees on design skills, with Purdue University on cyber security, with Trinity College, Hartford on business analysis skills, with Cornell University on program management, and with the University of North Carolina for data analytics.

We launched a platform called InfyTQ, with several courses on technical and professional skills, aimed at improving the understanding of fundamental building blocks of technology. This platform, which offers a hands-on learning space, is open to all engineering students across India, to help them become industry-ready

Campus Connect, our industry-academia partnership program, made progress with the launch of electives to help engineering colleges run new programs within their curricula. In fiscal 2019, we engaged with 564 faculty members who in turn trained 52,051 students. With this, the total number of beneficiaries covered has reached 15,783 faculty members and 5,08,375 students from 274 engineering institutions.

Leadership development

Deepening our focus on enabling leaders on their personalized development journey, Infosys Leadership Institute (ILI) offered a variety of leadership development experiences in fiscal 2019. We continued to work closely with business leaders and HR leaders to gain deep insights into the development focus areas and learning themes across the organization. Based on these insights, we offered executive level skill building programs such as Executive Presence, Boardroom Excellence, Powerful Communication, and sales enablement programs such as Human Side of the Deal, Consultative Selling and Deal Coaching. These programs were facilitated in partnership with best-in-class global leadership development organizations across locations, including the US, UK, Australia and India.

We also continued our partnership with Stanford Graduate School of Business and had one cohort of 64 leaders graduating this year. The cohort also participated in strategic enterprise wide projects, along with executive coaching as part of their development. We also completed Leadership Talent Reviews across our business to identify leadership capability and successor readiness. In support of the organizational objectives on Diversity and Inclusion, ILI also enhanced its focus on women leaders by designing and offering exclusive programs for them. Overall, we had 1,352 participants across leadership levels leverage the various development interventions through the year.

Visas

As of March 31, 2019, the majority of our professionals in the United States held either H-1B visas, which allow the employee to remain in the United States for up to six years during the term of the work permit and work as long as he or she remains an employee of the sponsoring firm, or L-1 visas, which allow the employee to stay in the United States only temporarily. If employees are on L-1A visas, they can typically stay in the United States temporarily for a maximum duration of 7 years and if they are on L-1B visas they can stay in the United States temporarily for a maximum duration of 5 years.

SHARE OWNERSHIP

The following table sets forth as of June 7, 2019, for each director and executive officer, the total number of equity shares, ADSs and options to purchase equity shares and ADSs exercisable within 60 days from June 7, 2019. Beneficial ownership is determined in accordance with rules of the Securities and Exchange Commission. All information with respect to the beneficial ownership of any principal shareholder has been furnished by such shareholder and, unless otherwise indicated below, we believe that persons named in the table have sole voting and sole investment power with respect to all the shares shown as beneficially owned, subject to community property laws, where applicable. The shares beneficially owned by the directors and executive officers include the equity shares owned by their family members to which such directors disclaim beneficial ownership.

The share numbers and percentages listed below are based on 4,309,229,444 equity shares outstanding as of June 7, 2019. Percentage of shareholders representing less than 1% are indicated with an '*'.

Name beneficially owned	Equity Shares beneficially owned	% of equity Shares
Nandan M. Nilekani[(1)]	100,461,168	2.33
Salil Parekh	65,770	'*'
U.B. Pravin Rao[(2)]	1,130,322	'*'
Kiran Mazumdar-Shaw	—	—
Roopa Kudva	—	—
Dr. Punita Kumar-Sinha [(3)]	5,794	'*'
D.N. Prahlad [(4)]	2,311,224	'*'
D. Sundaram	—	—
Michael Gibbs	—	—
Nilanjan Roy	—	—
Ravi Kumar S	—	—
Mohit Joshi[(5)]	142,800	'*'
Krishnamurthy Shankar[(6)]	31,050	'*'
Inderpreet Sawhney[(7)]	117,300	'*'
Total (all directors and executive officers)	**104,265,428**	**2.42**

Note: No other material changes subsequently till June 19, 2019.

(1) Shares beneficially owned by Nandan M. Nilekani include 59,678,006 Equity Shares owned by members of his immediate family. Nandan M. Nilekani disclaims beneficial ownership of such shares.

(2) *Includes 21,500 stock options each vested on May 2, 2018 and May 2, 2019 which are yet to be exercised.*

(3) *Includes 3,040 ADSs of Infosys Limited held by Dr. Punita Kumar-Sinha's immediate family in SEP-IRA in the United States. She also owns 2,754 ADSs through the Asia Opportunities Fund. Dr. Punita Kumar-Sinha disclaims beneficial ownership of such shares.*

(4) *Includes 1,00,000 shares of Infosys Limited held by immediate family and 19,034 equity shares held in Prahlad Family Trust. D.N. Prahlad disclaims beneficial ownership of such shares.*

(5) *Includes 56,374 and 56,376 stock options vested on November 1, 2017 and November 1, 2018 respectively which are yet to be exercised.*

(6) *Includes 9,500 Stock options vested on November 1, 2018 which is yet to be exercised.*

(7) *Includes 22,224 stock options of Inderpreet Sawhney vested on August 1, 2018 which is yet to be exercised and 22,226 stock options, 40,686 RSUs to be vested on August 1, 2019.*

Option plans

On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board has been 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 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 four years and the Company expects to grant the instruments under the 2015 Plan over the period of four to seven years. The plan numbers mentioned above would further be adjusted for the September 2018 bonus issue.

Consequent to the September 2018 bonus issue, all outstanding options granted under the stock option plan have been adjusted for bonus shares. Unless otherwise stated, all the prior period share numbers in this note have been adjusted to give effect to the September 2018 bonus issue.

Controlled trust holds 20,324,982 and 10,801,956 shares (not adjusted for September, 2018 bonus issue) as at March 31, 2019 and March 31, 2018, respectively under the 2015 plan, out of which 2,00,000 and 1,00,000 (not adjusted for September, 2018 bonus issue) equity shares have been earmarked for welfare activities of the employees as at March 31, 2019 and March 31, 2018, respectively.

The following is the summary of grants made during fiscal 2019, 2018 and 2017 under the 2015 Plan:

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
RSU and ESOP			
Salil Parekh, Chief Executive Officer and Managing Director (CEO and MD)	260,130	226,048	—
U.B. Pravin Rao, Chief Operating Officer and Whole-time Director (COO and WTD)	68,250	140,500	—
Dr.Vishal Sikka*	—	1,201,498	241,400
Other Key Managerial Personnel (KMP)**	368,100	631,100	1,497,600
Employees other than KMP	3,644,220	3,345,220	6,422,080
	4,340,700	**5,544,366**	**8,161,080**
Incentive units- cash settled			
Other employees	74,090	100,080	224,420
	74,090	**100,080**	**224,420**
Total grants	**4,414,790**	**5,644,446**	**8,385,500**

Information in the table above is adjusted for September 2018 bonus issue wherever applicable.

* *Upon Dr. Vishal Sikka's resignation from the roles of the Company, the unvested RSUs and ESOPs have been forfeited*

** *Refer to the section 'Board and Management changes' for details on resignation of certain KMPs*

The RSUs, ESOPs and incentive units granted under the 2015 plan would generally vest over a period of 4 years and shall be exercisable within the period as approved by the Committee.

During the fiscal 2019, 2018 and 2017, the Company recorded an employee stock compensation expense of $29 million, $13 million (including a reversal of $5 million towards forfeiture of stock incentives granted to Dr. Vishal Sikka upon his resignation) and $17 million, respectively in the statement of comprehensive income. This comprises of expense pertaining to employee stock compensation of the CEO, COO, other KMP and other employees.

The following table gives the details of outstanding RSUs and ESOPs under the 2015 plan as of March 31, 2019:

	Stock incentives outstanding
RSUs	9,181,198
ESOPs	1,623,176

Grants made under the 2015 Plan has been adjusted for September, 2018 bonus issue.

For additional information of the Company's stock incentive compensation plans, see Note 2.16 Employees' Stock Options Plans under Item 18 of this Annual Report.

In continuation of the Company's philosophy of aligning employee interests with shareholder value creation and in line with global practices, the Board of Directors at its meeting held on May 15, 2019, on the recommendations of the Nomination and Remuneration Committee and subject to the approval of shareholders, approved to issue a new stock incentive plan called Infosys Expanded Stock Ownership Program - 2019 ('2019 Plan'). This unique plan which sets out challenging performance criteria aligned to shareholder value creation will deepen employee ownership of the Company. By inclusion of leading market benchmarked performance criteria like Relative Total Shareholder Return (TSR) in the 2019 Plan, the Company has adopted best in class global corporate governance practices. Further it will incentivize, retain, and attract key talent through this performance based stock incentive plan amongst an expanded employee base. The performance linked vesting 2019 Plan is distinct from the 2015 Plan. Under the 2015 Plan the grants largely vested based on time whereas under the 2019 Plan the grants will vest strictly on performance.

Accordingly, it is proposed to allocate a maximum limit of 50,000,000 shares (approximately 1.15% of the equity share capital as on the date of this notice) of the Company under the 2019 Plan. The 2019 Plan shall be effective on and from the date of receipt of approval of the shareholders.

Item 7. Major Shareholders and Related Party Transactions

MAJOR SHAREHOLDERS

The following table sets forth as of June 7, 2019, certain information with respect to beneficial ownership of equity shares held by each shareholder or group known by us to be the beneficial owner of 5% or more of our outstanding equity shares.

Beneficial ownership is determined in accordance with rules of the Securities and Exchange Commission, which generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities and includes equity shares issuable pursuant to the exercise of stock options or warrants that are immediately exercisable or exercisable within 60 days of June 7, 2019. These shares are deemed to be outstanding and to be beneficially owned by the person holding those options or warrants for the purpose of computing the percentage ownership of that person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise indicated, all information with respect to the beneficial ownership of any principal shareholder has been furnished by such shareholder and, unless otherwise indicated, we believe that persons named in the table have sole voting and sole investment power with respect to all the equity shares shown as beneficially owned, subject to community property laws where applicable. The shares beneficially owned by the directors and officers include equity shares owned by their family members to which such directors and officers disclaim beneficial ownership.

Name of the beneficial owner	Class of security	No. of shares beneficially held	% of class of shares	No. of shares beneficially held	% of class of shares	No. of shares beneficially held	% of class of shares
	Equity	June 7, 2019		March 31, 2018		March 31, 2017	
Shareholding of all directors and officers as a group	Equity	104,265,428	[1]2.42	52,002,458	[2]2.38	1,844,587	[3] 0.08
Life Insurance Corporation of India	Equity	252,134,635	5.85	149,514,017	6.85	161,436,123	7.03

1) *Comprised 104,265,428 shares owned by directors and officers and includes ESOPs:*
i) which have vested and yet to be exercised a) 21,500 stock options each vested on May 2, 2018 and May 2, 2019 of U. B. Pravin Rao; b) 9,500 stock options vested on November 1, 2018 of Krishnamurthy Shankar; c) 56,374 and 56,376 stock options vested on November 1, 2017 and November 1, 2018 respectively of Mohit Joshi; d) 22,224 stock options of Inderpreet Sawhney vested on August 1, 2018;
ii) includes 22,226 stock options and 40,686 RSUs of Inderpreet Sawhney to be vested on August 1, 2019.
The percentage of ownership is calculated on 4,309,229,444 equity shares.

2) *Comprised 52,002,458 shares owned by directors and officer and which included 1) 6812 RSUs and 10,750 stock options vested on May 2, 2018 of U.B. Pravin Rao; b) 12,100, 4,750 and 28,187 options granted to M.D. Ranganath, Krishnamurthy Shankar and Mohit Joshi respectively which were vested in November 1, 2017 and yet to be exercised. The percentage of ownership is calculated on 2,184,114,257. Not adjusted for Bonus issued in September 2018.*

3) *Comprised 1,844,587 shares owned by directors and officers. The percentage of ownership is calculated on 2,296,944,664 equity shares. Not adjusted for Bonus issued in September 2018.*

Our ADSs are listed on the NYSE. Each ADS currently represents one equity share of par value ₹5/- per share. ADSs are registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 and as of June 7, 2019 are held by 84,746 holders of record in the United States.

Our equity shares can be held by Foreign Institutional Investors or FIIs, Foreign Portfolio Investors or FPIs and Non-Resident Indians or NRIs, who are registered with the Securities and Exchange Board of India, or SEBI. As of June 7, 2019, 33.93% of our equity shares were held by these FIIs, FPIs and NRIs, some of which may be residents or bodies corporate registered in the United States and elsewhere. We are not aware of which FIIs, FPIs and NRIs hold our equity shares as residents or as corporate entities registered in the United States.

Major shareholders do not have differential voting rights with respect to the equity shares. To the best of our knowledge, we are not owned or controlled directly or indirectly by any government, by any other corporation or by any other natural or legal person. We are not aware of any arrangement, the operation of which may at a subsequent date result in a change in control.

RELATED PARTY TRANSACTIONS

Refer to note no. 2.19 'Related party transactions' in Item 18 of this Annual Report for the entire list of related parties and % of shareholding as at March 31, 2019 and March 31, 2018.

Related party transactions of Infosys Limited with its subsidiaries (on a standalone – basis)

a. Details of capital invested in subsidiaries as of March 31, 2019:

(Dollars in millions)

List of subsidiaries	As at March 31, 2019
Infosys BPM	145
Infosys Australia[1]	6
Infosys China	58
Infosys Chile	1
Infosys Mexico	14
Infosys Sweden	11
Infosys Brasil	46
Infosys Public Services	17
Infosys Shanghai	150
Infosys Lodestone	241
Infosys Consulting Pte Ltd	1
EdgeVerve	203
Infosys Nova[2]	—
Infosys Americas[4]	—
Infosys Austria GmbH[4]	—
Infosys Consulting Ltda [10]	6
Brilliant Basics Holdings Limited[5][11]	9
Infosys Arabia Limited[6]	—
Panaya[3]	84
Infosys Luxembourg S.a r.l.[8]	1
WongDoody Holding Company Inc[7][11]	51
S. C. Infosys Consulting S.R.L [9]	5
Kallidus and Skava[3]	30

(1) *Under liquidation*

(2) *During fiscal 2018, we have written down the entire carrying value of the investment in Infosys Nova.*

(3) *During fiscal 2018, investment in Kallidus and Skava (together referred to as "Skava") and Panaya were classified as 'Held for Sale' and measured at the lower of carrying amount and fair value less cost to sell and consequently, an impairment loss of $90 million in respect of Panaya was recognized in the Standalone Profit and Loss. During fiscal 2019, a further reduction of $39 million was recorded in respect of Panaya and on reclassification of these investments from 'Held for Sale', recognized an adjustment in respect of excess of carrying amount over recoverable amount of $66 million in respect of Skava.*

(4) *The investment amount is less than $1 million.*

(5) *During fiscal 2018, Infosys acquired 100% voting interest in Brilliant Basics Holdings Limited., UK. Refer note no. 2.9 in Item 18 of this Annual Report for further details.*

(6) *Infosys holds 70% of equity shares of Infosys Arabia Limited and the investment is less than $1 million.*

(7) *During fiscal 2019, Infosys acquired 100% of the voting interests in WongDoody Holding Company Inc., (WongDoody) an US-based, full service creative and consumer insights agency. Refer note no. 2.9 in Item 18 of this Annual Report for further details.*

(8) *Infosys Luxembourg S.a.r.l, a subsidiary of Infosys Limited, has been incorporated effective August 6, 2018.*

(9) *During fiscal 2019, Infosys entered into share purchase agreement with Infosys Lodestone to purchase the shares of S. C. Infosys Consulting S.R.L.*

(10) *During fiscal 2019, Infosys entered into share purchase agreement with Infosys Lodestone to purchase the shares of Infosys Consulting Ltda.*

(11) *Includes contingent consideration*

During the fiscal 2019, Infosys consulting Pte Ltd (a wholly owned subsidiary of Infosys Limited) acquired Fluido Oy and Infosys Compaz Pte Ltd. (Refer to Note 2.9, Business combinations, under Item 18 of this Annual report for further details)

b. Details of amounts of outstanding loans at the end of the year:

(Dollars in millions)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Loans:			
Infosys China[1]	12	11	11
Infosys Consulting Holding AG[2]	13	16	—
Infosys Consulting Pte Ltd.[3]	96	—	—
Brilliant Basics Holdings Limited[4]	1	1	—
	122	**28**	**11**
Debentures:			
EdgeVerve[5]	209	272	326

(1) *Interest rate of 6.0% per annum and repayable on demand*

(2) *Interest rate of 2.5% per annum and repayable on demand*

(3) *Interest rate of 3% per annum and repayable on demand*

(4) *Interest rate of 3.5% per annum and repayable on demand*

(5) *Interest rate of 8.39% per annum*

c. Details of largest amounts of loan outstanding during the fiscal:

(Dollars in millions)

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Loans:			
Infosys China	12	14	11
Brilliant Basics Holdings Limited	1	1	—
Infosys Sweden	—	—	4
Infosys Consulting Pte Ltd	98	—	—
Infosys Consulting Holding AG	17	16	—
Debentures:			
EdgeVerve	257	326	398

d. Details of related party transactions:

i) Capital transactions:

(Dollars in millions)

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Financing transactions			
Equity			
Panaya Inc	—	5	—
Infosys China	—	15	10
Infosys Chile[8]	1	—	—
Infosys Sweden	—	—	11
Infosys Shanghai	—	11	27
Infosys Consulting Pte Ltd	—	—	1
Infosys Brazil	18	—	—
Infosys Australia	(5)	—	—
Noah Consulting LLC[1]	—	—	10
Brilliant Basics Holdings Limited[1][2]	2	7	—
Infosys Consulting Ltda [5]	6	—	—
Wongdoody Holding Company Inc[2][7]	51	—	—
S. C. Infosys Consulting S.R.L [3]	5	—	—
Infosys Luxembourg S.a r.l.[4]	1	—	—
Infosys Arabia Limited[6]	—	—	—
	79	**38**	**59**
Debenture (net of repayment)			
EdgeVerve	(48)	(54)	(63)
	(48)	**(54)**	**(63)**
Loans (net of repayment)			
Infosys Consulting Holding AG	(3)	15	—
Infosys Consulting Pte Ltd.	98	—	—
Brilliant Basics Holdings Limited	—	1	—
	95	**16**	**—**

(1) *Refer to Note 2.9, Business combinations, under Item 18 of this Annual report for further details*

(2) *Includes contingent consideration*

(3) *During fiscal 2019, Infosys entered into purchase share agreement with Infosys Lodestone to purchase the shares of S. C. Infosys Consulting S.R.L.*

(4) *Infosys Luxembourg S.a.r.l, a subsidiary of Infosys Limited, has been incorporated effective August 6, 2018.*

(5) *During fiscal 2019, Infosys entered into purchase share agreement with Infosys Lodestone to purchase the shares of Infosys Consulting Ltda.*

(6) *Less than $1 million.*

(7) *On May 22, 2018, Infosys acquired 100% of the voting interests in WongDoody Holding Company Inc., (WongDoody) a U.S.-based, full-service creative and consumer insights agency. Refer to Note 2.9 in Item 18 of this Annual Report for further details.*

(8) *During fiscal 2019, Infosys infused a capital of $1 million in its wholly owned subsidiary Infosys Chile*

All transactions between Infosys and its subsidiaries till the date of this Annual Report are in the ordinary course of business.

ii) Revenue transactions

(Dollars in millions)

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
Purchase of services			
Infosys China	12	14	18
Infosys Lodestone and its subsidiaries	136	129	123
Infosys Consulting Pte Limited and its subsidiaries	19	10	5
Infosys BPM and its subsidiaries	109	88	64
Infosys Sweden	7	9	11
Infosys Shanghai	11	10	—
Infosys Mexico	10	4	3
Infosys Chile	1	—	—
Infosys Public Services	6	3	3
Panaya Ltd.	13	13	7
Infosys Brasil	2	2	1
WDW Communications, Inc	2	—	—
Kallidus	7	1	11
Noah Consulting LLC and its subsidiary	—	14	21
Brilliant Basics Limited	11	4	—
	346	**301**	**267**
Purchase of shared services including facilities and personnel			
Infosys BPM and its subsidiaries	1	3	3
Brilliant Basics Limited	1	—	—
Kallidus Inc	—	1	—
	2	**4**	**3**
Interest income			
Infosys China	1	1	1
Infosys Consulting Pte Limited	1	—	—
EdgeVerve[(1)]	20	24	29
	22	**25**	**30**
Dividend income			
Infosys BPM	—	130	—
	—	**130**	—
Sale of services			
Infosys China	4	4	2
Infosys Mexico	3	4	5
Infy Consulting Company Limited	8	6	11
Infosys Brasil	1	1	2
Infosys BPM and its subsidiaries	48	28	9
Infosys Sweden	1	2	3
Infosys Shanghai	1	1	—
EdgeVerve	67	63	45
Infosys Compaz Pte Limited	2	—	—
Kallidus Inc	—	—	1
Infosys Public Services	109	98	133
	244	**207**	**211**
Sale of shared services including facilities and personnel			
EdgeVerve	5	6	6
Panaya Ltd.	6	8	5
Infosys Lodestone and its subsidiaries	—	1	1
Infosys BPM and its subsidiaries	4	10	7
	15	**25**	**19**

(1) *Interest rate for the fiscal 2019, 2018 and 2017 is 8.39%, 7.7% and 8.5%, respectively*

All transactions between Infosys and its subsidiaries till the date of this Annual Report are in the ordinary course of business.

See to note 2.19, Related party transactions, under Item 18 of this Annual Report for details of transactions with Key management personnel.

Employment and indemnification agreements

Refer to the section titled 'Employment and Indemnification agreements' under Item 6 of this Annual Report.

Loans to employees

We provide personal and salary advances and loans to our employees.

The annual rates of interest for these loans vary from 0% to 10%. Loans aggregating $38 million, $43 million and $47 million were outstanding as of March 31, 2019, 2018 and 2017, respectively.

Item 8. Financial Information

CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

The following financial statements and auditors' report appear under Item 18 in this Annual Report on Form 20-F and are incorporated herein by reference:

- Report of Independent Registered Public Accounting Firms
- Consolidated Balance Sheet as of March 31, 2019 and 2018.
- Consolidated statements of comprehensive income for the years ended March 31, 2019, 2018 and 2017
- Consolidated statements of changes in equity for the years ended March 31, 2019, 2018 and 2017
- Consolidated statements of cash flows for the years ended March 31, 2019, 2018 and 2017
- Notes to the consolidated financial statements

Export revenue

For fiscal 2019, 2018 and 2017, we generated $11,507 million, $10,593 million and $9,883 million, or 97.5%, 96.8% and 96.8% of our total revenues of $11,799 million, $10,939 million and $10,208 million, respectively, from the export of our products and rendering of services outside of India.

Legal proceedings

This information is set forth under Item 4 under the heading "Legal proceedings" and such information is incorporated herein by reference.

Capital allocation policy

Fiscal 2018

The Board in its meeting on April 13, 2017, reviewed and approved the revised Capital Allocation Policy of the Company after taking into consideration the strategic and operational cash requirements of the Company in the medium term. The Key aspects of the policy was to

- payout up to 70% of the free cash flow of the corresponding fiscal year in such manner (including by way of dividend and/or share buyback) as may be decided by the Board from time to time, subject to applicable laws and requisite approvals, 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 payout includes dividend distribution tax.
- Additionally, the Board has identified an amount of up to ₹13,000 crore ($2 billion) to be paid out to shareholders during fiscal 2018, in such manner (including by way of dividend and/ or share buyback), to be decided by the Board, subject to applicable laws and requisite approvals, if any.

In line with the above, the Board, at its meeting on August 19, 2017, approved a proposal for the Company to buy back its fully paid-up equity shares of face value of ₹5/- each from the eligible equity shareholders of the Company for an amount not exceeding ₹13,000 crore ($2 billion) The shareholders approved the Buyback of equity Shares through the postal ballot that concluded on October 7, 2017. The Buyback offer comprised a purchase of 113,043,478 equity Shares aggregating 4.92% of the paid-up equity share capital of the Company at a price of ₹1,150 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 1, 2017) on a proportionate basis through the "Tender offer" route. The Company concluded the buyback procedures on December 27, 2017 and 113,043,478 equity shares were extinguished. The Company has utilized its securities premium and general reserve for the buyback of its shares. In accordance with section 69 of the Indian Companies Act, 2013, the Company has created 'Capital Redemption Reserve' of $9 million equal to the nominal value of the shares bought back as an appropriation from general reserve.

Fiscal 2019

The Board in its meeting on April 13, 2018, reviewed and approved the Capital Allocation Policy of the Company after taking into consideration the strategic and operational cash requirements of the Company in the medium term. The Board decided to retain the current policy of returning upto 70% of the free cash flow of the corresponding Financial Year in such manner, as may be decided by the Board from time to time, subject to applicable laws and requisite approvals, 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 payout includes Dividend Distribution Tax (DDT). Additionally, the Board had identified an amount of upto ₹13,000 crore (approximately $2 billion) to be paid to shareholders in the form of

- A special dividend of ₹5 per share ($0.08 per ADR) (adjusted for September 2018 bonus issue) to be paid in June 2018. This resulted in a subsequent payout of ₹2,633 crore ($386 million).
- Identified an amount of upto approximately ₹10,400 crore (approximately $1,600 million) to be paid out to shareholders for fiscal 2019, in such a manner, to be decided by the Board, subject to applicable laws and requisite approvals

In line with the above, the Board, at its meeting on January 11, 2019, approved the buyback of equity shares through the open market route through the Indian stock exchanges, amounting to ₹8,260 crore (maximum buyback size) (approximately $1,184 million) at a price not exceeding ₹800 per share (maximum buyback price), subject to shareholders' approval by way of a postal ballot. Further, the Board also approved a special dividend of ₹4 per share ($0.06 per share) that resulted in a payout of approximately ₹2,107 crore (approximately $296 million) (including dividend distribution tax and divided paid on treasury shares converted using exchange rate on the date of payment).

The shareholders approved the proposal of a buyback of equity shares through the postal ballot that concluded on March 12, 2019. The buyback is offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through Indian stock exchanges. At the maximum buyback price of ₹800 per equity share and the maximum buyback size of ₹8,260 crore, the maximum indicative number of equity shares bought back would be 103,250,000 equity shares (maximum buyback shares) comprising approximately 2.36% of the paid-up equity share capital of the Company. The Company will fund the buyback from its free reserves. The buyback of equity shares through Indian stock exchanges commenced on March 20, 2019 and is expected to be completed by September 2019. During the year ended March 31, 2019, 12,652,000 equity shares were bought back from the Indian stock exchanges.

Subsequent to March 31, 2019, 57,600,000 equity shares have been bought back from the Indian stock exchanges resulting in a cash outflow of approximately $624 million

After the execution of the above, along with the special dividend (including dividend distribution tax) of ₹2,633 crore ($386 million) already paid in June 2018, the Company would complete the distribution of ₹13,000 crore ($1,866 million*) which was announced as part of its capital allocation policy in April 2018.

*As the USD/INR exchange rates have moved from April 2018 when the capital allocation policy was announced, the total capital allocation in US$ terms amounts to $1,866 million (comprising $1,184 million pertaining to the buyback as mentioned above, $386 million towards special dividend paid in June 2018 and $296 million towards special dividend paid to shareholders in January 2019)

The outcome of capital allocation policy is summarized below:

(Dollars in millions)

Particulars	Fiscal 2019		Fiscal 2018
Buyback	1,184	(1)	2,035
Interim and final dividend[(2)(3)]	1,283	(5)	1,311
Special dividend[(2)(4)]	682		—
Total	3,149		3,346

(1) At maximum buyback size of ₹8,260 crore ($1,184 million) including the likely pay-outs till September 2019.
(2) Dividend includes dividend paid on treasury shares
(3) Interim and final dividend declared for the respective financial year
(4) Special dividend paid in the respective financial year
(5) Includes a final dividend of ₹10.50 per equity share (approximately $0.15 per equity share) recommended by the Board of Directors in their meeting held on April 12, 2019 for fiscal 2019. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company, to be held on June 22, 2019

Dividends

Under Indian law, a corporation pays dividends upon a recommendation by the Board and approval by a majority of the shareholders, who have the right to decrease but not increase the amount of the dividend recommended by the Board. Dividends may be paid out of profits of an Indian company, after providing depreciation in the year in which the dividend is declared or out of the undistributed profits of previous fiscal years, or out of both.

Currently, our dividend policy is to pay up to 70% of free cash flow. 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.

Holders of ADSs will be entitled to receive dividends payable on equity shares represented by such ADSs. Cash dividends on equity shares represented by ADSs are paid to the Depositary in Indian rupees and are generally converted by the Depositary into U.S. dollars and distributed, net of Depositary fees, taxes, if any, and expenses, to the holders of such ADSs. Although we have no current intention to discontinue dividend payments, future dividends may not be declared or paid and the amount, if any, thereof may be decreased.

Dividend Distribution Policy

As per Regulation 43A of the SEBI LODR the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The dividend policy has been previously filed as an exhibit to the Annual Report on Form 20-F. The policy is available on our website: https://www.infosys.com/investors/corporate-governance/Pages/policies.aspx

The following table provides details of per share dividend recognized during fiscal 2019, 2018 and 2017

	Fiscal 2019[2]	Fiscal 2018[2]	Fiscal 2017[2]
Dividend per Equity Share (₹)			
Interim dividend[3]	7.00	6.50	5.50
Final dividend[4]	10.25	7.38	7.13
Special dividend[5]	9.00	—	—
Dividend per Equity Share/ADS ($) [1]			
Interim dividend[3]	0.10	0.10	0.09
Final dividend[4]	0.16	0.12	0.11
Special dividend[5]	0.14	—	—

(1) *Converted at the monthly exchange rate in the month of declaration of dividend.*
(2) *Dividend declared previously, retrospectively adjusted for September, 2018 bonus share issue wherever applicable.*
(3) *Represents interim dividend for the respective fiscal year*
(4) *Represents final dividend for the preceding fiscal year*
(5) *Represents special dividend of* ₹5($0.08) and ₹4($0.06) *declared in fiscal year 2018 and fiscal year 2019, respectively*

During the fiscal 2019 on account of the final dividend for fiscal 2018, special dividend declared in fiscal 2018 and fiscal 2019 and interim dividend for fiscal 2019 the Company has incurred a net cash outflow of $1,956 million (excluding dividend paid on treasury shares) inclusive of dividend distribution tax.

The Board of Directors in their meeting on April 12, 2019 recommended a final dividend of ₹10.50/- per equity share (approximately $0.15 per equity share) for the fiscal 2019. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company, to be held on June 22, 2019 and if approved would result in a net cash outflow of approximately $780 million, (excluding dividend paid on treasury shares) including dividend distribution tax. The final dividend of ₹10.50/- per equity share (approximately $0.15 per equity share) and the resultant expected cash outflow will be based on the outstanding number of shares after considering shares bought back by the Company till the book closure date i.e June 15, 2019.

Bonus issue

The Company has allotted 2,184,191,490 fully paid up equity shares (including treasury shares) of face value ₹5/- each during the three months ended September 30, 2018 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was September 5, 2018. The bonus shares were issued by capitalization of profits transferred from general reserve. Bonus share of one equity share for every equity share held, and a bonus issue, viz., a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged. Options granted under the stock option plan have been adjusted for bonus share.

The bonus shares, once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and are entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

SIGNIFICANT CHANGES

None.

Item 9. The Offer and Listing

PRICE HISTORY

Our equity shares are traded in India on the BSE Limited, or BSE, and the National Stock Exchange of India Limited, or NSE, or collectively, the Indian stock exchanges. Our American Depositary Shares ("ADSs") are traded on NYSE, under the ticker symbol 'INFY'. Each ADS represents one equity share. Our ADSs began trading on the NASDAQ on March 11, 1999. Following our voluntary delisting from the NASDAQ Global Select Market on December 11, 2012, we began trading of our ADSs on the New York Stock Exchange (NYSE) on December 12, 2012, under the ticker symbol INFY. We listed our ADSs on the Euronext London and Paris markets on February 20, 2013.

Effective July 5, 2018 the company voluntarily delisted its ADS's from the Euronext Paris and Euronext London exchanges. The primary reason for voluntary delisting from Euronext Paris and London was the low average daily trading volume of Infosys ADSs on these exchanges, which was not commensurate with the related administrative expenses. Infosys' ADSs continue to be listed on the NYSE under the symbol "INFY" on the New York Stock Exchange. The holders of ADSs who have chosen not to sell their Infosys ADSs through the sales facility or otherwise have not taken any action will be able to trade them on the NYSE under the terms and conditions of their financial intermediary.

The Deutsche Bank Trust Company Americas serves as a depositary with respect to our ADSs traded on the market pursuant to the Deposit Agreement dated March 10, 1999, second amended and restated on June 28, 2017. The Deposit Agreement has been filed by the Company previously.

As of June 7, 2019, we had ,4309,229,444 equity shares issued and outstanding. There were 84,746 record holders of ADRs, evidencing 746,254,648 ADSs (1 ADS equivalent to 1 equity share). As of June 7, 2019, there were 972,042 record holders of our equity shares listed and traded on the Indian stock exchanges.

Each ADS currently represents one equity share. All translations from Indian rupees to U.S. dollars are based on fixing rate in the city of Mumbai on March 31, 2019 for cable transfers in Indian rupees as published by the FEDAI, which was ₹69.16 per $1.00.

On June 18, 2019, the closing price of equity shares on the BSE was ₹750.65 equivalent to $10.77 per equity share and on the NSE was ₹750.15 equivalent to $10.76 per equity share based on the exchange rate on that date and on June 18, 2019, the closing price of ADSs on the NYSE was $10.75 per ADS.

The conversion of our equity shares into ADSs is governed by guidelines issued by the Reserve Bank of India.

Item 10. Additional Information

MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company vide postal ballot concluded on March 31, 2017 had adopted new Articles of Association to bring the same in line with provisions of the Companies Act, 2013 ("the Act"). The Company vide postal ballot concluded on August 22, 2018 has altered clause V of the Memorandum of Association to reflect the increase in the Authorized capital for the issue of Bonus shares. The Memorandum and Articles of Association are available on the website of the Company and are filed as an exhibit to this Annual Report on Form 20-F.

The corporate legal framework governing the Company as on the date hereof is the notified provisions of the Companies Act, 2013, as amended from time to time, read with the Companies Act, 1956 (to the extent still in force) (the "Indian Companies Act").

Set forth below is the material information concerning our share capital and a brief summary of the material provisions of our Articles of Association, Memorandum of Association and the Indian Companies Act, all as currently in effect. The following description of our equity shares and the material provisions of our Articles of Association and Memorandum of Association does not purport to be complete and is qualified in its entirety by the amended Memorandum and Articles of Association of the Company which is filed as an exhibit to the Annual Report on Form 20-F. The summary below is not intended to constitute a complete analysis of the Indian Companies Act and is not intended to be a substitute for professional legal advice.

Our Articles of Association provide that the minimum number of directors shall be 3 and the maximum number of directors shall be 15 unless approval from shareholders is obtained by a special resolution to appoint more than 15 directors. As on March 31, 2019, we had nine directors. As per the Indian Companies Act, unless the Articles of Association of a company provide for all directors to retire at every Annual General Meeting (AGM), not less than two-third of the directors of a public company are liable to retire by rotation and one-third of such directors must retire by rotation, while the remaining two-third may remain on the Board until they resign or are removed. Our Articles of Association require two-thirds of our directors to be liable to retire by rotation. As per the Indian Companies Act Independent Directors are not liable to retire by rotation. One-third of such directors (excluding independent directors) who are subject to retirement by rotation must retire at each AGM. A retiring director is eligible for re-election. As per the Indian Companies Act, independent directors are to retire after 5 consecutive years and may be re-appointed only for two consecutive terms.

The age limit for a managing director / executive director is 60 years, while the age limit for an independent / non-executive director is 70 years. A director's term may be extended at the discretion of the committee beyond the age of 60 or 70 years with shareholders' approval by passing a special resolution, based on the explanatory statement annexed to the Notice for such motion indicating the justification for the extension of appointment beyond 60 or 70 years as the case may be.

Our Articles of Association do not require our directors to hold shares of our company in order to serve on our Board.

The Companies Act, 2013 provides that any director who has a personal interest in a transaction being discussed by the Board must disclose such interest and must not participate in the meeting when such transaction is being discussed. A director is required to disclose his personal interest to the Board on an annual basis and at the first meeting of the Board after the interest arises. The remuneration payable to our directors may be fixed by the Board in accordance with the Indian Companies Act and provisions prescribed by the Government of India. At meetings of the Board, our directors shall not vote on their own remuneration and such remuneration has been recommended by our Nomination and Remuneration Committee, details of which have been set out in Item 6 of this Annual Report on Form 20-F. Our Articles of Association provide that the Company may generally borrow any sum of money for the Company's legitimate corporate purposes, provided, that the consent of the shareholders is required where any amounts to be borrowed, when combined with any already outstanding debt (excluding temporary loans from our bankers in the ordinary course of business), exceeds the aggregate of our paid-up capital, securities premium and free reserves. Under the Companies Act, 2013, such consent of the shareholders should be obtained by way of a special resolution passed in a general meeting.

Objects and Purposes of our Memorandum of Association

The objects and purposes of as set forth in Section III of our Memorandum of Association have been filed previously in our Annual Report on Form 20-F.

General

Our authorized share capital is ₹24,000,000,000 (Rupees two thousand four hundred crore only) divided into 4,800,000,000 (four hundred and eighty crore only) equity shares, having a par value of ₹5/- per share. As of March 31, 2019, 4,361,733,444 equity shares were issued, outstanding and fully paid, out of which controlled trust holds 20,324,982 equity shares under the 2015 plan. The equity shares are our only class of share capital. We currently have no convertible debentures or warrants outstanding. As of March 31, 2019, we had 10,804,374 options outstanding to purchase equity shares. For the purpose of this Annual Report on Form 20-F, "shareholder" means a shareholder who is registered as a member in our register of members or whose name appears in the beneficiary position maintained by the depositories.

In line with the Capital Allocation Policy announced in April 2018, the Board, at its meeting on January 11, 2019, approved the buyback of equity shares under the open market route through the Indian stock exchanges, amounting to ₹8,260 crore (maximum buyback size) at a price not exceeding ₹800 per share (maximum buyback price), subject to shareholders' approval by way of a postal ballot.

During fiscal 2019, 1,26,52,000 equity shares were purchased from the stock exchange, which includes 18,18,000 shares which have been purchased but not extinguished as of March 31, 2019 and 36,36,000 shares which have been purchased but have not been settled and therefore not extinguished as of March 31, 2019. Subsequent to March 31, 2019, 57,600,000 equity shares have been bought back from the Indian stock exchanges.

The Company has allotted 2,184,191,490 fully paid up equity shares (including treasury shares) of face value ₹5/- each during the three months ended September 30, 2018 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was September 5, 2018. The bonus shares were issued by capitalization of profits transferred from general reserve. Bonus share of one equity share for every equity share held, and a bonus issue, viz., a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged. Options granted under the stock option plan have been adjusted for bonus shares.

The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing equity shareholders and are entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

Dividends

Under the Companies Act, 2013 our Board recommends the payment of a dividend which is then declared by our shareholders in a general meeting. However, the Board is not obliged to recommend a dividend.

Under our Articles of Association and the Companies Act, 2013 the Company in the Annual General Meeting ('AGM') may declare dividend, to be paid to shareholders according to their respective rights and interests in profits. No dividends shall exceed the amount recommended by Board. In India, dividends are generally declared per equity share and are to be distributed and paid to shareholders in cash and in proportion to the paid-up value of their shares, within 30 days of the AGM at which the dividend is approved by shareholders. Pursuant to our Articles of Association and the Indian Companies Act, our Board has the discretion to declare and pay interim dividends without shareholder approval in compliance with the conditions specified under the Companies Act, 2013. As per the terms of our listing of the equity shares and ADSs of the Company, we are required to inform the stock exchanges, on which our equity shares and ADSs are listed, of the dividend declared per equity share and the record date/book closure date for determining the shareholders who are entitled to receive dividends. Under the Companies Act, 2013, dividend can be paid only in cash to registered shareholders as of the record date. Dividend may also be paid in cash or by cheque or warrant or in any electronic mode to the shareholder.

The Companies Act, 2013 provides that any dividends that remain unpaid or unclaimed after a period of 30 days from the date of declaration of a dividend are to be transferred to a special bank account opened by the company at an approved bank. We transfer any dividends that remain unpaid or unclaimed within 7 days from the date of expiry of the 30 days to such account. If any amount in this account has not been claimed by the eligible shareholders within seven years from the date of the transfer, we transfer the unclaimed dividends to an Investor Education and Protection Fund (IEPF) established by the Government of India under the provisions of the Companies Act, 2013. After the transfer to this fund, such unclaimed dividends may not be claimed by the shareholders entitled to receive such dividends from the company. Further, according to the IEPF Rules, the equity shares in respect of which dividend has not been paid or claimed by the equity shareholders for seven consecutive years or more shall also be transferred to IEPF Authority. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any, can be claimed back from IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.

Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared after providing for depreciation or out of the undistributed profits of previous fiscal years after providing for depreciation. Before declaring any dividend in any financial year, a company may transfer a percentage of its profits which it considers appropriate to its reserves.

The Companies Act, 2013 further provides that in the event of an inadequacy or absence of profits in any year, a dividend may be declared for such year out of the company's accumulated profits that have been transferred to its free reserves, subject to the following conditions:

- The dividend rate declared shall not exceed the average of the rates at which dividends were declared by the company in the three years immediately preceding that year (this condition is not applicable where the company has not declared dividends in the 3 financial years immediately preceding that year);
- The total amount to be drawn from the accumulated profits earned in the previous years and transferred to the reserves may not exceed an amount equivalent to 10% of the sum of its paid-up capital and free reserves as appearing in the latest audited financial statement, and the amount so drawn is to be used first to set off the losses incurred in the fiscal year in which dividend is declared before any dividends in respect of equity shares are declared;
- The balance of reserves after such withdrawals shall not fall below 15% of the company's paid-up capital as appearing in the latest audited financial statement.
- The Company cannot declare dividend unless carried over previous losses and depreciation which are not provided in previous year or years are set off against profit of the company for the current year during which the dividend is sought to be declared.

Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits a company to distribute an amount transferred from its free reserves to its shareholders in the form of bonus shares (similar to a stock dividend). The Companies Act, 2013 also permits the issuance of bonus shares from capitalization of the securities premium account and the capital redemption reserve account. Bonus shares are distributed to shareholders in the proportion recommended by the Board and such announcement of the decision of the Board recommending an issue of bonus shares cannot be subsequently withdrawn. Shareholders of the company on a fixed record date are entitled to receive such bonus shares.

Any issue of bonus shares would be subject to the guidelines issued by the SEBI in this regard. The relevant SEBI guidelines prescribe that no company shall issue any equity shares by way of bonus unless it has made reservation of equity shares of the same class in favour of the holders of outstanding compulsorily convertible debt instruments, if any, in proportion to the convertible portion thereof (which may be issued at the time of conversion of the debt instruments on the same terms or same proportion at which the bonus shares were issued). The bonus issue must be made out of free reserves built out of the genuine profits or share premium collected in cash only. The bonus issue cannot be made unless the partly paid shares, if any existing, are made fully paid-up. Further, for the issuance of such bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. A company is not allowed to declare bonus in lieu of dividend. Further a company should have sufficient reason to believe that it has not defaulted in respect of the payment of statutory dues of the employees such as contribution to provident fund, gratuity, bonus, etc. The issuance of bonus shares must be implemented within 15 days from the date of approval by the Board (where shareholders' approval is not required), provided that where the company is required to seek shareholders' approval for capitalization of profits or reserves for making the bonus issue, it shall be implemented within 2 months from the date of approval by the Board The bonus issue cannot be withdrawn after the decision to make a bonus issue has been announced.

Consolidation and Subdivision of Shares

The Companies Act, 2013 permits a company to split or combine the par value of its shares at a general meeting of the shareholders, if so authorized by its Articles of Association, with the approval of its shareholders. Shareholders on record on a fixed record date are entitled to receive the split or combination.

Pre-emptive Rights and Issue of Additional Shares

The Companies Act, 2013 gives shareholders the right to subscribe to new shares in proportion to their respective existing shareholdings in the event of a further issue of shares by a company, unless otherwise determined by a special resolution passed by a general meeting of the shareholders. Under the Companies Act, 2013 in the event of a pre-emptive issuance of shares, subject to the limitations set forth above, a company must first offer the new shares to the shareholders on a fixed record date. The offer must include: (i) the right, exercisable by the shareholders on record, to renounce the shares offered in favor of any other person; and (ii) the number of shares offered and the period of offer, which may not be less than 15 days and not exceeding 30 days from the date of offer. If the offer is not accepted it is deemed to have been declined and thereafter the Board is authorized under the Companies Act, 2013 to distribute any new shares not purchased by the pre-emptive rights holders in the manner which is not disadvantageous to the shareholders and the company.

Meetings of Shareholders

We must convene an AGM of shareholders each year within 15 months of the previous AGM or within five months of the end of the previous fiscal year, whichever is earlier. In certain circumstances a three-month extension may be granted by the Registrar of Companies to hold the AGM. The AGM of the shareholders is generally convened by our Company Secretary pursuant to a resolution of the Board. In addition, the Board may convene an Extraordinary General Meeting (EGM) of shareholders when necessary or at the request of a shareholder or shareholders holding at least 10% of our paid up capital carrying voting rights. Written notice setting out the agenda of any meeting must be given at least 21 days prior to the date of any general meeting to the shareholders of record, excluding the days of mailing and date of the meeting. The EGM of shareholders must be held at a place within India. The AGM of shareholders must be held at our registered office or at such other place within the city in which the registered office is located.

Voting Rights

At any general meeting, to provide opportunity to the shareholders for exercising their votes towards the resolutions proposed at the AGM, the Company arranges for e-voting facility and voting through ballot will also be made available at the AGM and the members who have not already cast their vote by remote e-voting can exercise their vote at the AGM. The Chairperson has a casting vote in the case of tie. Any shareholder of the company entitled to attend and vote at a meeting of the company may appoint a proxy. The instrument appointing a proxy must be delivered to the company at least 48 hours prior to the meeting. Unless the articles of association otherwise provide, a proxy may not vote except on a poll. A corporate shareholder may appoint an authorized representative who can vote on behalf of the shareholder, both upon remote e-voting and upon a poll. An authorized representative is also entitled to appoint a proxy. Pursuant to the Listing Regulations, it is mandatory for e-voting facilities to be provided to all shareholders in respect of all shareholders' resolutions in accordance with the procedure prescribed under the Indian Companies Act.

As per the Companies Act, 2013 ordinary resolutions may be passed by simple majority at any general meeting for which the required period of notice has been given. However, special resolutions for matters such as amendments to the articles of association, the waiver of preemptive rights for the issuance of any new shares and a reduction of share capital, require that votes cast in favor of the resolution (whether by show of hands or on a poll) are not less than three times the number of votes, if any, cast against the resolution by members so entitled and voting. Certain resolutions such as those listed below are to be voted on only by a postal ballot:

- alteration of the objects clause of the memorandum;
- alteration of the articles of association to constitute the Company into private company;
- change in place of registered office outside the local limits of any city, town or village;
- change in objects for which a company has raised money from public through prospectus and still has any unutilized amount out of the money so raised;
- issue of shares with differential rights as to voting or dividend or otherwise under Section 43 (a)(ii) of the Companies Act, 2013;
- variation in the rights attached to a class of shares or debentures or other securities as specified under Section 48 of the Companies Act, 2013;

- buy-back of shares;
- election of a director under Section 151 of the Companies Act, 2013;
- sale of the whole or substantially the whole of an undertaking of a company as specified under Section 180 (1) (a) of the Companies Act, 2013; and
- giving loans or extending guarantee or providing security in excess of the limit specified under Section 186 (3) of the Companies Act, 2013.

However, any company which is required to mandatorily provide its members facility to exercise their right to vote on resolutions at a general meeting by electronic means, can pass the above mentioned resolutions through electronic vote instead of postal ballot. Companies whose equity shares are listed on a recognised stock exchange and if it has not less than one thousand members are compulsorily required to provide their members facility to exercise their right to vote on resolutions at a general meeting by electronic means. The equity shares of the Company are listed on a recognized stock exchange and it has more than one thousand members. Hence, the Company is eligible to pass the above mentioned resolutions by electronic vote.

Register of Shareholders, Record Dates, Transfer of Shares

We maintain a register of shareholders held in electronic form through National Securities Depository Limited and the Central Depository Services (India) Limited. To determine which shareholders are entitled to specified shareholder rights such as a dividend or a rights issue, we may close the register of shareholders for a specified period not exceeding 30 days at one time. The date on which this period begins is the record date. The Companies Act, 2013 requires us to give at least seven working days' prior notice to the public in the prescribed manner before such closure, unless a lesser period is specified by the SEBI. We may not close the register of shareholders for more than thirty consecutive days at any one time, and in no event for more than forty-five days in a year. The Listing Regulations also prescribe that there should be a time gap of at least thirty days between two record dates.

Following the introduction of the Depositories Act, 1996, and the repeal of Section 22A of the Securities Contracts (Regulation) Act, 1956, which enabled companies to refuse to register transfers of shares in some circumstances, the equity shares of a public company are freely transferable, subject only to the provisions of Section 58 of the Companies Act, 2013 and Regulation 40 of the Listing Regulations. Since we are a public company, the provisions of Section 58 will apply to us. In accordance with the provisions of Section 58(2) of the Companies Act, 2013, the securities or other interests of the member are freely transferable except where there is any contract or arrangement between two or more persons in respect of transfer of securities, which may be enforced as a contract. If our Board refuses to register a transfer of shares, the shareholder wishing to transfer his, her or its shares may file an appeal with the National Company Law Tribunal.

Pursuant to Section 59 (4) of the Companies Act, 2013, if a transfer of shares contravenes any of the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and Securities and Exchange Board of India Act, 1992 or the regulations issued thereunder or any other Indian laws, the National Company Law Tribunal may, on application made by the relevant company, a depository, company, Depositary participant, the holder of securities or the SEBI, direct any company or a Depositary to set right the contravention and to rectify the registers, records of members and / or beneficial owners.

Under the Companies Act, 2013 unless the shares of a company are held in a dematerialized form, a transfer of shares is effected by an instrument of transfer in the form prescribed by the Indian Companies Act and the rules thereunder, together with delivery of the share certificates. A stamp duty to the extent of 0.25% of the value of the shares ((even if the shares are transferred without any consideration) is due and payable on the transfer of shares in physical form. Our transfer agent for our equity shares is Karvy Computershare Private Limited located in Hyderabad, India.

Disclosure of Ownership Interest

Section 89 of the Companies Act, 2013 requires holders of record who do not hold beneficial interests in shares of Indian companies to declare to the company certain details, including the nature of the holder's interest and details of the beneficial owner. Any person who fails to make the required declaration within 30 days may be liable for a fine of up to ₹50,000 and where the failure is a continuing one, further fine of ₹1,000 for each day that the declaration is not made. Failure to comply with Section 89 will not affect the obligation of the company to pay any dividends to the registered holder of any shares pursuant to which such declaration has not been made. While it is unclear under Indian law whether Section 89 applies to holders of ADSs of the company, investors who exchange ADSs for the underlying equity shares of the company will be subject to the restrictions of Section 89. Additionally, holders of ADSs may be required to comply with such notification and disclosure obligations pursuant to the provisions of the Deposit Agreement entered into by such holders, the company and the Depositary.

Audit and Annual Report

Under the Companies Act, 2013 a company must file its financial statements with the Registrar of Companies within 30 days from the date of the AGM. Copies of the annual report are required to be sent to stock exchanges on which the company's shares are listed within 21 working days of it being approved and adopted in the AGM in accordance with the Listing Regulations. At least 21 days before the AGM of the shareholders, a listed company must distribute soft copies of the full annual report to all those shareholders who have registered their email addresses for this purpose, physical copies of Annual Report to its shareholders who have not registered their email addresses for this purpose and to those shareholders who ask for the same. A company must also file an annual return containing a list of the company's shareholders and other company information, within 60 days of the conclusion of the AGM.

Reduction of Share Capital

Under the Companies Act, 2013 a Company may by a special resolution and approval of the court / tribunal of the state in which the registered office of the company is situated reduce the share capital in the manner prescribed by the Companies Act. 2013. However, such reduction shall be authorized by the articles of association of the company. These provisions shall not apply in the case of a buyback of shares by the Company.

Company Acquisition of Equity Shares

A company may acquire its own equity shares without seeking the approval of the court or National Company Law Tribunal in compliance with prescribed rules, regulations and conditions of the Indian Companies Act. In addition, public companies which are listed on a recognized stock exchange in India must comply with the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Buy-back Regulations). Since we are a public company listed on two recognized stock exchanges in India, we would have to comply with the relevant provisions of the Companies Act, 2013 and the provisions of the Buy-back Regulations. In order for the ADS holders to participate in a company's purchase of its own shares, the ADS holders must have previously taken certain actions in order to withdraw the equity shares underlying the ADSs held by the ADS holders in advance of the record date fixed for the buyback and should have become holders of equity shares on such record date.

There can be no assurance that shares offered by an ADS investor in any buyback of shares by us will be accepted by us. Any conversion of ADS into underlying equity shares and re-conversion of such equity shares into ADS is currently subject to limits of permissible foreign shareholding in the Company. Foreign investment of up to100% of our share capital is currently permitted by Indian laws. Participation by ADS holders to in a buyback is also subject to Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, the Depository Receipts Scheme, 2014, as applicable, and also subject to such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any. ADS investors are advised to consult their legal advisors for advice prior to participating in any buyback by us, including advice related to any related regulatory approvals and tax issues.

Liquidation Rights

As per the Indian Companies Act and the Insolvency and Bankruptcy Code, 2016, certain payments have preference over payments to be made to equity shareholders. These payments having preference include payments to be made by the Company to its employees, taxes, payments to secured and unsecured lenders and payments to holders of any shares entitled by their terms to preferential repayment over the equity shares. In the event of our winding-up, the holders of the equity shares are entitled to be repaid the amounts of paid-up capital or credited as paid-upon those equity shares after payments have been made by the company as set out above. Subject to such payments having been made by the company, any surplus assets are paid to holders of equity shares in proportion to their shareholdings.

Redemption of Equity Shares

Subject to the buy-back of shares as set out in the section titled "Company Acquisition of Equity Shares", under the Companies Act, 2013 equity shares are not redeemable.

Discriminatory Provisions in Articles

There are no provisions in our Articles of Association discriminating against / in favor of any existing or prospective holder of such securities as a result of such shareholder owning a substantial number of shares.

Alteration of Shareholder Rights

Under the Companies Act, 2013 and subject to the provisions of the memorandum or articles of association of a company, the rights of any class of shareholders can be altered or varied (i) with the consent in writing of the holders of not less than three-fourths of the issued shares of that class; or (ii) by special resolution passed at a separate meeting of the holders of the issued shares of that class. However, if the variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be required. In the absence of any such provision in the articles, such alteration or variation is permitted as long as it is not prohibited by the terms of the issue of shares of such a class.

Limitations on the Rights to Own Securities

The limitations on the rights to own securities of Indian companies, including the rights of non-resident or foreign shareholders to hold securities, are discussed in the sections entitled 'Currency Exchange Controls' and 'Risk Factors' in Items 10 and 3 of this Annual Report.

Provisions on Changes in Capital

Our authorized capital can be altered by an ordinary resolution of the shareholders in a general meeting. The additional issue of shares is subject to the pre-emptive rights of the shareholders. In addition, a company may increase its share capital, consolidate its share capital into shares of larger face value than that of its existing shares or sub-divide its shares by reducing their par value, subject to an ordinary resolution of the shareholders in a general meeting.

Takeover Code

Under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Code"), upon acquisition of shares or voting rights in a public listed Indian company such that the aggregate shares or voting rights of the acquirer (meaning a person who directly or indirectly, acquires or agrees to acquire shares or voting rights in a target company, or acquires or agrees to acquire control over the target company, either by himself or together with any person acting in concert) is 5% or more of the shares of the company, the acquirer is required to, within two working days of such acquisition of shares or voting rights or receipt of intimation of allotment of shares, disclose the aggregate shareholding and voting rights in the company to the company and to the stock exchanges in which the shares of the company are listed.

Further, an acquirer, who, together with persons acting in concert with him, holds shares or voting rights entitling them to 5% or more of the shares or voting rights in a target company must disclose the number of shares or voting rights held and change in shareholding or voting rights from the last disclosure made if it exceeds 2% of the total shareholding or voting rights in the company to the company and to the stock exchanges on which the shares of the company are listed, within two working days of such acquisition of shares or voting rights or sale or receipt of intimation of allotment of such shares. This disclosure is required, in case of a sale, even if such sale results in the shareholding of the acquirer falling below 5%.

Every person, who together with persons acting in concert with him, holds shares or voting rights entitling him to exercise 25% or more of the voting rights in a target company, has to disclose to the company and to stock exchanges, their aggregate shareholding and voting rights as of the thirty-first day of March, in such target company within seven working days from the end of the financial year.

The acquisition of shares or voting rights which entitles the acquirer and persons acting in concert with him to exercise 25% or more of the voting rights in or control over the target company triggers a requirement for the acquirer and the persons acting in concert with him to make an open offer to acquire at least 26% of the total shares of the target company for an offer price determined as per the provisions of the Takeover Code. The acquirer is required to make a public announcement for an open offer on the date on which it is agreed to acquire such shares or voting rights.

Where the public shareholding in the target company is reduced to a level below the limit specified in the Listing Regulations read with SEBI circular SEBI/HO/CFD/CMD/CIR/P/43/2018 dated February 22, 2018 (which superseded the SEBI circular CIR/CFD/CMD/14/2015 dated November 30, 2015) on account of shares being acquired pursuant to an open offer, the acquirer is required to take necessary steps to facilitate compliance with the public shareholding threshold within the time prescribed in the Securities Contract (Regulation) Rules, 1957. Pursuant to an amendment to the Takeover Code dated March 24, 2015, an acquirer can make an offer for delisting the company if such acquirer declares his intention to do so at the time of making the public announcement of an open offer. In other instances, (where the shareholding of the acquirer exceeds the maximum permissible non-public shareholding in the company pursuant to an open offer), the acquirer will not be eligible to make a voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, unless 12 months have elapsed from the date of the completion of offer period.

Since we are a listed company in India, the provisions of the Takeover Code will apply to us and to any person acquiring our equity shares or voting rights in our Company.

The ADSs entitle ADS holders to exercise voting rights in respect of the Deposited Equity Shares (as described in the section titled "Voting Rights of Deposited Equity Shares Represented by ADSs"). Accordingly, the requirement to make an open offer of at least 26% of the shares of a company to the existing shareholders of the company would be triggered by an ADS holder and any persons acting in concert with him where the shares that underlie the holder's (and any persons acting in concert with him) ADSs represent 25% or more of the shares or voting rights of the company.

Pursuant to the Listing Regulations, we have entered into listing agreements with each of the Indian stock exchanges on which our equity shares are listed, and must report to the stock exchanges any disclosures made to the Company pursuant to the Takeover Code. Our articles of association do not contain a provision that would have an effect of delaying, deferring or preventing a change in control of the company and that would operate only with respect to a merger, acquisition or corporate restructuring involving our company.

Maintenance of Minimum Public Shareholding as a Condition for Continuous Listing

The Securities Contracts (Regulation) Rules, 1957 were amended on June 4, 2010 to make it mandatory for all listed companies in India to have a minimum public shareholding of 25%. The term 'public shareholding' for these purposes means equity shares of the company held by the public and includes shares underlying depository receipts if (i) the holder of such depository receipts has the right to issue voting instruction and (ii) such depository receipts are listed on an international exchange in accordance with the Depository Receipt Scheme, 2014. Equity shares of a company held by a trust set up for implementing employee benefit schemes under the regulations framed by the Securities and Exchange Board of India is excluded from 'public shareholding'

Existing listed companies having a lower public shareholding are required to reach the prescribed threshold of 25% by:

a. sale of shares held by the promoters / promoters group up to 2% of the total paid-up equity share capital in the open market, subject to five times' average monthly trading volume of the shares; or
b. allotment of eligible securities through qualified institutional placement in terms of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009; or
c. issuance of shares to public through prospectus; or
d. offers for sale of shares held by promoters to public through prospectus; or
e. sale of shares held by promoters through the secondary market in terms of SEBI guidelines; or
f. Institutional Placement Programme in terms of Chapter VIIIA of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended; or
g. rights issues to public shareholders, with promoter / promoter group shareholders forgoing their entitlement to equity shares, whether present or future, that may arise from such issue; or
h. bonus issues to public shareholders, with promoter / promoter group shareholders forgoing their entitlement to equity shares, whether present or future, that may arise from such issue; or
i. any other method as may be approved by SEBI on a case to case basis.

As of March 31, 2019, our public shareholding was approximately at 86.68%.

Voting Rights of Deposited Equity Shares Represented by ADSs

Under Indian law, voting in relation to the equity shares is by show of hands unless a poll is demanded by a member or members present in person or by proxy holding at least 10% of the total shares entitled to vote on the resolution or by those holding shares with an aggregate paid-up capital of at least ₹5,00,000. The Listing Regulations now provide that an e-voting facility must be mandatorily provided to shareholders in respect of all shareholders' resolutions to in accordance with the procedure prescribed in the Indian Companies Act. A proxy (other than a body corporate represented by an authorized representative) may not vote except on a poll.

As soon as practicable after receipt of notice of any general meetings or solicitation of consents or proxies of holders of shares or other deposited securities, our Depositary shall fix a record date for determining the holders entitled to give instructions for the exercise of voting rights. The Depositary shall then mail to the holders of ADSs a notice stating (i) such information as is contained in such notice of meeting and any solicitation materials, (ii) that each holder on the record date set by the Depositary will be entitled to instruct the Depositary as to the exercise of the voting rights, if any pertaining to the deposited securities represented by the ADSs evidenced by such holder's ADRs, (iii) the manner in which such instruction may be given, including instructions to give discretionary proxy to a person designated by us, and (iv) as per the agreement with the Depositary if the Depositary does not receive instructions from a holder, he would be deemed to have instructed the Depositary to give a discretionary proxy to a person designated by us to vote such deposited securities, subject to satisfaction of certain conditions.

As per the agreement with the Depositary, on receipt of the aforesaid notice from the Depositary, our ADS holders may instruct the Depositary on how to exercise the voting rights for the shares that underlie their ADSs. For such instructions to be valid, the Depositary must receive them on or before a specified date.

The Depositary will try, as far as is practical, and in accordance with the terms of the agreement and subject to the provisions of Indian law and our Memorandum of Association and our Articles of Association, to vote or to have its agents vote in relation to the shares or other deposited securities as per our ADS holders' instructions. The Depositary will only vote or attempt to vote as per an ADS holder's instructions. The Depositary will not itself exercise any voting discretion.

As per the agreement with the Depositary, neither the Depositary nor its agents are responsible for any failure to carry out any voting instructions, for the manner in which any vote is cast, or for the effect of any vote. There is no guarantee that our shareholders will receive voting materials in time to instruct the Depositary to vote and it is possible that ADS holders, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote.

Insider Trading Regulations

The Insider Trading Regulations covers within its ambit both listed and proposed to be listed securities and in addition with trading, also lists communication or procuring unpublished price sensitive information in violation of the Insider Trading Regulations as an offence. In terms of the Insider Trading Regulations, the promoters, promoter group, key managerial personnel and directors of a company are required to disclose their respective holding of securities of the company within 7 days of their appointment or becoming a promoter. Further, every promoter, promoter group, designated person and director of a company is required to disclose to the company the number of securities acquired or disposed of by such individual within two trading days of a transaction, if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ₹1,000,000 or such other value as may be prescribed. The company is required to notify the stock exchanges where its securities are listed within two days of receipt of such disclosure or becoming aware of such information. Any company whose securities are listed on a stock exchange may, at its discretion, require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company.

MATERIAL CONTRACTS

We have entered into agreements with our executive directors, Salil Parekh, our Chief Executive Officer and Managing Director and Mr. U.B. Pravin Rao, our Chief Operating Officer.

Mr. Parekh's employment agreement provides for an annual salary, variable pay, stock compensation, employee benefits, vacation, expenses, minimum and maximum remuneration. Mr. Parekh's agreement is for an initial term of five years with option to renew for a three-year term on mutually agreed term and subject to shareholder approval. Mr. Parekh and the Company have agreed to provide each other with 90 days' notice prior to terminating the agreement. Mr. Parekh may be entitled to severance benefits depending on the circumstances of his termination of employment. The form of the employment agreement with Mr. Parekh has been filed previously with Annual Report on Form 20-F.

Mr. Rao's employment agreement provides for an annual salary, variable pay, bonuses, performance-based stock compensation and other terms including employee benefits, vacation, expenses and minimum remuneration. Mr. Rao and the Company have agreed to provide each other with three months' notice prior to terminating the agreement. Mr. Rao may be entitled to severance benefits depending on the circumstances of his termination of employment. Mr. Rao's employment agreement has been filed previously with the Annual Report on Form 20-F.

We have also entered into agreements to indemnify our directors and officers for claims brought against them to the fullest extent permitted under applicable law. These agreements, among other things, indemnify our directors and officers for certain expenses, judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of Infosys Limited, arising out of such persons' services as our director or officer, expenses in relation to public relation consultation if required. The form of indemnification agreements for directors and officers has been filed previously with the Annual Report on Form 20-F.

CURRENCY EXCHANGE CONTROLS

General

The subscription, purchase and sale of shares of an Indian company are governed by various Indian laws restricting the issuance of shares by the company to non-residents or subsequent transfer of shares by or to non-residents. These restrictions have been relaxed in recent years. Set forth below is a summary of various forms of investment, and the restrictions applicable to each, including the requirements under Indian law applicable to the issuance of ADSs.

Foreign Direct Investment Issuances by the Company

Subject to certain conditions, under the recently amended regulations, foreign direct investment in most industry sectors does not require prior approval of Government of India or the RBI, if the percentage of equity holding by all foreign investors does not exceed specified industry-specific thresholds. These conditions include certain minimum pricing requirements, compliance with the Takeover Code (as described above), and ownership restrictions based on the nature of the foreign investor (as described below). Purchases by foreign investors of ADSs are treated as direct foreign investment in the equity issued by Indian companies for such offerings. Foreign investment of up to 100% of our share capital is currently permitted by Indian laws.

Subsequent Transfers

Restrictions for subsequent transfers of shares of Indian companies between residents and non-residents were relaxed significantly as of October 2004. As a result, for a transfer by way of a private arrangement between a resident and a non-resident of securities of an Indian company in the IT sector, such as ours, no prior approval of either the RBI or the Government of India is required, as long as certain conditions are met. These conditions include compliance, as applicable, with pricing guidelines, the Takeover Code (as described above), and the ownership restrictions based on the nature of the foreign investor (as described below). In case of a sale of shares of a listed Indian company by a resident to a non-resident, the minimum price per share payable by a non-resident to acquire the shares cannot be less than the higher of:

a. the average of the weekly high and low of the volume weighted average price of equity shares on a stock exchange during the 26 weeks prior to the relevant date; or
b. the average of the weekly high and low of the volume weighted average prices of equity shares on a stock exchange during the 2 weeks period prior to the relevant date.

In case of a sale of shares of a listed Indian company by a non-resident to a resident, the price per share computed in accordance with the procedure set above will be the maximum price per share that can be paid by the resident for the purchase of shares from a non-resident.

A non-resident cannot acquire shares of a listed company on a stock exchange unless such non-resident is (a) registered as a foreign portfolio investor (FPI) with the SEBI; or (b) a person resident outside India who is a citizen of India (NRIs) or (c) a person resident outside India who is registered as an overseas citizen of India cardholder under the Citizenship Act, 1955 (OCIs);

The conditions prescribed for investment by a non-resident on the stock exchange under the foreign direct investment scheme pursuant to the above, are as follows:

i. The non-resident investor should have already acquired and continues to hold control in accordance with the Takeover Code;
ii. The amount of consideration for transfer of shares to non-resident consequent to purchase on the stock exchange may be paid as below:
    a. by way of inward remittance through banking channels, or
    b. by way of debit to the NRE / FCNR (B) / escrow account maintained in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016;
    c. the consideration amount may also be paid out of the dividend payable by Indian investee company, in which the said non-resident holds control as (i) above, provided the right to receive dividend is established and the dividend amount has been credited to special non-resident rupee account (SNRR) opened in terms of Foreign Exchange Management (Deposit) Regulations, 2016 for acquisition of shares on the recognized stock exchange;
iii. The original and resultant investments are in line with the extant foreign direct investment policy and the regulations under the Foreign Exchange Management Act, 1999 in respect of sectoral cap, entry route, reporting requirement, documentation, etc.

Transfers of shares or convertible debentures of the company, by way of sale or gift, between two non-residents are not subject to RBI approvals or pricing restrictions. However, for sectors in which foreign direct investment requires prior Government approval (foreign direct investment in the information technology sector does not require prior Government approval), approval from the Government of India will be required for a transfer between two non-residents.

Investment by Non-Resident Indians and Overseas Citizens of India

NRIs or OCIs are permitted to purchase or sell capital instruments[1] of a listed Indian company on repatriation basis, on a recognized stock exchange in India. An NRI or OCI can purchase up to 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% percent of the paid-up value of each series of debentures or preference shares or warrants issued by an Indian company, subject to the condition that the total holdings of all NRIs and OCIs together does not exceed 10% of the total paid-up equity capital on a fully diluted basis or should not exceed 10% of the paid-up value of each series of debentures or preference shares or warrants. The 10% ceiling may be exceeded if a special resolution is passed in a general meeting of the shareholders of a company, subject to an overall ceiling of 24%. In addition, NRIs may also make foreign direct investments in Indian companies pursuant to the foreign direct investment route discussed above.

Overseas corporate bodies controlled by NRIs, or OCBs, were previously permitted to invest on favorable terms under the Portfolio Investment Scheme. The RBI no longer recognizes OCBs as an eligible class of investment vehicle under various routes and schemes under the foreign exchange regulations

Investment by Foreign Portfolio Investors

Investments by FPIs is governed by the SEBI (Foreign Portfolio Investors) Regulations, 2014 (FPI Regulations). FPIs are required to be registered with the designated Depositary participant on behalf of the Securities Exchange Board of India subject to compliance with 'Know Your Customer' norms. FPIs are permitted to invest only in the following securities:

a. shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India, through primary and secondary markets;
b. units of schemes floated by domestic mutual funds (except liquid and money market mutual fund schemes), whether listed on a recognized stock exchange or not;
c. units of schemes floated by a collective investment scheme;
d. derivatives traded on a recognized stock exchange;
e. dated government securities (including treasury bills and state development loans);
f. Rupee denominated credit enhanced bonds;
g. security receipts issued by asset reconstruction companies;
h. perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time;
i. listed and unlisted non-convertible debentures or bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings guidelines;
j. non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' by the Reserve Bank of India;
k. Rupee denominated bonds or units issued by infrastructure debt funds;

[1] Regulation 2(4) of the Foreign Exchange (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 define 'Capital Instruments' to mean "*equity shares, debentures, preference shares and share warrants issued by an Indian company; Explanation:*

1. Equity shares issued in accordance with the provisions of the Companies Act, 2013 shall include equity shares that have been partly paid. The expression 'Debentures' means fully, compulsorily and mandatorily convertible debentures. 'Preference shares' means fully, compulsorily and mandatorily convertible preference shares. Share Warrants are those issued by an Indian Company in accordance with the Regulations issued by the Securities and Exchange Board of India. Capital instruments can contain an optionality clause subject to a minimum lock-in period of one year or as prescribed for the specific sector, whichever is higher, but without any option or right to exit at an assured price.
2. Partly paid shares that have been issued to a person resident outside India shall be fully called-up within twelve months of such issue. Twenty-five percent of the total consideration amount (including share premium, if any), shall be received upfront.
3. In case of share warrants at least twenty-five percent of the consideration shall be received upfront and the balance amount within eighteen months of issuance of share warrants.
4. Capital instruments shall include non-convertible/ optionally convertible/ partially convertible preference shares issued as on and up to April 30, 2007 and optionally convertible/ partially convertible debentures issued up to June 7, 2007 till their original maturity. Non-convertible/ optionally convertible/ partially convertible preference shares issued after April 30, 2007 shall be treated as debt and shall conform to External Commercial Borrowings guidelines regulated under Foreign Exchange Management (Borrowing and Lending in Foreign Exchange) Regulations, 2000."

l. Indian depository receipts;
m. units of Real Estate Investment Trusts, Infrastructure Investment Trusts and Category III Alternative Investment Funds;
n. unlisted non-convertible debentures / bonds issued by an Indian company subject to the guidelines issued by the Ministry of Corporate Affairs, Government of India, from time to time;
o. securitized debt instruments, including:
i. any certificate or instrument issued by a special purpose vehicle set up for securitization of assets with banks, financial institutions or non-banking financial institutions as originators; and
ii. any certificate or instrument issued and listed in terms of the SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008;
p. corporate bonds:
q. municipal bonds and
r. such other instruments specified by the Securities and Exchange Board of India from time to time.

A single foreign portfolio investor or an investor group is permitted to purchase equity shares of a company only below 10% of the total issued capital of the company. Pursuant to a recent amendment to the foreign investment regime in India, if the investment made by a person resident outside India in a listed Indian company is less than 10% of the post issue paid-up equity share capital (on a fully diluted basis) of such listed Indian company or less than 10% of the paid up value of each series of capital instruments of such listed Indian company, such investment would be categorized as foreign portfolio investment. However, there is a distinction between such foreign portfolio investment and investment by an entity registered with SEBI as a foreign portfolio investor. In other words, all investments by a SEBI registered FPI will necessarily be categorized as foreign portfolio investments, however investments by entities not registered as FPI with SEBI can also be categorized as 'foreign portfolio investments' if it is within the prescribed limits. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue subscribe to, or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure any transfer of any offshore derivative instrument issued by or on behalf of it is made to persons who fulfill the above requirements. Further, prior consent of the FPI issuing the offshore derivative instrument is obtained for a transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPI Regulations became effective as of June 1, 2014. Any erstwhile FII or Qualified Foreign Investor (QFI) who held a valid certificate of registration as on that date were deemed to be a FPI till the expiry of the block of three years for which fees had been paid per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995. All existing FIIs and sub accounts, subject to payment of conversion fees specified in the FPI Regulations, may continue to buy, sell or otherwise deal in securities subject to the provisions of the FPI Regulations, until the earlier of (i) expiry of its registration as a FII or sub-account, or (ii) obtaining a certificate of registration as foreign portfolio investor. All QFIs may continue to buy, sell or otherwise deal in securities until the earlier of (i) up to a period of a one year from the date of commencement of the FPI Regulations; (ii) obtaining a certificate of registration as a foreign portfolio investor.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 (notified vide Notification No. FEMA. 20 (R)/2017-RB dated November 07, 2017) provides that an FPI may purchase capital instruments of a listed Indian company on a recognized stock exchange in India through public offer/ private placement, subject to the individual and aggregate limits and the conditions specified. Further, under the FPI Regulations, an FPI may sell securities so acquired (i) in an open offer in accordance with the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; or (ii) in an open offer in accordance with the Securities Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; or (iii) through buyback of securities by a listed Indian company in accordance with the Securities Exchange Board of India (Buy-back of Securities) Regulations, 2018. An FPI may also acquire securities (i) in any bid for, or acquisition of securities in response to an offer for disinvestment of shares made by the Central Government or any State Government; or (ii) in any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the SEBI (ICDR) Regulations, 2009.

As per the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, the total holding of each FPI shall be below 10% of the total paid up equity capital on a fully diluted basis or less than 10% of the paid up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holding of all FPIs put together shall not exceed 24% of the paid up equity capital on a fully diluted basis or paid up value of each series of debentures or preference shares or share warrants. If the total holding of an FPI increases to 10% or more of the total paid-up equity capital on a fully diluted basis or 10% or more of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company, subject to the conditions specified by SEBI and the RBI, the total investment made by such FPI shall be re-classified as foreign direct investment and the reporting requirements prescribed under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 should be complied with accordingly.

The aggregate investment limits of 24% mentioned above can also be increased to the sectoral cap / statutory ceiling, as applicable, by the Indian company concerned through a resolution by its board of directors followed by a special resolution to that effect by its shareholders and subject to prior notification to RBI. Portfolio investment, up to aggregate foreign investment level of 49% or sectoral / statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, as the case may be, if such investment does not result in transfer of ownership and/ or control of Indian entities from resident Indian citizens to non-resident entities. An FPI may invest in government securities and corporate debt subject to limits specified by the RBI and SEBI from time to time and to trade in all exchange traded derivative contracts on the stock exchanges in India subject to the position limits as specified by the SEBI from time to time.

The explanatory notes to the Finance Act, 2017, dated February 15, 2018, provide that section 9 of the Income Tax Act has been amended so as to clarify that explanation 5 shall not apply to an asset or capital asset, which is held by a non-resident by way of investment, directly or indirectly, in a FII as referred to in clause (a) of the explanation to section 115AD of the Income Tax Act for an assessment year commencing on or after the April 01, 2012 but before the April 01, 2015. This amendment takes effect retrospectively from April 01, 2012 and will, accordingly, apply from assessment year 2012-13 and subsequent assessment years. Section 9 of the Income Tax Act has been further amended so as to clarify that explanation 5 shall not apply to an asset or capital asset, which is held by a non-resident by way of investment, directly or indirectly, in Category-I or Category-II FPI under the FPI Regulations, made under the Securities and Exchange Board of India Act, 1992, as these entities are regulated and broad based.

ADSs

Issue of securities through the depository receipt mechanism

Issue of securities through the depository receipt mechanism by Indian companies is governed by the Companies Act, 2013, the Companies (Issue of Global Depository Receipts) Rules, 2014 (Depository Receipts Rules) and the Depository Receipts Scheme, 2014 (the "DR Scheme").

The Government of India approved the DR Scheme on October 21, 2014, which came into force on December 15, 2014. Consequently, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 (the 1993 Scheme") has been repealed except to the extent relating to foreign currency convertible bonds. The DR Scheme is in addition to the other policies or facilities, as described above, relating to investments in Indian companies by foreign investors.

Under the DR Scheme, an Indian company, listed or unlisted, private or public, is permitted to issue securities, including equity shares, through the depository receipt mechanism if such company has not been specifically prohibited from accessing capital markets or dealing in securities. Permissible securities that can be issued by an Indian company through the depository receipt mechanism are 'securities' as defined under the Securities Contracts (Regulation) Act, 1956, which includes, inter alia, shares, bonds, derivatives and unit of mutual funds, and similar instruments issued by private companies, provided that such securities are in dematerialized form.

An Indian company can issue securities to a foreign depository for the purpose of issuing depository receipts through any mode permissible for the issue of such securities to other investors. The foreign depository can issue depository receipts by way of a public offering or private placement or in any other manner prevalent in the permissible jurisdiction. A 'permissible jurisdiction' is defined as a foreign jurisdiction which is a member of the Financial Action Task Force on Money Laundering and whose securities regulator is a member of the International Organization of Securities Commissions.

In terms of the DR Scheme, securities can be issued through the depository receipt mechanism up to such a limit that the aggregate underlying securities issued to foreign depositories for issuance of depository receipts along with securities already held by persons resident outside India does not exceed the applicable foreign investment limits prescribed by regulations framed under the Foreign Exchange Management Act, 1999. The depository receipts and the underlying securities may be converted into each other subject to the applicable foreign investment limit.

The DR Scheme provides that underlying securities shall not be issued to a foreign depository for issuance of depository receipts at a price which is less than the price applicable to a corresponding mode of issuance to domestic investors.

In terms of the DR Scheme, the foreign depository is entitled to exercise voting rights, if any, associated with the underlying securities whether pursuant to voting instructions from the holder of depository receipts or otherwise. Further, a holder of depository receipts issued against underlying equity shares shall have the same obligations as if it is the holder of the equity shares if it has the right to issue voting instruction.

A person will be eligible to issue or transfer eligible securities to a foreign depository, for the purpose of issuance of depository receipts as provided in the DR Scheme and guidelines issued by the Government of India thereunder from time to time.

TAXATION

Indian Taxation

General. The following summary is based on the law and practice of the Income-tax Act, 1961, or Income-tax Act, including the special tax regime contained in Sections 115AC and 115ACA of the Income-tax Act read with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, or the Scheme, as amended.

The Income-tax Act is amended every year by the Finance Act of the relevant year. Some or all of the tax consequences of Sections 115AC and 115ACA may be amended or changed by future amendments to the Income-tax Act.

We believe this information is materially complete as of the date hereof. However, these details are not intended to constitute a complete analysis of the individual tax consequences to non-resident holders or employees under Indian law for the acquisition, ownership and sale of ADSs and equity shares.

EACH INVESTOR OR PROSPECTIVE INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN TAX ADVISORS WITH RESPECT TO INDIAN AND LOCAL TAX CONSEQUENCES OF ACQUIRING, OWNING OR DISPOSING OF EQUITY SHARES OR ADSs.

Residence. For purposes of the Income-tax Act, an individual is considered to be a resident of India during any fiscal year if he or she is in India in that year for a period or periods amounting to at least 182 days; or at least 60 days and, within the four preceding years has been in India for a period or periods amounting to at least 365 days.

The period of 60 days referred to above shall be read as 182 days (i) in case of a citizen of India who leaves India in a previous year for the purposes of employment outside of India or (ii) in the case of a citizen of India or a person of Indian origin living abroad who visits India.

A company is a resident of India if it is incorporated in India or the control and the management of its affairs is situated wholly in India. Individuals and companies that do not fulfill the above criteria would be treated as non-residents for purposes of the Income-tax Act. The Finance Act, 2015 has amended this definition and brought in the concept of Place of Effective Management (PoEM) i.e., a company would be considered a resident in India if its place of effective management in that year is in India. Thus a foreign company will be resident in India, if its PoEM in that year is in India. The term 'PoEM' has been explained to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole, are in substance made. PoEM is an internationally recognized concept and accepted even by the OECD. The Finance Act 2016 has deferred the applicability of PoEM by one year and accordingly it shall be applicable from fiscal 2017 onwards. Further to the amended definition, the Ministry of Finance issued draft guidelines for determining PoEM of a company on December 23, 2015. CBDT via circular dated 24 January 2017 has come up with guiding principles to be followed to determine PoEM. Further, the CBDT has vide Notification No. 29/2018 dated June 22, 2018 specified the exceptions, modifications and adaptations to the provisions of the Income-tax Act relating to computation of total income, treatment of unabsorbed depreciation, set off or carry forward and set off of losses, collection and recovery and special provisions relating to avoidance of tax that shall apply to a foreign company having POEM in India. This may increase the compliance of filing of returns and assessment of our subsidiary company situated outside India.

Taxation of Distributions. Dividend income is currently exempt from tax for shareholders. The effective rate of DDT payable by the Company is currently 20.5553 %. Further the Finance Act 2017 has provided that any income earned by any resident except domestic companies or specified funds or trusts or institutions, by way of dividend declared, distributed or paid by any domestic company in excess of ₹1,000,000 in aggregate shall be chargeable to tax at the rate of 10% on gross basis on such amount exceeding ₹1,000,000.

Minimum Alternate Tax. Section 115JA of the Income Tax Act ("the Act") which came into effect in April 1, 1997, brought certain zero tax companies under the ambit of a Minimum Alternate Tax, or MAT. Effective April 1, 2000, Finance Act, 2000 introduced Section 115JB, under which the income of companies eligible for tax holiday under section 10A of the Act was exempted from MAT. The amount of income to which any of the provisions of section 10A apply, was reduced from the book profit for the purposes of calculation of income tax payable under the aforesaid section. The Finance Act, 2007 included income eligible for deductions under section 10A of the Act in the computation of book profits for the levy of MAT. However, income earned by SEZ developers and units operating in SEZ were kept out of computation of book profit subjected to MAT. Effective April 1, 2011, the Finance Act, 2011 extended MAT to SEZ units and SEZ developer units. Income in respect of which a deduction may be claimed under section 10AA or section 80IAB of the Indian Income Tax Act therefore has to be included in book profits for computing MAT liability. The effective rate of income tax under MAT provision is 21.3416%.

The Finance Act 2017 has increased the time limit for carry forward of MAT credit from ten years to fifteen years.

Taxation of Employee Stock Options. Through the Finance Act, 2009, Section 17 (2) of the Income Tax Act was amended to provide that any specified securities or sweat equity shares allotted or transferred, directly or indirectly, by a company free of cost or at concessional rate to its current or former employees are taxable in the hands of employees as a "perquisite". This treatment extends to all options granted under a company's stock option plan, where such option is exercised on or after April 1, 2009. The value of the perquisite is the fair market value, or FMV, of the specified security or share as on the date of exercise of the option by the employee as reduced by the amount actually paid by, or recovered from the employee in respect of such security or share. The value of the

perquisite so computed is added to the income chargeable to tax in the hands of the employee under the head "salaries" and subject to tax at the rate applicable to the individual employee. Securities or sweat equity shares allotted or transferred by a company free of cost or at concessional rate to its employees were earlier subject to a fringe benefit tax, which now stands abolished.

Taxation of Capital Gains. The following is a brief summary of capital gains taxation of non-resident holders and resident employees relating to the sale of ADSs and equity shares received upon conversion of ADSs. The relevant provisions are contained mainly in sections 2(42A), 45, 47(viia), 47(x), 49(2ABB), 115AC and 115ACA, of the Income-tax Act, in conjunction with the Scheme.

Effective April 1, 2001, the Finance Act, 2001 introduced a new section 115AC in place of the prevailing section 115AC of the Income-tax Act. You should consult your own tax advisor concerning the tax consequences of your particular situation.

Shares (including shares issuable on the conversion of the ADSs) held by the non-resident investor for a period of more than 12 months is treated as long term capital assets. If the shares are held for a period of less than 12 months from the date of conversion, the same is treated as short term capital asset.

Capital gains are taxed as follows:

- As per the applicable scheme, gains from a sale of ADSs outside India by a non-resident to another non-resident are not taxable in India;
- Long-term capital gains realized by a resident from the transfer of the ADSs will be subject to tax at the rate of 10% as increased by the the applicable surcharge and education cess; short-term capital gains on such a transfer will be taxed at graduated rates with a maximum of 30%, as increased by the the applicable surcharge and education cess;
- Long-term capital gains realized by a non-resident upon the sale of equity shares obtained from the conversion of ADSs are subject to tax at a rate of 10% as increased by the applicable surcharge and education cess; and short-term capital gains on such a transfer will be taxed at the rate of tax applicable to the seller;
- Long Term Capital Gain arising from sale of equity shares in a company (or a unit of an equity oriented fund or a unit of a business trust) on or after October 1, 2004 and on which STT is paid at the time of sale, was earlier exempt from Tax. The Finance Act 2017 had amended the Income Tax Act to provide that the Long-term capital gains realized by any person upon the sale of equity shares in a company is exempt from tax only if the sale of such shares is made on a recognized stock exchange and Securities Transaction Tax, or STT (described below) is paid both at the time of purchase and sale of such shares, or such acquisition has been notified by the central government. The Finance Act, 2018 has amended the Income Tax Act to provide that Long Term Capital Gain exceeding ₹100,000 arising from sale of equity shares in a company or a unit of an equity oriented fund or a unit of a business trust will be taxable at a rate of 10%, subject to satisfaction of certain conditions and will not get the benefit of indexation. Thus, any transfer carried out after 1 April 2018, would result in Long Term Capital Gains in excess of Rs 1 lakh and will attract tax at the rate of 10 percent. Further if investments are made on or before 31 January 2018, a method of determining the Cost of Acquisition (COA) of such investments has been specifically laid down. The COA of such investments shall be deemed to be the higher of-

1. The actual COA of such investments; and
2. The lower of-

o Fair Market Value ('FMV') of such investments; and

o the Full Value of Consideration received or accruing as a result of the transfer of the capital asset i.e. the Sale Price.

With respect to assets listed as on 31 January 2018, the FMV would be the highest price quoted on the recognized stock exchange on 31 January 2018. In case there is no trading of the said asset in such stock exchange, the highest price on a day immediately preceding 31 January 2018 shall be considered to be the FMV; and

- Any short term capital gain is taxed at 15% excluding the applicable surcharge and education cess, if the sale of such equity shares is settled on a recognized stock exchange and STT is paid on such sale.

As per the Finance Act, 2015, the rate of surcharge for domestic companies having total taxable income exceeding ₹10,000,000 but not exceeding ₹100,000,000 is 7% and in the case of domestic companies whose total taxable income is greater than ₹100,000,000, the applicable surcharge is 12%. For foreign companies, the rate of surcharge is 2% if the total taxable income exceeds ₹10,000,000 but does not exceed ₹100,000,000 and it is 5% if the total taxable income of the foreign company exceeds ₹100,000,000. The taxes and applicable surcharge will be increased by incremental levy known as 'Health and Education cess' at 4%.Since October 1, 2004, with respect to a sale and purchase of equity shares entered into on a recognized stock exchange, (i) both the buyer and seller are required to pay a Securities Transaction Tax (STT) at the rate of 0.1% of the transaction value of the securities, if the transaction is a delivery based transaction, i.e. the transaction involves actual delivery or transfer of shares; (ii) the seller of the shares is required to pay a STT at the rate of 0.025% of the transaction value of the securities if the transaction is a non-delivery based transaction, i.e. a transaction settled without taking delivery of the shares. STT is leviable with respect to a sale and purchase of a derivative and the rates of STT as substituted by Finance Act, 2008 effective June 1, 2008 is as follows: (i) in case of sale of an option in securities, the seller is required to pay an STT at the rate of 0.05% of the option premium; (ii) in case of a sale of an option in securities, where the option is exercised, the buyer is required to pay a STT at the rate of 0.125% of the settlement price; and (iii) in case of sale of futures in securities, the seller is required to pay STT at 0.01% on transaction value.

Any resulting taxes on capital gains arising out of such transaction may be offset by the applicable credit mechanism allowed under double tax avoidance agreements. The capital gains tax is computed by applying the appropriate tax rates to the difference between the sale price and the purchase price of the ADSs or equity shares. Under the Scheme, the purchase price of equity shares in an Indian listed company received in exchange for ADSs will be the market price of the underlying shares on the date that the Depositary gives notice to the custodian of the delivery of the equity shares in exchange for the corresponding ADSs, or the "stepped up" basis purchase price. The market price will be the price of the equity shares prevailing on the BSE or the NSE, as applicable.

There is no corresponding provision under the Income-tax Act in relation to the "stepped up" basis for the purchase price of equity shares. However, to the best of our knowledge, the tax department in India has not denied this benefit. In the event that the tax department denies this benefit, the original purchase price of ADSs would be considered the purchase price for computing the capital gains tax.

According to the Scheme, a non-resident holder's holding period for the purposes of determining the applicable Indian capital gains tax rate relating to equity shares received in exchange for ADSs commences on the date of the notice of the redemption by the Depositary to the custodian. However, the Scheme does not address this issue in the case of resident employees, and it is therefore unclear when the holding period for the purposes of determining capital gains tax commences for such a resident employee.

The Finance Act, 2017 has also introduced section 56(2)(x) in the Indian Income Tax Act to include that following shall be chargeable to Income tax as "Income from other sources":

Where any person receives, in any previous year, from any person or persons on or after the first day of April, 2017, amongst others, any shares or securities without consideration, the fair market value of which exceeds fifty thousand rupees, the whole of the fair market value of such shares or securities or for a consideration which is less than the fair market value of the shares or securities by an amount exceeding fifty thousand rupees, the fair market value of such shares or securities as exceeds such consideration. For this purpose, the fair market value is required to be computed as per prescribed taxation rules. Further, this provision is subject to certain specified exemptions, as an example, receipt of shares or securities from specified relatives, or pursuant to tax neutral mergers and demergers, etc. It is unclear whether capital gains derived from the sale of subscription rights or other rights by a non-resident holder not entitled to an exemption under a tax treaty will be subject to Indian capital gains tax. If such subscription rights or other rights are deemed by the Indian tax authorities to be situated within India, the gains realized on the sale of such subscription rights or other rights will be subject to Indian taxation. The capital gains realized on the sale of such subscription rights or other rights, which will generally be in the nature of short-term capital gains, will be subject to tax at

- a maximum rate of 40% as increased by the applicable surcharge and education cess, in case of a foreign company, and
- a maximum rate of 30% as increased by the applicable surcharge and education cess, in case of resident employees, and non-resident individuals with taxable income over ₹1,000,000.

Withholding Tax on Capital Gains. Any taxable gain realized by a non-resident on the sale of ADSs or equity shares is to be withheld at the source by the buyer. According to section 196C of the Income Tax Act ("the Act'), where any income by way of interest or dividends in respect of bonds or global depository receipts referred to in section 115AC of the Act or by way of long-term capital gains arising from the transfer of such bonds or global depository receipts is payable to a non-resident, the person responsible for making the payment shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by the issue of a check or draft or by any other mode, whichever is earlier, deduct income tax thereon at the rate of ten per cent. However, as per the provisions of Section 196D (2) of the Income Tax Act, no withholding tax is required to be deducted from any income by way of capital gains arising to Foreign Institutional Investors (FPIs) as defined in Section 115AD of the Income Tax Act on the transfer of securities defined in Section 115AD of the Income Tax Act.

Buy-back of Securities. Indian companies are not subject to any tax on the buy-back of their shares. However, the shareholders will be taxed on any resulting gains. In case of resident shareholders in absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax on the consideration payable to resident shareholders pursuant to the Buyback. In case non-resident FPIs, section 196D (2) of the Income Tax Act provides for specific exemption from withholding tax. Thus, no withholding of tax is required in case of consideration payable to FPIs. In case other than FPIs Indian companies would be required to deduct tax at source (including applicable surcharge and cess) on any sum chargeable to tax under section 195(1) of the Income Tax Act. Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and education cess) shall be deducted at appropriate rates as per the Income Tax Act. In doing this, the Company will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard. Since the buyback is through the recognized stock exchanges in India, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate. Further in case of buy back of unlisted shares as per section 115QA of the Income Tax Act, domestic companies are subject to tax on buy back of unlisted shares. The statutory obligation of the non-resident shareholder to pay tax dues on gains (if any) is a separate and independent from the statutory obligation of the Company to withhold taxes. Correspondingly exemption to shareholder under section 10(34A) of the Income Tax Act is provided. For tax implications related to the buyback for non-resident shareholders refer to the document 'tax implications related to the buyback for non-resident shareholders' which is filed as an exhibit to the Annual Report on Form 20-F.

Stamp Duty and Transfer Tax. A transfer of ADSs is not subject to Indian stamp duty. A sale of equity shares in physical form by a non-resident holder will be subject to Indian stamp duty at the rate of 0.25% of the market value of the equity shares on the trade date, although customarily such tax is borne by the transferee. Shares must be traded in dematerialized form. The transfer of shares in dematerialized form is currently not subject to stamp duty.

Goods and Service Tax. Brokerage or commission paid to stock brokers in connection with the sale or purchase of shares is subject to GST of 18% with effect from 1st July, 2017. The stock broker is responsible for collecting the GST from the shareholder and paying it to the relevant authority. In Erstwhile service tax regime, the service tax rate was 15% inclusive of all cess.

Material U.S. Federal Income and Estate Tax Consequences

The following is a summary of the material U.S. federal income and estate tax consequences that may be relevant with respect to the ownership and disposition of equity shares or ADSs and is for general information only. This summary addresses the U.S. federal income and estate tax considerations of holders that are U.S. holders. U.S. holders are beneficial holders of equity shares or ADSs who are individuals who are citizens or residents of the United States; corporations (or other entities treated as corporations for U.S. federal tax purposes) created in or under the laws of the United States or any state thereof (or the District of Columbia); estates, the income of which is subject to U.S. federal income taxation regardless of its source, and trusts for which a U.S. court exercises primary supervision and a U.S. person has the authority to control all substantial decisions or that has a valid election under applicable U.S. Treasury Regulations to be treated as a U.S. person. This summary is limited to U.S. holders who will hold equity shares or ADSs as capital assets for U.S. federal income tax purposes (generally for investment). In addition, this summary is limited to U.S. holders who are not resident in India for purposes of the Convention

between the Government of the United States and the Government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "Treaty"). If a partnership, including any entity treated as a partnership for U.S. federal income tax purposes, holds the equity shares or ADSs, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. A partner in a partnership holding equity shares or ADSs should consult his, her or its own tax advisor regarding the tax treatment of an investment in the equity shares or ADSs.

This summary does not address tax considerations applicable to holders that may be subject to special tax rules, such as banks, insurance companies, financial institutions, dealers in securities or currencies, tax-exempt entities, persons that will hold equity shares or ADSs as a position in a 'straddle' or as part of a 'hedging' or 'conversion' transaction for tax purposes, persons that have a 'functional currency' other than the U.S. dollar or holders of 10% or more, by voting power or value, of the shares of our company. This summary is based on the Internal Revenue Code of 1986, as amended and as in effect on the date of this Annual Report on Form 20-F and on U.S. Treasury Regulations in effect or, in some cases, proposed, as of the date of this Annual Report on Form 20-F, as well as judicial and administrative interpretations thereof available on or before such date, and is based in part on the assumption that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms. All of the foregoing are subject to change, which change could apply retroactively, or the Internal Revenue Service may interpret existing authorities differently, and a court may sustain such an interpretation any of which could affect the tax consequences described below. This summary does not address U.S. federal tax laws other than income or estate tax or any U.S. state or local or non-U.S. tax laws.

EACH INVESTOR OR PROSPECTIVE INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN TAX ADVISOR WITH RESPECT TO THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF ACQUIRING, OWNING OR DISPOSING OF EQUITY SHARES OR ADSs.

Ownership of ADSs. For U.S. federal income tax purposes, holders of ADSs will generally be treated as the holders of equity shares represented by such ADSs.

Dividends. Subject to the passive foreign investment company rules described below, the gross amount of any distributions of cash (or the fair market value of any other property) with respect to ADSs or equity shares (before reduction for any Indian withholding taxes) generally will be included in income by a U.S. holder as ordinary dividend income at the time of receipt, which in the case of a U.S. holder of ADSs generally should be the date of receipt by the Depositary, to the extent such distributions are made from the current or accumulated earnings and profits (as determined under U.S. federal income tax principles) of our company. We do not expect to keep earnings and profits in accordance with U.S. federal income tax principles; therefore, U.S. holders should expect that a distribution will generally be treated as a dividend. Such dividends will not be eligible for the dividends received deduction generally allowed to corporate U.S. holders. To the extent, if any, that the amount of any distribution by our company exceeds our company's current and accumulated earnings and profits (as determined under U.S. federal income tax principles) such excess will be treated first as a tax-free return of capital to the extent of the U.S. holder's tax basis in the equity shares or ADSs, and thereafter as capital gain. Subject to certain limitations, dividends paid to non-corporate U.S. holders, including individuals, may be eligible for a reduced rate of taxation if we are deemed to be a 'qualified foreign corporation' for U.S. federal income tax purposes. A qualified foreign corporation includes a foreign corporation if (1) its shares (or, according to legislative history, its ADSs) are readily tradable on an established securities market in the United States or (2) it is eligible for the benefits under a comprehensive income tax treaty with the United States. In addition, a corporation is not a qualified foreign corporation if it is or has been a passive foreign investment company (as discussed below) for the taxable year in which the dividend is paid or in the preceding taxable year. The ADSs are traded on the NYSE. Due to the absence of specific statutory provisions addressing ADSs, however, there can be no assurance that we are a qualified foreign corporation solely as a result of our listing on NYSE. In addition, it is unclear whether our shares will be considered readily tradeable for this purpose. Nonetheless, we may be eligible for benefits under the Treaty. Each U.S. holder should consult its own tax advisor regarding the treatment of dividends and such holder's eligibility for a reduced rate of taxation.

Subject to certain conditions and limitations, any Indian withholding tax imposed upon distributions paid to a U.S. holder with respect to ADSs or equity shares should be eligible for credit against the U.S. holder's federal income tax liability. Alternatively, a U.S. holder may claim a deduction for such amount, but only for a year in which a U.S. holder does not claim a U.S. foreign tax credit with respect to any foreign income taxes. The overall limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, distributions on ADSs or ordinary shares generally will be foreign source income for purposes of computing the U.S. foreign tax credit allowable to a U.S. holder. The rules governing U.S. foreign tax credits are very complex and each U.S. holder should consult its own tax advisor regarding the availability of foreign tax credits under such holder's particular circumstances.

If dividends are paid in Indian rupees, the amount of the dividend distribution included in the income of a U.S. holder will be in the U.S. dollar value of the payments made in Indian rupees, determined at a spot exchange rate between Indian rupees and U.S. dollars on the date such dividend is included in the income of the U.S. holder, regardless of whether the payment is in fact converted into U.S. dollars. Generally, gain or loss, if any, resulting from currency exchange fluctuations during the period from the date the dividend is paid to the date such payment is converted into U.S. dollars will be treated as U.S. source ordinary income or loss.

Sale or exchange of equity shares or ADSs. Subject to the passive foreign investment company rules described below, a U.S. holder generally will recognize gain or loss on the sale or exchange of equity shares or ADSs equal to the difference between the amount realized on such sale or exchange and the U.S. holder's adjusted tax basis in the equity shares or ADSs, as the case may be. Such gain or loss will be capital gain or loss, and will be long-term capital gain or loss if the equity shares or ADSs, as the case may be, were held for more than one year. Furthermore, any such gain or loss recognized by a U.S. holder generally will be treated as U.S. source passive category income or loss for U.S. foreign tax credit purposes. The sale of equity shares or ADSs by a U.S. holder may be subject to certain taxes in India. See the section titled "Taxation - Indian Taxation - Taxation of Capital Gains" in Item 10 of this Annual Report for additional information Due to limitations on the use of foreign tax credits, however, a U.S. holder may not be able to utilize such taxes as a credit against the U.S. holder's federal income tax liability resulting from such sale.

Estate taxes. An individual U.S. holder will have the value of the equity shares or ADSs held by such holder included in his or her gross estate for U.S. federal estate tax purposes. An individual holder who actually pays Indian estate tax with respect to the equity shares may, however, be entitled to credit the amount of such tax against his or her U.S. federal estate tax liability, subject to a number of conditions and limitations.

Additional Tax on Investment Income. U.S. holders that are individuals, estates or trusts and whose income exceeds certain thresholds are subject to a 3.8% tax on certain net investment income, including, among other things, dividends on, and capital gains from the sale or other taxable disposition of, equity shares or ADSs, subject to certain limitations and exceptions.

Backup withholding tax and information reporting requirements. Any dividends paid on, or proceeds from a sale of, equity shares or ADSs to or by a U.S. holder may be subject to U.S. information reporting, and a backup withholding tax may apply unless the holder is an exempt recipient or provides a U.S. taxpayer identification number and certifies under penalty of perjury that such number is correct and that such holder is not subject to backup withholding and otherwise complies with any applicable backup withholding requirements. Any amount withheld under the backup withholding rules will be allowed as a refund or credit against the holder's U.S. federal income tax liability, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. holders are required to report information with respect to their investment in equity shares or ADSs not held through a custodial account with a U.S. financial institution on Internal Revenue Service Form 8938, which must be attached to the U.S. holder's annual income tax return. Investors who fail to report the required information could become subject to substantial penalties. Each U.S. holder should consult his, her or its own tax advisor concerning its obligation to file Internal Revenue Service Form 8938.

Passive foreign investment company. A non-U.S. corporation generally will be classified as a passive foreign investment company for U.S. federal income tax purposes if either:

- 75% or more of its gross income for the taxable year is passive income; or
- on average for the taxable year, 50% or more of the value of its assets (as of the end of each quarter of its taxable year) is attributable to assets that produce or are held for the production of passive income.

We do not believe that we satisfy either of the tests for passive foreign investment company status for Fiscal 2019. Because this determination is made on an annual basis, however, no assurance can be given that we will not be considered a passive foreign investment company in future taxable years. If we were to be a passive foreign investment company for any taxable year, U.S. holders:

- may be required to pay an interest charge together with tax calculated at ordinary income rates on 'excess distributions,' as the term is defined in relevant provisions of the U.S. tax laws and on any gain on a sale or other disposition of equity shares;
- would be able to avoid the 'excess distribution' rules described above by making a "qualified electing fund election" (as the term is defined in relevant provisions of the U.S. tax laws) and including in their taxable income their pro-rata share of undistributed amounts of our income, however we do not plan to provide information necessary for U.S. holders to make a 'qualified electing fund' election; or
- may avoid the 'excess distribution' rules described above if the applicable equity shares or ADSs are 'marketable' by making a mark-to-market election, in which case the U.S. holder must mark-to-market the equity shares or ADSs each taxable year and recognize ordinary gain and, to the extent of prior ordinary gain, ordinary loss for the increase or decrease in market value for such taxable year. Our ADSs are traded on the NYSE and our equity shares are traded on the Indian stock exchanges. As such, a U.S. holder may be able to make a mark-to-market election with respect to our ADSs or equity shares; and
- will generally be subject to additional annual return requirements and may be required to file Internal Revenue Service Form 8621, unless certain exemptions apply.

THE ABOVE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE OWNERSHIP AND DISPOSITION OF EQUITY SHARES OR ADSs. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR CONCERNING THE RELEVANT TAX CONSEQUENCES TO YOU BASED ON YOUR PARTICULAR SITUATION.

DOCUMENTS ON DISPLAY

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system.

Our website is located at www.infosys.com, and our investor relations website is located at https://www.infosys.com/investors/. This report filed with the SEC can be found on the Company's investor relations website.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

This information is set forth under the section titled 'Operating and Financial Review and Prospects' is as set out above in this Annual Report on Form 20-F and such information is incorporated herein by reference.

Item 12. Description of Securities Other Than Equity Securities Fees and charges payable by holders of our ADSs

The fees and charges payable by holders of our ADSs include the following:

i. a fee not in excess of U.S.$0.05 per ADS is charged for each issuance of ADSs including issuances resulting from distributions of shares, share splits, and rights distributions;
ii. a fee not in excess of U.S.$0.05 per ADS is charged for each surrender of ADSs in exchange for the underlying deposited securities;
iii. a fee not in excess of U.S.$0.01 per ADS for each cash distribution;
iv. a fee not in excess of U.S.$0.01 per ADS is charged for each stock dividend or other free/bonus distribution of the underlying deposited securities distributed in the form of ADSs;
v. an annual fee not in excess of $U.S.$0.02 per ADS for the operation and maintenance costs in administering the ADSs; and

vi. a fee for the distribution of the deposited securities pursuant to the deposit agreement, such fee being an amount equal to the fee for the execution and delivery of ADSs referred to in item (i) above which would have been charged as a result of the deposit of such securities, which were instead distributed by the depositary to ADS holders.

Additionally, under the terms of our deposit agreement, the depositary is entitled to charge each registered holder the following:

i. taxes and other governmental charges incurred by the depositary or the custodian on any ADS or an equity share underlying an ADS;
ii. transfer or registration fees for the registration or transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities, including those of a central depository for securities (where applicable);
iii. any cable, telex, facsimile transmission and delivery expenses incurred by the depositary;
iv. customary expenses incurred by the depositary in the conversion of foreign currency, including, without limitation, expenses incurred on behalf of registered holders in connection with compliance with foreign exchange control restrictions and other applicable regulatory requirements.
v. fees and expenses of the depositary incurred in connection with compliance with regulatory requirements applicable to ADSs or the underlying deposited securities; and
vi. fees and expenses incurred by the depositary or its agents in connection with the servicing of the ADSs or the underlying deposited securities, the sale of securities, the delivery of the underlying deposited securities or otherwise in connection with the depositary's or the custodian's compliance with applicable laws, rules or regulations.

In the case of cash distributions, fees are generally deducted from the cash being distributed. Other fees may be collected from holders of ADSs in a manner determined by the depositary with respect to ADSs registered in the name of investors (whether certificated or in book-entry form) and ADSs held in brokerage and custodian accounts (via DTC). In the case of distributions other than cash (i.e., stock dividends, etc.), the depositary charges the applicable ADS record date holder concurrent with the distribution. In the case of ADSs registered in the name of the investor (whether certificated or in book-entry form), the depositary sends invoices to the applicable record date ADS holders.

If any tax or other governmental charge is payable by the holders and / or beneficial owners of ADSs to the depositary, the depositary, the custodian or we may withhold or deduct from any distributions made in respect of deposited securities and may sell for the account of the holder and / or beneficial owner any or all of the deposited securities and apply such distributions and sale proceeds in payment of such taxes (including applicable interest and penalties) or charges, with the holder and the beneficial owner thereof remaining fully liable for any deficiency.

Fees and other payments made by the depositary

During fiscal 2019, expenses in an aggregate amount of approximately $166,849 have been borne by the depositary in relation to our ADS program, including approximately:

- $152,643 towards payment made to proxy processing firms for mailing the notice, proxy card and other interim communications to ADS holders or their brokers including dividend re-investment and transfer fees.
- $8,000 towards payments made to Ipreo for weekly and monthly Market intelligence ADR Reports, $6,206 towards payments made to Thomson Reuters as the annual subscription fee for Reuters Knowledge, a web-based information and analytics tool.

For the year ended March 31, 2019, the Depositary has made payments to Infosys totaling to approximately $9 million (post deduction of withholding tax) which we may use for investor relations activities related to the ADR program, including the production of annual reports and Form 20-F filings, listing fees, road shows, production of investor targeting, peer analysis, perception studies, postage for mailing annual and interim reports and other communications to ADR holders, broker conferences, analyst events, etc. Under certain circumstances, including termination of our ADS program or removal of our Depositary, we may be required to repay to the Depositary a portion of the amounts reimbursed in prior periods.

Part II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

Item 15. Controls and Procedures

DISCLOSURE CONTROLS AND PROCEDURES

As of the end of the period covered by this Annual Report on Form 20-F, our management, with the participation of our CEO and CFO, has carried out an evaluation of the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Exchange Act, at March 31, 2019. The term "disclosure controls and procedures" means controls and other procedures that are designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934, as amended, or the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our CEO and CFO, as appropriate to allow timely decisions regarding our required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well conceived and operated, can only provide reasonable assurance that the objectives of the disclosure controls and procedures are met.

Based on their evaluation as of the end of the period covered by this Annual Report on Form 20-F, our CEO and CFO have concluded that our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed in filings and submissions under the Exchange Act, is recorded, processed, summarized, and reported within the time periods specified by the SEC's rules and forms, and that material information related to us and our consolidated subsidiaries is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions about required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS as issued by the IASB, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of March 31, 2019. In conducting its assessment of internal control over financial reporting, management based its evaluation on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the assessment, management has concluded that our internal control over financial reporting was effective as of March 31, 2019.

Our independent registered public accounting firm, Deloitte Haskins and Sells, has audited the consolidated financial statements included in this Annual Report on Form 20-F, and as part of their audit, has issued their report, included herein, on the effectiveness of our internal control over financial reporting as of March 31, 2019.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of Infosys Limited

Opinion on Internal Control over Financial Reporting
We have audited the internal control over financial reporting of Infosys Limited and subsidiaries ("Infosys Limited" or the "Group") as of March 31, 2019, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting as of March 31, 2019, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended March 31, 2019, of the Group and our report dated June 19, 2019, expressed an unqualified opinion on those consolidated financial statements and included an explanatory paragraph related to the Group's change in method of accounting for revenue from contracts with customers in fiscal year 2019 due to the adoption of International Financial Reporting Standard 15, *Revenue from Contracts from Customers.*

Basis for Opinion
The Group's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Group's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte Haskins & Sells LLP
Bengaluru, India
June 19, 2019

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the period covered by this Annual Report on Form 20-F, there were no changes in our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

Item 16A. Audit Committee Financial Expert

Mr. D. Sundaram is a member of our Board and is a member of its Audit Committee and its Chairperson. Mr. Sundaram is an "Audit Committee Financial Expert" as defined in Item 16A of Form 20-F and is an independent director under applicable NYSE rules and Rule 10A-3 under the Exchange Act.

Item 16B. Code of Ethics

Our Board on January 12, 2018 adopted the revised Code of Conduct and Ethics which is applicable to all officers, directors and employees and is posted on our website at www.infosys.com. The Code of Conduct and Ethics has been previously filed as an exhibit to the Annual Report on Form 20-F.

Our Whistleblower Policy has been filed previously as an exhibit to the Annual Report on Form 20-F. The Whistleblower Policy is posted on our website at www.infosys.com.

Item 16C. Principal Accountant Fees and Services

The following table sets forth fees for professional audit services for the audit of our annual financial statements, and fees for other services rendered by our principal accountant and their associated entities for fiscal 2019 and 2018:

(Dollars in millions)

Type of Service	Fiscal 2019	Fiscal 2018	Description of Services
(a) Audit Fees	1.6	1.5	Audit and review of financial statements
(b) Tax fees	0.3	0.5	Tax returns, filing and advisory services
(c) All Other Fees	0.1	—	Other advisory services
Total	**2.0**	**2.0**	

Our Audit Committee charter requires us to take the prior approval of our Audit Committee on every occasion we engage our principal accountants or their associated entities to provide us any audit and non-audit services. We disclose to our Audit Committee the nature of services that will be provided and the fees to be paid for the services. All of the audit and non-audit services provided by our principal accountants or their associated entities in the previous two fiscal years have been pre-approved by our Audit Committee.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

In line with the Capital Allocation Policy announced in April 2018, shareholders approved a buyback of equity shares from the open market route through Indian stock exchanges of up to ₹8,260 crore (maximum buyback size) (approximately $1,184 million) at a price not exceeding ₹800 per equity share (maximum buyback price). The buyback shall close within six months from the date of opening of the buyback, i.e. March 20, 2019 or such other period as may be permitted under the Companies Act, 2013 or the SEBI (Buy-back of Securities) Regulations, 2018. Accordingly, during the year ended March 31, 2019, 1,26,52,000 equity shares were purchased from the Indian stock exchanges. Subsequent to March 31, 2019, the Company has purchased 57,600,000 shares:

Period	(a)Total number of shares purchased	(b)Average price paid per share (in INR)	(c)Total number of shares purchase as part of publicly announced buyback	(d)Maximum number of shares that may yet to be purchased under the buyback[(1)]
March 20, 2019 to March 31, 2019	12,652,000	736.18	12,652,000	90,598,000

[(1)] Based on indicative maximum number of equity shares (103,250,000 equity shares) computed assuming the maximum buyback price of ₹800 per share and maximum buyback size of ₹8,260 crore. Refer to section titled Capital Allocation Policy under Item 5 of this annual report

Item 16F. Change in Registrant's Certifying Accountant

Not Applicable

Item 16G. Corporate Governance

Section 303A of the Listed Company Manual of the NYSE provides that a foreign private issuer may follow its home country practice in lieu of the requirements of Section 303A of the NYSE Listed Company Manual, provided that such foreign private issuer must:

1. have an audit committee that satisfies the requirements of Rule 10A-3 under the Securities Exchange Act of 1934;
2. disclose any significant ways in which its corporate governance practices differ from those followed by domestic companies under NYSE listing standards in its annual reports filed with the SEC on Form 20-F;
3. promptly notify the NYSE of non-compliance with Section 303A of the NYSE Listed Company Manual; and
4. comply with the NYSE's annual and interim certification requirements.

Although the Company's required home country standards on corporate governance may differ from the NYSE listing standards, the Company's actual corporate governance policies and practices are generally in compliance with the NYSE listing standards applicable to domestic companies.

Some of the key differences between the requirements in India as per the currently applicable listing agreement and those as per the NYSE Listing requirements are as follows:

1. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (SEBI LODR) mandates that for a company with a non-executive Chairman, such as our Company, at least one-third of the board should be independent directors. On the other hand, NYSE listing requirements specify that a majority of the Board must consist of independent directors. As of March 31, 2019, our Board consists of nine members, a non-executive and non-independent Chairman, two of whom are executive or whole-time directors, while the remaining six are independent directors.
2. The SEBI LODR requires that a two thirds of the members of the Audit Committee be independent directors while the NYSE Listed Company Manual specifies that all the members of the Audit Committee must be independent directors. Our Audit Committee consists only of independent directors.
3. Criteria for determining the independence of directors also differs between the NYSE listing standards and the SEBI LODR. However, we follow the criteria prescribed under both jurisdictions.

Under the Section 402.04 of the NYSE Listed Company Manual, actively operating companies that maintain a listing on the NYSE are required to solicit proxies for all meetings of shareholders. However, Section 105 of the Indian Companies Act, 2013, prohibits a company incorporated under that Act from soliciting proxies. Because we are prohibited from soliciting proxies under Indian law, we will not meet the proxy solicitation requirement of Section 402.04 of the NYSE Listed Company Manual. However, as described above, we give written notices of all our shareholder meetings to all the shareholders and we also file such notices with the SEC. Under our listing agreements with Indian stock exchanges, we have a Stakeholders Relationship Committee which is not a requirement under the NYSE Listed Company Manual.

Item 16H. Mine Safety Disclosure

Not applicable.

Part III

Item 17. Financial statements

See Item 18.

Item 18. Financial statements

CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

Report of the Audit Committee

To the Board of Directors and shareholders of Infosys Limited

In connection with the March 31, 2019 consolidated financial statements prepared under International Financial Reporting Standards as issued by the International Accounting Standards Board, the Audit Committee:

(1) reviewed and discussed the consolidated financial statements with management;
(2) discussed with the auditors the matters required by Statement on Auditing Standards 1301 as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200; and
(3) received the written disclosures and the letter from the auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the auditor's communications with the audit Committee concerning independence, and has discussed with the auditor the auditor's independence.

Based upon these reviews and discussions, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the Annual Report on Form 20-F to be filed with the Securities and Exchange Commission of the United States of America.

Bengaluru, India June 19, 2019	D. Sundaram *Chairperson and Audit Committee Financial Expert*	Dr. Punita Kumar-Sinha *Member, Audit Committee*	Roopa Kudva *Member, Audit Committee*

Report of management

The management is responsible for preparing the company's consolidated financial statements and related information that appears in this Annual Report. The management believes that the consolidated financial statements fairly reflect the form and substance of transactions, and reasonably present the financial condition and results of operations of Infosys Limited and subsidiaries in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. The management has included, in the company's consolidated financial statements, amounts that are based on estimates and judgments, which it believes are reasonable under the circumstances.

The company maintains a system of internal procedures and controls intended to provide reasonable assurance, at appropriate cost, that transactions are executed in accordance with company authorization and are properly recorded and reported in the consolidated financial statements, and that assets are adequately safeguarded.

Deloitte Haskins & Sells LLP and KPMG, respectively, have conducted their audits in accordance with the standards of the Public Company Accounting Oversight Board (United States) of the Company's consolidated financial statements for the year ended March 31, 2019 and March 31, 2018 and for the year ended March 31, 2017, respectively.

The Board of Directors has appointed an Audit Committee composed of outside directors. The Committee meets with the management, internal auditors, and the independent auditors to review internal accounting controls and accounting, auditing, and financial reporting matters.

Bengaluru, India
June 19, 2019

Nilanjan Roy
Chief Financial Officer

Salil Parekh
Chief Executive officer and Managing Director

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Infosys Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Infosys Limited and subsidiaries (“Infosys Limited” or "Group") as of March 31, 2019 and 2018, the related consolidated statements of comprehensive income, changes in equity, and cash flows for each of the two years in the period ended March 31, 2019 and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as of March 31, 2019 and 2018, and the results of its operations and its cash flows for each of the two years in the period ended March 31, 2019 in conformity with the International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”).

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Group's internal control over financial reporting as of March 31, 2019, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated June 19, 2019, expressed an unqualified opinion on the Group's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 2.10 to the consolidated financial statements, the Group has changed its method of accounting for revenue from contracts with customers in fiscal year 2019 due to the adoption of International Financial Reporting Standard 15, *Revenue from Contracts with Customers.*

Basis for Opinion

These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on the Group's consolidated financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte Haskins & Sells LLP

Bengaluru, India

June 19, 2019

We have served as the Company's auditor since fiscal 2018.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Equity holders
Infosys Limited:

We have audited the accompanying consolidated statement of comprehensive income of Infosys Limited and its subsidiaries ("the Company") for the year ended March 31, 2017 and the related consolidated statements of changes in equity, and cash flows for the year ended March 31, 2017. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the results of operations of the Company for the year ended March 31, 2017 and their cash flows for the year ended March 31, 2017, in conformity with International Financial Reporting Standards as issued by the International Accounting Standard Board.

/s/ KPMG

Bengaluru, India

June 12, 2017, except as to Notes 2.13, 2.16, 2,17, 2.18 and 2.20 which are as of June 19, 2019

Infosys Limited and subsidiaries

Consolidated Balance Sheet as of March 31,

(Dollars in millions except equity share data)

	Note	2019	2018
ASSETS			
Current assets			
Cash and cash equivalents	2.1	2,829	3,041
Current investments	2.2	958	982
Trade receivables		2,144	2,016
Unbilled revenues		777	654
Prepayments and other current assets	2.4	827	662
Income tax assets	2.17	61	—
Derivative financial instruments	2.3	48	2
		7,644	**7,357**
Assets held for sale	2.9	—	316
Total current assets		**7,644**	**7,673**
Non-current assets			
Property, plant and equipment	2.7	1,931	1,863
Goodwill	2.8	512	339
Intangible assets	2.8	100	38
Investment in associate	2.19	—	—
Non-current investments	2.2	670	883
Deferred income tax assets	2.17	199	196
Income tax assets	2.17	914	931
Other non-current assets	2.4	282	332
Total non-current assets		**4,608**	**4,582**
Total assets		**12,252**	**12,255**
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		239	107
Derivative financial instruments	2.3	2	6
Current income tax liabilities	2.17	227	314
Client deposits		4	6
Unearned revenues		406	352
Employee benefit obligations		234	218
Provisions	2.6	83	75
Other current liabilities	2.5	1,498	1,036
		2,693	**2,114**
Liabilities directly associated with assets held for sale	2.9	—	50
Total current liabilities		**2,693**	**2,164**
Non-current liabilities			
Deferred income tax liabilities	2.17	98	82
Employee benefit obligations		6	7
Other non-current liabilities	2.5	55	42
Total liabilities		**2,852**	**2,295**
Equity			
Share capital – ₹5/- ($0.16) par value 4,800,000,000 (2,400,000,000) authorized equity shares, issued and outstanding 4,335,954,462 (2,173,312,301) equity shares fully paid up, net of 20,324,982, (10,801,956) treasury shares each as at March 31, 2019 (March 31, 2018), respectively		339	190
Share premium		277	247
Retained earnings		11,248	11,587
Cash flow hedge reserve		3	—
Other reserves		384	244
Capital redemption reserve		10	9
Other components of equity		(2,870)	(2,317)
Total equity attributable to equity holders of the company		**9,391**	**9,960**
Non-controlling interests		9	—
Total equity		**9,400**	**9,960**
Total liabilities and equity		**12,252**	**12,255**
Commitments and contingent liabilities	2.6, 2.7, 2.17 and 2.21		

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

Infosys Limited and subsidiaries

Consolidated Statements of Comprehensive Income for the years ended March 31,

(Dollars in millions except equity share and per equity share data)

	Note	2019	2018	2017
Revenues	2.10	**11,799**	**10,939**	**10,208**
Cost of sales		7,687	7,001	6,446
Gross profit		**4,112**	**3,938**	**3,762**
Operating expenses:				
Selling and marketing expenses		638	552	535
Administrative expenses		778	727	707
Total operating expenses		1,416	1,279	1,242
Operating profit		**2,696**	**2,659**	**2,520**
Other income, net	2.14	411	513	459
Reduction in the fair value of Disposal Group held for sale	2.9	(39)	(18)	—
Adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale"	2.9	(65)	—	—
Share in associate's profit/ (loss), including impairment	2.19	—	(11)	(5)
Profit before income taxes		**3,003**	**3,143**	**2,974**
Income tax expense	2.17	803	657	834
Net profit		**2,200**	**2,486**	**2,140**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Re-measurements of the net defined benefit liability / asset, net	2.12 and 2.17	(3)	9	(7)
Cumulative impact on reversal of unrealized gain on quoted debt securities on adoption of IFRS 9	2.3	—	—	(5)
Equity instruments through other comprehensive income, net	2.2 and 2.17	10	1	(1)
		7	**10**	**(13)**
Items that will be reclassified subsequently to profit or loss:				
Fair valuation of investments, net	2.2 and 2.17	—	—	(2)
Fair value changes on derivatives designated as cash flow hedge, net	2.3 and 2.17	3	(6)	6
Foreign currency translation		(560)	18	198
		(557)	**12**	**202**
Total other comprehensive income/(loss), net of tax		**(550)**	**22**	**189**
Total comprehensive income		**1,650**	**2,508**	**2,329**
Profit attributable to:				
Owners of the company		2,199	2,486	2,140
Non-controlling interests		1	—	—
		2,200	**2,486**	**2,140**
Total comprehensive income attributable to:				
Owners of the company		1,649	2,508	2,329
Non-controlling interests		1	—	—
		1,650	**2,508**	**2,329**
Earnings per equity share				
Basic (in $ per share)		0.51	0.55	0.47
Diluted (in $ per share)		0.51	0.55	0.47
Weighted average equity shares used in computing earnings per equity share	2.18			
Basic (in shares)		4,347,130,157	4,510,664,644	4,571,278,894
Diluted (in shares)		4,353,420,772	4,515,147,740	4,572,793,490

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

Infosys Limited and subsidiaries

Consolidated Statements of Changes in Equity

(Dollars in millions except equity share data)

	Number of Shares [2]	Share capital	Share premium	Retained earnings	Other Reserves	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
Balance as of April 1, 2016	**2,285,621,088**	**199**	**570**	**11,083**	**—**	**—**	**—**	**(2,528)**	**9,324**	**—**	**9,324**
Changes in equity for the year ended March 31, 2017											
Net profit	—	—	—	2,140	—	—	—	—	2,140	—	**2,140**
Re–measurement of the net defined benefit liability/asset* (Refer to Note 2.12 and 2.17)	—	—	—	—	—	—	—	(7)	(7)	—	**(7)**
Fair value changes on derivatives designated as cash flow hedge* (Refer note 2.3 and 2.17)	—	—	—	—	—	—	6	—	6	—	**6**
Equity instruments through other comprehensive income *(Refer note 2.2 and 2.17)	—	—	—	—	—	—	—	(1)	(1)	—	**(1)**
Cumulative impact of Reversal of unrealized gain on quoted debt securities on adoption of IFRS 9 (Refer note 2.3)	—	—	—	—	—	—	—	(5)	(5)	—	**(5)**
Fair valuation of investments (Refer note 2.2 and 2.17) *	—	—	—	—	—	—	—	(2)	(2)	—	**(2)**
Exchange difference on translation of foreign operations	—	—	—	—	—	—	—	198	198	—	**198**
Total comprehensive income for the period	**—**	**—**	**—**	**2,140**	**—**	**—**	**6**	**183**	**2,329**	**—**	**2,329**
Shares issued on exercise of employee stock options (Refer to note 2.16)	34,062	—	—	—	—	—	—	—	—	—	**—**
Transfer to other reserves (Refer note 2.13)	—	—	—	(142)	142	—	—	—	—	—	**—**
Transfer from other reserves on utilization (Refer note 2.13)	—	—	—	142	(142)	—	—	—	—	—	**—**
Employee stock compensation expense (Refer to note 2.16)	—	—	17	—	—	—	—	—	17	—	**17**
Dividends (including corporate dividend tax)[1]	—	—	—	(1,033)	—	—	—	—	(1,033)	—	**(1,033)**
Balance as of March 31, 2017	**2,285,655,150**	**199**	**587**	**12,190**	**—**	**—**	**6**	**(2,345)**	**10,637**	**—**	**10,637**
Changes in equity for the year ended March 31, 2018											
Net Profit	—	—	—	2,486	—	—	—	—	2,486	—	**2,486**
Re-measurement of the net defined benefit liability/asset* (Refer to Note 2.12 and 2.17)	—	—	—	—	—	—	—	9	9	—	**9**
Equity instruments through other comprehensive income *(Refer note 2.2 and 2.17)	—	—	—	—	—	—	—	1	1	—	**1**
Fair value changes on derivatives designated as cash flow hedge* (Refer note 2.3 and 2.17)	—	—	—	—	—	—	(6)	—	(6)	—	**(6)**
Exchange difference on translation of foreign operations	—	—	—	—	—	—	—	18	18	—	**18**
Total comprehensive income for the period	**—**	**—**	**—**	**2,486**	**—**	**—**	**(6)**	**28**	**2,508**	**–**	**2,508**
Shares issued on exercise of employee stock options (Refer to note 2.16)	700,629	—	1	—	—	—	—	—	1	—	**1**
Transfer to other reserves (Refer note 2.13)	—	—	—	(340)	340	—	—	—	—	—	**—**
Transfer from other reserves on utilization (Refer note 2.13)	—	—	—	96	(96)	—	—	—	—	—	**—**
Employee stock compensation expense (Refer to note 2.16)	—	—	12	—	—	—	—	—	12	—	**12**
Amount paid upon buyback* (Refer note 2.13)	(113,043,478)	(9)	(346)	(1,680)	—	—	—	—	(2,035)	—	**(2,035)**
Transaction costs related to buyback* (Refer note 2.13)	—	—	(7)	—	—	—	—	—	(7)	—	**(7)**

Amount transferred to capital redemption reserve upon Buyback (Refer note 2.13)	—	—	—	(9)	—	9	—	—	—	—	—
Dividends (including corporate dividend tax)[1]	—	—	—	(1,156)	—	—	—	—	(1,156)	—	**(1,156)**
Balance as of March 31, 2018	**2,173,312,301**	**190**	**247**	**11,587**	**244**	**9**	**—**	**(2,317)**	**9,960**	**—**	**9,960**
Changes in equity for the year ended March 31, 2019											
Net profit	—	—	—	2,199	—	—	—	—	2,199	1	**2,200**
Re-measurement of the net defined benefit liability/asset* (Refer to Note 2.12 and 2.17)	—	—	—	—	—	—	—	(3)	(3)	—	**(3)**
Equity instruments through other comprehensive income* (Refer note 2.2 and 2.17)	—	—	—	—	—	—	—	10	10	—	**10**
Fair value changes on derivatives designated as cash flow hedge* (Refer note 2.3 and 2.17)	—	—	—	—	—	—	3	—	3	—	**3**
Exchange difference on translation of foreign operations	—	—	—	—	—	—	—	(560)	(560)	—	**(560)**
Total comprehensive income for the period	**—**	**—**	**—**	**2,199**	**—**	**—**	**3**	**(553)**	**1,649**	**1**	**1,650**
Shares issued on exercise of employee stock options - before bonus issue (Refer to note 2.16)	392,528	—	—	—	—	—	—	—	—	—	—
Increase in share capital on account of Bonus issue (Refer to note 2.13)[1]	2,173,704,829	150	—	—	—	—	—	—	150	—	**150**
Amounts utilized for bonus issue (Refer to note 2.13)[1]	—	—	—	(150)	—	—	—	—	(150)	—	**(150)**
Shares issued on exercise of employee stock options - after bonus issue (Refer to note 2.13)	1,196,804	—	1	—	—	—	—	—	1	—	**1**
Buyback of equity shares (Refer to note 2.5 and 2.13)	(12,652,000)	(1)	—	(288)	—	—	—	—	(289)	—	**(289)**
Transaction costs related to buyback* (Refer note 2.13)	—	—	—	(2)	—	—	—	—	(2)	—	**(2)**
Amount transferred to capital redemption reserve upon Buyback (Refer note 2.13)	—	—	—	(1)	—	1	—	—	—	—	—
Non-controlling interests on acquisition of subsidiary (Refer to note 2.9)	—	—	—	—	—	—	—	—	—	8	**8**
Transfer to other reserves	—	—	—	(346)	346	—	—	—	—	—	—
Transfer from other reserves on utilization	—	—	—	206	(206)	—	—	—	—	—	—
Employee stock compensation expense (Refer to note 2.16)	—	—	28	—	—	—	—	—	28	—	**28**
Income tax benefit arising on exercise of stock options	—	—	1	—	—	—	—	—	1	—	**1**
Dividends (including corporate dividend tax)[1]	—	—	—	(1,957)	—	—	—	—	(1,957)	—	**(1,957)**
Balance as of March 31, 2019	**4,335,954,462**	**339**	**277**	**11,248**	**384**	**10**	**3**	**(2,870)**	**9,391**	**9**	**9,400**

* *net of taxes*

(1) *net of treasury shares*

(2) *excludes treasury shares of 20,324,982 as of March 31, 2019, 10,801,956 as of March 31, 2018 and 11,289,514 as of March 31, 2017 and 11,323,576 April 1, 2016, held by consolidated trust. The treasury shares as at March 31, 2018, March 31, 2017 and April 1, 2016 have not been adjusted for the September 2018 bonus issue.*

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

Infosys Limited and subsidiaries

Consolidated Statements of Cash Flows

Accounting policy

Cash flows are reported using the indirect method, whereby profit for the year 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.

(Dollars in millions)

For the years ended March 31,	Note	2019	2018	2017
Operating activities:				
Net profit		2,200	2,486	2,140
Adjustments to reconcile net profit to net cash provided by operating activities:				
Depreciation and amortization	2.7 and 2.8	287	289	254
Interest and dividend income		(130)	(129)	(51)
Income tax expense	2.17	803	657	834
Effect of exchange rate changes on assets and liabilities		10	3	6
Impairment loss under expected credit loss model		34	5	20
Reduction in fair value of Disposal Group held for sale	2.9	39	18	—
Adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale"	2.9	65	—	—
Share in net profit/(loss) of associate, including impairment		—	11	5
Stock compensation expense		29	13	17
Other adjustments		(15)	(20)	7
Changes in working capital				
Trade receivables and unbilled revenues		(411)	(237)	(260)
Prepayments and other assets		(120)	(58)	(70)
Trade payables		131	51	(3)
Client deposits		(2)	1	1
Unearned revenues		48	104	66
Other liabilities and provisions		269	122	(24)
Cash generated from operations		**3,237**	**3,316**	**2,942**
Income taxes paid	2.17	(975)	(1,059)	(843)
Net cash provided by operating activities		**2,262**	**2,257**	**2,099**
Investing activities:				
Expenditure on property, plant and equipment		(349)	(310)	(411)
Loans to employees		2	4	4
Payment for acquisition of business, net of cash acquired	2.9	(77)	(4)	—
Payment of contingent consideration pertaining to acquisition of business		(3)	(5)	(5)
Advance payment towards acquisition of business	2.9	(30)	—	—
Deposits placed with corporation		(3)	(20)	(25)
Interest and dividend received		79	67	32
Investment in quoted debt securities		(145)	(16)	(638)
Redemption of quoted debt securities		123	18	1
Proceeds from sale of equity and preference securities		16	5	—
Investment in equity and preference securities		(3)	(4)	(10)
Investment in other investments		(3)	(4)	(4)
Redemption of other investments		2	—	—
Investment in certificates of deposit		(342)	(1,032)	(1,167)
Redemption of certificates of deposit		791	1,503	—
Investment in commercial papers		(70)	(45)	—
Redemption of commercial papers		43	—	—
Escrow and other deposits pertaining to Buyback	2.4	(37)	—	—
Investment in liquid mutual fund units and fixed maturity plan securities		(11,184)	(9,628)	(8,083)
Redemption of liquid mutual fund units and fixed maturity plan securities		10,965	9,953	7,759
Net cash (used)/ generated in investing activities		**(225)**	**482**	**(2,547)**
Financing activities:				
Buyback of shares including transaction cost		(118)	(2,042)	—
Shares issued on exercise of employee stock options		1	1	—
Payment of dividends (including corporate dividend tax)		(1,956)	(1,156)	(1,032)
Net cash used in financing activities		**(2,073)**	**(3,197)**	**(1,032)**
Net increase/(decrease) in cash and cash equivalents		(36)	(458)	(1,480)
Effect of exchange rate changes on cash and cash equivalents		(184)	18	34
Cash and cash equivalents at the beginning	2.1	3,049	3,489	4,935
Cash and cash equivalents at the end	2.1	**2,829**	**3,049**	**3,489**
Supplementary information:				
Restricted cash balance	2.1	52	82	88

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

Notes to the Consolidated Financial Statements

1. Overview

1.1 Company overview

Infosys Limited ('the Company' or Infosys) is a leading provider of consulting, technology, outsourcing and next-generation digital services, enabling 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 Bengaluru, Karnataka, India. The Company has its primary listings on the BSE Limited and National Stock Exchange of India Limited in India. The Company's American Depositary Shares representing equity shares are listed on the New York Stock Exchange (NYSE).

Further, the Company's ADS were also listed on the Euronext London and Euronext Paris. On July 5, 2018, the Company voluntarily delisted its ADS from Euronext London and Euronext Paris due to low average daily trading volume of its ADS on these exchanges.

The Group's consolidated financial statements are authorized for issue by the company's Board of Directors on June 19, 2019.

1.2 Basis of preparation of financial statements

These consolidated financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, under the historical cost convention on the accrual basis except for certain financial instruments which have been measured at fair values. Accounting policies have been applied consistently to all periods presented in these consolidated financial statements.

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

1.3 Basis of consolidation

Infosys consolidates entities which it owns or controls. The 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.

Refer to note 2.19 for the list of subsidiaries and controlled trusts of the Company.

1.4 Use of estimates and judgements

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

1.5 Critical accounting estimates and judgements

a. Revenue recognition

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

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

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

b. Income taxes

The company's two major tax jurisdictions are India and the U.S., 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 2.17)

c. Business combinations and intangible assets

Business combinations are accounted for using IFRS 3 (Revised), Business Combinations. IFRS 3 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts (Refer to Note 2.8 and 2.9).

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 the Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology (Refer to Note 2.7).

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

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments (Refer to Note 2.8).

f. Non-current assets and Disposal groups held for sale

Assets and liabilities of disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the disposal groups have been estimated using valuation techniques including income and market approach which includes unobservable inputs.

Non-current assets and Disposal Group that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the Non-current asset and Disposal Group was classified as held for sale adjusted for any depreciation/ amortization and its recoverable amount at the date when the Disposal Group no longer meets the " Held for sale" criteria. Recoverable amounts of assets reclassified from held for sale have been estimated using management's assumptions which consist of significant unobservable inputs.

1.6 Recent accounting pronouncements

1.6.1 Standards issued but not yet effective

IFRS 16 Leases: On January 13, 2016, the International Accounting Standards Board issued IFRS 16, Leases replacing the existing leases Standard, IAS 17 Leases and related Interpretations. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. IFRS 16 introduces a single lessee accounting model for a lessee and requires the lessee to recognize assets and liabilities for all leases unless the lease term is twelve months or less or unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of comprehensive income. IFRS 16 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of repayment of lease liabilities. The Standard also contains enhanced disclosure requirements for lessees. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17.

The effective date for adoption of IFRS 16 is annual periods beginning on or after January 1, 2019 and the standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under IAS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of IFRS 16, the Group is proposing to use the 'Modified Retrospective Approach' for transitioning to IFRS 16, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Group has elected certain available practical expedients on transition.

The effect of adoption as on transition date would majorly result in an increase in Right of use asset approximately by $395 million, net investment in sub-lease approximately by $60 million and an increase in lease liability approximately by $495 million. The cumulative effect of applying the standard would be adjusted in retained earnings, net of taxes

IFRIC 23, Uncertainty over Income Tax Treatments: The International Accounting Standards Board (IASB) issued IFRS interpretation IFRIC 23 Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. According to IFRIC 23, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, IFRIC 23 will be applied retrospectively to each prior reporting period presented in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying IFRIC 23 recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of IFRIC 23 is annual periods beginning on or after January 1, 2019, though early adoption is permitted. The Group will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of IFRIC 23 would be insignificant in the consolidated financial statements.

Amendment to IAS 12 – Income taxes: In December 2017, the IASB issued amendments to the guidance in IAS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

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

Effective date for application of this amendment is annual period beginning on or after January 1, 2019, although early application is permitted. The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

Amendment to IAS 19 – plan amendment, curtailment or settlement- On February 7, 2018, the IASB issued amendments to the guidance in IAS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

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

Effective date for application of this amendment is annual period beginning on or after January 1, 2019, although early application is permitted. The Group does not have any impact on account of the amendment.

Amendment to IFRS 3 Business Combinations - On October 22, 2018, the IASB issued amendments to the definition of a business in IFRS 3 Business Combinations. The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment also introduces an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The effective date for adoption of this amendment is annual periods beginning on or after January 1, 2020, although early adoption is permitted. The Group is currently evaluating the effect of this amendment on the consolidated financial statements.

2 Notes to the consolidated financial statements

2.1 Cash and cash equivalents

Cash and cash equivalents consist of the following:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Cash and bank deposits	2,052	2,021
Deposits with financial institutions	777	1,020
	2,829	**3,041**
Cash and cash equivalents included under assets classified as held for sale (Refer note no 2.9)	**—**	8
	2,829	**3,049**

Cash and cash equivalents as of March 31, 2019 and March 31, 2018 include restricted cash and bank balances of $52 million and $82 million, respectively. The restrictions are primarily on account of bank balances held by irrevocable trusts controlled by the company and bank balances held as margin money deposits against guarantees.

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

Refer note 2.3 for accounting policies on financial instruments.

The table below provides details of cash and cash equivalents:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Current accounts		
ANZ Bank, Taiwan	—	1
Axis Bank - Unpaid dividend account	1	—
Banamex Bank, Mexico (U.S. Dollar account)	4	2
Banamex Bank, Mexico	1	—
Bank of America, USA	168	180
Bank of America, Mexico	15	4
Bank of Leumni , Israel	1	—
Bank of Zachodni WBK S.A., Poland	—	3
Barclays Bank, UK	6	6
BNP Paribas Bank, Norway	4	14
China Merchants Bank, China	—	1
Citibank N.A., Australia	13	34
Citibank N.A., Brazil	5	2
Citibank N.A., China	10	18
Citibank N.A., China (U.S. Dollar account)	2	1
Citibank N.A., Dubai	2	1
Citibank N.A., EEFC (U.S. Dollar account)	—	1
Citibank N.A., Hungary	—	1
Citibank N.A., Japan	3	3
Citibank N.A., New Zealand	—	2
Citibank N.A., Portugal	1	1
Citibank N.A., Singapore	11	1
Citibank N.A., South Africa	3	5
Citibank N.A., USA	1	1
Citibank N.A., South Korea	2	—
Citibank N.A., Luxembourg	1	—
Deutsche Bank, Belgium	2	4
Deutsche Bank, Malaysia	—	1
Deutsche Bank, Czech Republic	3	2
Deutsche Bank, Czech Republic (Euro account)	1	1
Deutsche Bank, Czech Republic (U.S. dollar account)	3	—
Deutsche Bank, France	3	3
Deutsche Bank, Germany	16	16
Deutsche Bank, India	6	7
Deutsche Bank, Netherlands	5	2
Deutsche Bank, Philippines	1	4
Deutsche Bank, Philippines (U.S. dollar account)	—	1
Deutsche Bank, Poland (PLN account)	4	3
Deutsche Bank, Poland (Euro account)	1	1
Deutsche Bank, Russia	1	1
Deutsche Bank, Russia (U.S. dollar account)	—	1
Deutsche Bank, Singapore	2	3
Deutsche Bank, Switzerland	5	5
Deutsche Bank, United Kingdom	6	12
Deutsche Bank-EEFC (Euro account)	3	5
Deutsche Bank, EEFC (Swiss Franc account)	1	—
Deutsche Bank-EEFC (U.S. dollar account)	31	5
Deutsche Bank-EEFC, India (United Kingdom Pound Sterling account)	1	1
Deutsche Bank, USA	9	—
ICICI Bank, India	6	8
ICICI Bank-EEFC, India (U.S. dollar account)	5	6
ICICI Bank-EEFC, (United Kingdom pound sterling account)	1	2
ICICI Bank, EEFC (Euro account)	1	—
HSBC Bank, United Kingdom	3	1
HSBC Bank, India	1	—

(Dollars in millions)

	As of March 31, 2019	March 31, 2018
Kotak Bank	1	—
ICICI Bank - Unpaid dividend account	4	3
Nordea	3	—
Nordbanken, Sweden	7	8
Raiffeisen Bank, Czech Republic	—	1
Royal Bank of Canada, Canada	20	26
Punjab National Bank, India	—	2
Silicon Valley Bank, USA	2	—
Splitska Banka D.D., Societe Generale Group, Croatia	2	1
Washington Trust Bank	7	—
	421	**418**
Deposit accounts		
Axis Bank	134	—
Bank BGZ BNP Paribas S.A	34	22
Barclays Bank	72	31
Canara Bank, India	19	36
Citibank	26	35
Deutsche Bank, AG	—	4
Deutsche Bank, Poland	18	32
HDFC Bank	7	383
HSBC Bank	29	—
ICICI Bank	469	568
IDBI Bank	—	38
IDFC Bank	354	230
Indusind Bank	80	154
Kotak Mahindra Bank	72	—
South Indian Bank	25	69
Standard Chartered Bank	289	—
Washington trust bank	3	—
Yes Bank	—	1
	1,631	**1,603**
Deposits with financial institution		
HDFC Limited, India	600	836
LIC Housing Finance Limited	177	184
	777	**1,020**
Total	**2,829**	**3,041**

2.2 Investments

The carrying value of investments are as follows:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Current investments		
Amortized cost:		
Quoted debt securities		
Cost	3	—
Fair value through profit and loss:		
Liquid mutual funds		
Fair value	258	12
Fair Value through Other comprehensive income:		
Quoted debt securities		
Fair value	267	117
Commercial paper		
Fair value	72	45
Certificates of deposit		
Fair value	358	808
	958	**982**
Non-Current investments		
Amortized cost:		
Quoted debt securities		
Cost	274	291
Fair value through Other comprehensive income:		
Quoted debt securities		
Fair value	310	493
Unquoted equity and preference securities		
Fair value	15	21
Fair value through profit and loss:		
Unquoted convertible promissory note		
Fair value	—	2
Fixed maturity plan securities		
Fair value	66	66
Unquoted Preference securities		
Fair value	3	—
Others:		
Fair value	2	10
	670	**883**
Total Investments	**1,628**	**1,865**
Investment carried at amortized cost	277	291
Investments carried at fair value through other comprehensive income	1,022	1,484
Investments carried at fair value through profit and loss	329	90

Note: Uncalled capital commitments outstanding as of March 31, 2019 and March 31, 2018 was $12 million and $12 million, respectively.

Refer note 2.3 for accounting policies on financial instruments.

Details of amounts recorded in other comprehensive income:

(Dollars in millions)

Net gain / (loss) on	Year ended March 31, 2019		
	Gross	Tax	Net
Quoted debt securities	1	—	1
Certificate of deposits	(1)	—	(1)
Unquoted equity and preference securities	9	1	10

Net gain / (loss) on	Year ended March 31, 2018		
	Gross	Tax	Net
Quoted debt securities	(2)	—	(2)
Certificate of deposits	3	(1)	2
Unquoted equity and preference securities	1	—	1

Net gain / (loss) on	Year ended March 31, 2017		
	Gross	Tax	Net
Quoted debt securities	(1)	—	(1)
Certificate of deposits	(1)	—	(1)
Unquoted equity and preference securities	(1)	—	(1)

Method of fair valuation:

(Dollars in millions)

Class of investment	Method	Fair value As at March 31 2019	2018
Liquid mutual funds	Quoted price	258	12
Fixed Maturity Plan securities	Market observable inputs	66	66
Quoted debt securities- carried at amortized cost	Quoted price and market observable inputs	307	330
Quoted debt securities- carried at Fair value through other comprehensive income	Quoted price and market observable inputs	577	610
Commercial paper	Market observable inputs	72	45
Certificate of deposits	Market observable inputs	358	808
Unquoted equity and preference securities at fair value through other comprehensive income	Discounted cash flows method, Market multiples method, Option pricing model, etc	15	21
Unquoted equity and preference securities- carried at fair value through profit or loss	Discounted cash flows method, Market multiples method, Option pricing model, etc	3	—
Unquoted convertible promissory note	Discounted cash flows method, Market multiples method, Option pricing model, etc	—	2
Others	Discounted cash flows method, Market multiples method, Option pricing model, etc	2	10
		1,658	**1,904**

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

2.3 Financial instruments

Accounting policy

Effective April 1, 2016, the group has elected to early adopt IFRS 9 - Financial Instruments considering April 1, 2015 as the date of initial application of the standard even though the stipulated effective date for adoption is April 1, 2018.

The group has classified its financial assets into the following categories based on the business model for managing those assets and the contractual cash flow characteristics:

- Financial assets carried at amortized cost
- Financial assets fair valued through other comprehensive income
- Financial assets fair valued through profit and loss

The adoption of IFRS 9 did not have any other material impact on the consolidated financial statements, hence prior period figures have not been restated and the cumulative impact of $5 million has been recorded in other comprehensive income for fiscal 2017.

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 that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.3.2 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 at fair value through other comprehensive income (FVOCI)

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

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

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

(iv) Financial liabilities

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

b. Derivative financial instruments

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

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

This category 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 a hedge, or is so designated but is ineffective as per IFRS 9, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the 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

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 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 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 the net profit in the 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 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 revenue with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of comprehensive income.

Financial instruments by category

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

(Dollars in millions)

		Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI			
	Amortised cost	Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory	Total carrying value	Total fair value
Assets:							
Cash and cash equivalents (Refer to Note 2.1)	2,829	—	—	—	—	2,829	2,829
Investments (Refer Note 2.2)							
Liquid mutual funds	—	—	258	—	—	258	258
Fixed maturity plan securities	—	—	66	—	—	66	66
Quoted debt securities	277	—	—	—	577	854	884[(1)]
Certificates of deposit	—	—	—	—	358	358	358
Commercial paper	—	—	—	—	72	72	72
Unquoted equity and preference securities	—	—	3	15	—	18	18
Unquoted investments others	—	—	2	—	—	2	2
Trade receivables	2,144	—	—	—	—	2,144	2,144
Unbilled revenues [(3)]	303	—	—	—	—	303	303
Prepayments and other assets (Refer to Note 2.4)	529	—	—	—	—	529	517[(2)]
Derivative financial instruments	—	—	43	—	5	48	48
Total	**6,082**	**—**	**372**	**15**	**1,012**	**7,481**	**7,499**
Liabilities:							
Trade payables	239	—	—	—	—	239	239
Derivative financial instruments	—	—	2	—	—	2	2
Other liabilities including contingent consideration (Refer note 2.5)	1,263	—	27	—	—	1,290	1,290
Total	**1,502**	**—**	**29**	**—**	**—**	**1,531**	**1,531**

(1) On account of fair value changes including interest accrued

(2) Excludes interest accrued on quoted debt securities carried at amortized cost of $12 million.
(3) Excludes unbilled revenue for fixed price development contracts where right to consideration is conditional on factors other than passage of time.

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

(Dollars in millions)

		Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI			
	Amortised cost	Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory	Total carrying value	Total fair value
Assets:							
Cash and cash equivalents (Refer to Note 2.1)	3,041	—	—	—	—	3,041	3,041
Investments (Refer Note 2.2)							
Liquid mutual funds	—	—	12	—	—	12	12
Fixed maturity plan securities	—	—	66	—	—	66	66
Quoted debt securities	291	—	—	—	610	901	940(1)
Certificates of deposit	—	—	—	—	808	808	808
Commercial Paper	—	—	—	—	45	45	45
Unquoted equity and preference securities:	—	—	—	21	—	21	21
Unquoted investments others	—	—	10	—	—	10	10
Unquoted convertible promissory note:	—	—	2	—	—	2	2
Trade receivables	2,016	—	—	—	—	2,016	2,016
Unbilled revenues	654	—	—	—	—	654	654
Prepayments and other assets (Refer to Note 2.4)	456	—	—	—	—	456	443(2)
Derivative financial instruments	—	—	—	—	2	2	2
Total	**6,458**	**—**	**90**	**21**	**1,465**	**8,034**	**8,060**
Liabilities:							
Trade payables	107	—	—	—	—	107	107
Derivative financial instruments	—	—	6	—	—	6	6
Other liabilities including contingent consideration (Refer note 2.5)	836	—	8	—	—	844	844
Total	**943**	**—**	**14**	**—**	**—**	**957**	**957**

(1) On account of fair value changes including interest accrued
(2) Excludes interest accrued on quoted debt securities carried at amortized cost of $13 million.

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).

Fair value hierarchy of assets and liabilities as of March 31, 2019:

(Dollars in millions)

	As of March 31, 2019	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in liquid mutual fund units (Refer to Note 2.2)	258	258	—	—
Investments in fixed maturity plan securities (Refer Note 2.2)	66	—	66	—
Investments in quoted debt securities (Refer to Note 2.2)	884	630	254	—
Investments in certificate of deposit (Refer Note 2.2)	358	—	358	—
Investments in commercial paper (Refer Note 2.2)	72	—	72	—
Investments in unquoted equity and preference securities (Refer to Note 2.2)	18	—	—	18
Investment in unquoted investments others (Refer Note 2.2)	2	—	—	2
Derivative financial instruments- gain on outstanding foreign exchange forward and option contracts	48	—	48	—
Liabilities				
Derivative financial instruments- loss on outstanding foreign exchange forward and option contracts	2	—	2	—
Liability towards contingent consideration (Refer note 2.5)*	27	—	—	27

* *Discount rate pertaining to contingent consideration ranges from 9% to 16%..*

During fiscal 2019, quoted debt securities of $108 million were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs and quoted debt securities of $49 million were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price.

Fair value hierarchy of assets and liabilities as of March 31, 2018:

(Dollars in millions)

Particulars	As of March 31, 2018	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments in liquid mutual fund units (Refer to Note 2.2)	12	12	—	—
Investments in fixed maturity plan securities (Refer Note 2.2)	66	—	66	—
Investments in quoted debt securities (Refer to Note 2.2)	940	701	239	—
Investments in certificate of deposit (Refer Note 2.2)	808	—	808	—
Investments in commercial paper (Refer Note 2.2)	45	—	45	—
Investments in unqouted equity and preference securities (Refer to Note 2.2)	21	—	—	21
Investment in unquoted investments others (Refer Note 2.2)	10	—	—	10
Investments in unqouted convertible promissory note (Refer to Note 2.2)	2	—	—	2
Derivative financial instruments- gain on outstanding foreign exchange forward and option contracts	2	—	2	—
Liabilities				
Derivative financial instruments- loss on outstanding foreign exchange forward and option contracts	6	—	6	—
Liability towards contingent consideration (Refer note 2.5)*	8	—	—	8

* *Discounted contingent consideration at 10%.*

During fiscal 2018, quoted debt securities of $130 million were transferred from Level 1 to Level 2 of fair value hierarchy, since these were valued based on market observable inputs and quoted debt securities of $276 million were transferred from Level 2 to Level 1 of fair value hierarchy, since these were valued based on quoted price.

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.

Income from financial assets

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Interest income on financial assets carried at amortized cost	201	260	352
Interest income on financial assets fair valued through other comprehensive income	92	106	28
Dividend income on investments carried at fair value through profit or loss	—	1	4
Gain / (loss) on investments carried at fair value through profit or loss	24	39	18
	317	**406**	**402**

Financial risk management

Financial risk factors

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

Market risk

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

The following table analyzes foreign currency risk from monetary assets and liabilities as of March 31, 2019:

(Dollars in millions)

	U.S. dollars	**Euro**	**United Kingdom Pound Sterling**	**Australian dollars**	**Other currencies**	**Total**
Cash and cash equivalents	237	38	16	31	161	483
Trade receivables	1,438	267	148	76	140	2,069
Unbilled revenues	540	111	36	40	63	790
Other assets	66	15	5	5	45	136
Trade payables	(102)	(19)	(20)	(12)	(15)	(168)
Employee benefit obligations	(98)	(15)	(3)	(30)	(24)	(170)
Other liabilities	(509)	(66)	(28)	(25)	(86)	(714)
Net assets / (liabilities)	**1,572**	**331**	**154**	**85**	**284**	**2,426**

The following table analyzes foreign currency risk from monetary assets and liabilities as of March 31, 2018:

(Dollars in millions)

	U.S. dollars	Euro	United Kingdom Pound Sterling	Australian dollars	Other currencies	Total
Cash and cash equivalents	197	33	23	54	183	490
Trade receivables	1,276	269	129	121	120	1,915
Unbilled revenues	356	98	46	24	57	581
Other assets	49	4	4	2	15	74
Trade payables	(42)	(12)	(17)	(5)	(9)	(85)
Employee benefit obligations	(88)	(13)	(4)	(28)	(20)	(153)
Other liabilities	(263)	(50)	(29)	(14)	(72)	(428)
Net assets / (liabilities)	**1,485**	**329**	**152**	**154**	**274**	**2,394**

For the years ended March 31, 2019, 2018 and 2017, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and the U.S. dollar has affected the company's incremental operating margins by approximately 0.47%, 0.50% and 0.50%, respectively.

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

Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward and options contracts:

(In millions)

	As of	
	March 31, 2019	**March 31, 2018**
Derivatives designated as cash flow hedges		
Option Contracts		
In Australian dollars	120	60
In Euro	135	100
In United Kingdom Pound Sterling	25	20
Other derivatives		
Forward contracts		
In Australian dollars	8	5
In Canadian dollars	13	20
In Euro	176	91
In Japanese Yen	550	550
In New Zealand dollars	16	16
In Norwegian Krone	40	40
In Singapore dollars	140	5
In South African Rand	—	25
In Swedish Krona	50	50
In Swiss Franc	25	21
In U.S. Dollars	955	623
In United Kingdom Pound Sterling	80	51
Option contracts		
In Australian dollars	10	20
In Canadian dollars	13	—
In Euro	60	45
In Swiss Franc	5	5
In U.S. Dollars	433	320
In United Kingdom Pound Sterling	10	25

The Group recognized a net gain of $35 million, less than $1 million and $89 million on derivative financial instruments not designated as cash flow hedges for fiscal 2019, 2018 and 2017, respectively, which are included under other income.

The foreign exchange forward and option contracts mature within 12 months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Not later than one month	640	434
Later than one month and not later than three months	1,001	701
Later than three months and not later than one year	591	378
	2,232	**1,513**

During fiscal 2019 and 2018, the Group has designated certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance in cash flow hedging reserve as of March 31, 2019 are expected to occur and reclassified to statement of comprehensive income within 3 months.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

The following table provides the reconciliation of cash flow hedge reserve:

(Dollars in millions)

	Year ended March 31, 2019	Year ended March 31, 2018
Gain / (Loss)		
Balance at the beginning of the period	—	6
Gain / (Loss) recognized in other comprehensive income during the period	17	(14)
Amount reclassified to profit or loss during the period	(13)	6
Tax impact on above	(1)	2
Balance at the end of the period	**3**	—

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

The following table provides quantitative information about offsetting of derivative financial assets and derivative financial liabilities:

(Dollars in millions)

	As of March 31, 2019		As of March 31, 2018	
	Derivative financial asset	Derivative financial liability	Derivative financial asset	Derivative financial liability
Gross amount of recognized financial asset/liability	48	(2)	3	(7)
Amount set off	—	—	(1)	1
Net amount presented in balance sheet	**48**	**(2)**	**2**	**(6)**

Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to $2,144 million and $2,016 million as of March 31, 2019 and March 31, 2018, respectively and unbilled revenue amounting to $777 million and $654 million as of March 31, 2019 and March 31, 2018, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers primarily located in the United States. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The

provision matrix takes into account available external and internal credit risk factors such as credit default swap quotes, credit ratings from international credit rating agencies and the Group's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from top customer and top ten customers:

(In %)

	Year ended March 31,		
	2019	2018	2017
Revenue from top customer	3.6	3.4	3.4
Revenue from top ten customers	19.0	19.3	21.0

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances was $34 million, $5 million and $20 million for fiscal 2019, 2018 and 2017, respectively.

Movement in credit loss allowance

(Dollars in millions)

	Year ended March 31,		
	2019	2018	2017
Balance at the beginning	69	63	44
Translation differences	(2)	2	(1)
Impairment loss recognized/(reversed)	34	5	20
Write offs	(10)	(1)	—
Balance at the end	**91**	**69**	**63**

The Group’s credit period generally ranges from 30-60 days.

Credit exposure

(Dollars in millions)

	As of	
	March 31, 2019	March 31, 2018
Trade receivables	2,144	2,016
Unbilled revenues	777	654

Days Sales Outstanding (DSO) as of March 31, 2019 and March 31, 2018 was 66 days and 67 days respectively.

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

Liquidity risk

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group has no outstanding borrowings. The Group believes that the working capital is sufficient to meet its current requirements.

As of March 31, 2019, the Group had a working capital of $4,951 million including cash and cash equivalents of $2,829 million and current investments of $958 million. As of March 31, 2018, the Group had a working capital of $5,243 million including cash and cash equivalents of $3,041 million and current investments of $982 million.

As of March 31, 2019 and March 31, 2018, the outstanding employee benefit obligations were $240 million and $225 million, respectively, which have been substantially funded. Accordingly, no liquidity risk is perceived.

Under the Company's buyback program initiated in March 2019, the maximum buyback size is ₹8,260 crore (approximately $1,184 million). The company has bought back shares amounting to ₹813 crore (approximately $118 million) (including transaction costs) till March 31, 2019. (Refer to note 2.13)

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

(Dollars in millions)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	239	—	—	—	239
Other liabilities (excluding liabilities towards contingent consideration - Refer to note 2.5)	1,260	2	1	—	1,263
Liability towards contingent consideration on an undiscounted basis - (Refer to Note 2.5)	17	12	—	5	34

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2018:

(Dollars in millions)

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	107	—	—	—	107
Other liabilities (excluding liabilities towards contingent consideration - Refer to note 2.5)	836	—	—	—	836
Liability towards contingent consideration on an undiscounted basis - (Refer to Note 2.5)	6	1	1	—	8

2.4 Prepayments and other assets

Prepayments and other assets consist of the following:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Current		
Rental deposits	2	2
Security deposits	1	1
Loans to employees	35	37
Prepaid expenses [(1)]	108	72
Interest accrued and not due	131	117
Withholding taxes and others[(1)]	215	158
Advance payments to vendors for supply of goods [(1)]	16	18
Deposit with corporation	242	236
Escrow and other deposits pertaining to buyback (Refer to Note No 2.13)	37	—
Deferred contract cost [(1)]	8	7
Other assets	32	14
	827	**662**
Non-current		
Loans to employees	3	6
Security deposits	8	8
Deposits with corporation	10	9
Prepaid gratuity (Refer note 2.12.1) [(1)]	6	7
Prepaid expenses [(1)]	23	17
Deferred contract cost [(1)]	40	40
Advance towards purchase of business[(1)] (Refer to Note No 2.9)	30	—
Withholding taxes and others [(1)]	134	219
Rental deposits	28	26
	282	**332**
	1109	**994**
Financial assets in prepayments and other assets	**529**	**456**

(1) Non-financial assets

Withholding taxes and others primarily consist of input tax credits and Cenvat recoverable from Government of India. Cenvat recoverable includes $76 million which are pending adjudication. The Group expects these amount to be sustainable on adjudication and recoverable on final resolution.

Security deposits relate principally to leased telephone lines and electricity supplies. Deferred contract costs are upfront costs incurred for the contract and are amortized over the term of the contract.

Deposit with corporation represents amounts deposited to settle certain employee-related obligations as and when they arise during the normal course of business.

2.5 Other liabilities

Other liabilities comprise the following:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Current		
Accrued compensation to employees	372	385
Accrued expenses	480	376
Withholding taxes and others [(1)]	215	190
Retention money	16	20
Liabilities of controlled trusts	24	21
Liability towards contingent consideration (Refer note 2.9)	14	6
Financial liability on account of buyback[(2)]	174	—
Deferred rent [(1)]	9	4
Capital creditors	98	24
Others	96	10
	1,498	**1,036**
Non-current		
Liability towards contingent consideration (Refer note 2.9)	13	2
Accrued compensation to employees	3	—
Accrued gratuity (Refer note 2.12.1) [(1)]	4	4
Deferred income - government grant on land use rights [(1)]	6	7
Deferred income [(1)]	4	5
Deferred rent [(1)]	25	24
	55	**42**
	1,553	**1,078**
Financial liabilities included in other liabilities	1,290	844
Financial liability towards contingent consideration on undiscounted basis (Refer note 2.9)	34	8

(1) *Non-financial liabilities*

(2) *In accordance with IAS 32 Financial Instruments: Presentation, the Company has recorded a financial liability of $174 million for the obligation to acquire its own equity shares to the extent of standing instructions provided to its registered broker for the buyback as of March 31, 2019 (refer to note 2.13). The financial liability is recognised at the present value of the maximum amount that the Company would be required to pay to the registered broker for buy back, with a corresponding debit in general reserve / retained earnings.*

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.

2.6 Provisions

Accounting policy

a. 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.

b. Post sales client support

The Group provides its clients with a fixed-period post-sales support on all 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.

c. 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. 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.

Provisions comprise the following:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Provision for post sales client support and other provisions	83	75
	83	**75**

Provision for post sales client support and other provisions 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 6 months to 1 year. The movement in the provision for post sales client support and other provisions is as follows:

(Dollars in millions)

	Year ended March 31, 2019
Balance at the beginning	75
Translation differences	—
Provision recognized / (reversed)	24
Provision utilized	(16)
Balance at the end	**83**

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

As of March 31, 2019 and March 31, 2018, claims against the Group, not acknowledged as debts, net of amounts paid (excluding demands from income tax authorities- Refer to Note 2.17) amounted to $33 million (₹230 crore) and $40 million (₹260 crore), respectively.

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 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	22 - 25 years
Plant and machinery[(1)]	5 years
Computer equipment	3-5 years
Furniture and fixtures	5 years
Vehicles	5 years
Leasehold improvements	Over lease term

[(1)] *Includes solar plant with a useful life of 20 years.*

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

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

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 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 depreciation) had no impairment loss been recognized for the asset in prior years.

Following are the changes in the carrying value of property, plant and equipment for fiscal 2019:

(Dollars in millions)

	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2018	**292**	**1,247**	**518**	**749**	**285**	**5**	**3,096**
Additions	8	132	98	173	58	1	470
Additions- Business Combinations (Refer note 2.9)	—	—	1	4	2	—	7
Deletions	(7)	(17)	(15)	(35)	(9)	—	(83)
Reclassified from assets held for sale (refer note 2.9)	—	—	—	6	4	—	10
Translation difference	(17)	(71)	(30)	(42)	(17)	(1)	(178)
Gross carrying value as of March 31, 2019	**276**	**1,291**	**572**	**855**	**323**	**5**	**3,322**
Accumulated depreciation as of April 1, 2018	**(5)**	**(417)**	**(359)**	**(557)**	**(203)**	**(3)**	**(1,544)**
Depreciation	(1)	(45)	(62)	(109)	(37)	(1)	(255)
Accumulated depreciation on deletions	—	15	12	23	6	—	56
Reclassified from assets held for sale (refer note 2.9)	—	—	—	(4)	(3)	—	(7)
Translation difference	1	24	19	31	12	1	88
Accumulated depreciation as of March 31, 2019	**(5)**	**(423)**	**(390)**	**(616)**	**(225)**	**(3)**	**(1,662)**
Capital work-in-progress as of March 31, 2019							**271**
Carrying value as of March 31, 2019	**271**	**868**	**182**	**239**	**98**	**2**	**1,931**
Capital work-in-progress as of April 1, 2018							**311**
Carrying value as of April 1, 2018	**287**	**830**	**159**	**192**	**82**	**2**	**1,863**

Following are the changes in the carrying value of property, plant and equipment for fiscal 2018:

(Dollars in millions)

	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2017	**272**	**1,123**	**466**	**700**	**261**	**5**	**2,827**
Additions	21	122	56	73	29	1	302
Deletions	—	—	(3)	(17)	(3)	(1)	(24)
Reclassified under held for sale (refer note 2.9)	—	—	—	(6)	(4)	—	(10)
Translation difference	(1)	2	(1)	(1)	2	—	1
Gross carrying value as of March 31, 2018	**292**	**1,247**	**518**	**749**	**285**	**5**	**3,096**
Accumulated depreciation as of April 1, 2017	**(4)**	**(376)**	**(301)**	**(471)**	**(168)**	**(3)**	**(1,323)**
Depreciation	(1)	(43)	(62)	(107)	(40)	(1)	(254)
Accumulated depreciation on deletions	—	—	2	17	3	1	23
Reclassified under held for sale (refer note 2.9)	—	—	—	4	3	—	7
Translation difference	—	2	2	—	(1)	—	3
Accumulated depreciation as of March 31, 2018	**(5)**	**(417)**	**(359)**	**(557)**	**(203)**	**(3)**	**(1,544)**
Capital work-in-progress as of March 31, 2018							**311**
Carrying value as of March 31, 2018	**287**	**830**	**159**	**192**	**82**	**2**	**1,863**
Capital work-in-progress as of April 1, 2017							**303**
Carrying value as of April 1, 2017	**268**	**747**	**165**	**229**	**93**	**2**	**1,807**

Following are the changes in the carrying value of property, plant and equipment for fiscal 2017:

(Dollars in millions)

	Land	Buildings	Plant and machinery	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2016	**244**	**955**	**392**	**615**	**218**	**4**	**2,428**
Additions	22	147	73	120	57	1	420
Deletions	—	—	(8)	(47)	(17)	(1)	(73)
Translation difference	6	21	9	12	3	1	52
Gross carrying value as of March 31, 2017	**272**	**1,123**	**466**	**700**	**261**	**5**	**2,827**
Accumulated depreciation as of April 1, 2016	**(3)**	**(332)**	**(243)**	**(395)**	**(149)**	**(3)**	**(1,125)**
Depreciation	(1)	(35)	(57)	(101)	(31)	(1)	(226)
Accumulated depreciation on deletions	—	—	5	34	14	1	54
Translation difference	—	(9)	(6)	(9)	(2)	—	(26)
Accumulated depreciation as of March 31, 2017	**(4)**	**(376)**	**(301)**	**(471)**	**(168)**	**(3)**	**(1,323)**
Capital work-in-progress as of March 31, 2017							**303**
Carrying value as of March 31, 2017	**268**	**747**	**165**	**229**	**93**	**2**	**1,807**
Capital work-in-progress as of April 1, 2016							**286**
Carrying value as of April 1, 2016	**241**	**623**	**149**	**220**	**69**	**1**	**1,589**

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

Carrying value of land includes $83 million and $98 million as of March 31, 2019 and March 31, 2018, respectively, towards amounts paid under certain lease-cum-sale agreements to acquire land, including agreements where the company has an option to either purchase the properties or renew the lease on expiry of the lease period.

The contractual commitments for capital expenditure were $249 million and $223 million as of March 31, 2019 and March 31, 2018, respectively.

2.8 Goodwill and intangible assets

2.8.1 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 acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the purchase consideration, a 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 goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash 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.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the net profit in the statement of comprehensive income and is not reversed in the subsequent period.

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

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Carrying value at the beginning	**339**	**563**
Goodwill on Brilliant Basics acquisition (Refer to note 2.9)	—	5
Goodwill on Wongdoody acquisition (Refer to note 2.9)	25	—
Goodwill on Fluido acquisition (Refer to note 2.9)	32	—
Goodwill reclassified (to)/from assets held for sale, net of reduction (Refer note no 2.9)	138	(247)
Translation differences	(22)	18
Carrying value at the end	**512**	**339**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGUs, which are benefited from the synergies of the acquisition. The Chief Operating Decision Maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGUs.

During the three months ended June 30, 2018, the Group internally reorganized some of its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequent to the internal reorganization, there were changes in the reportable business segments based on "Management approach" as defined under IFRS 8, Operating Segments (Refer Note 2.20). Accordingly, the goodwill has been allocated to the new operating segments as at March 31, 2019.

The following table presents the allocation of goodwill to operating segments as at March 31, 2019

(Dollars in millions)

	As of March 31,
Segments	**2019**
Financial services	108
Retail	63
Communication	56
Energy, utilities, Resources and Services	54
Manufacturing	34
	315
Operating segments without significant goodwill	61
Total	**376**

Consequent to reclassification from held for sale (refer note no. 2.9) the goodwill pertaining to Kallidus and Skava (together called as Skava) and Panaya acquisitions are tested for impairment at the respective entity Level which amounts to $136 million as of March 31, 2019.

The following table presents the allocation of goodwill to operating segments (prior to reorganization) as at March 31, 2018:

(Dollars in millions)

Segments	As of March 31, 2018
Financial services	73
Manufacturing	39
Retail, Consumer packaged goods and Logistics	48
Life Sciences, Healthcare and Insurance	68
Energy & utilities, Communication and Services	72
	300
Operating segments without significant goodwill	39
Total	**339**

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. The value-in-use calculations use cash flow projections over a period of five years. An average of the range of each assumption used is mentioned below. As at March 31, 2019 and March 31, 2018, the estimated recoverable amount of the CGU exceeded its carrying amount.

The key assumptions used for the calculations are as follows:

(in %)

	March 31, 2019	March 31, 2018
Long term growth rate	8-10	8-10
Operating margins	17-20	17-20
Discount rate	12.5	13.5

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. The management believes that any reasonable possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

2.8.2 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. 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 labour, overhead costs that are directly attributable to preparing 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.

Following are the changes in the carrying value of acquired intangible assets for fiscal 2019:

(Dollars in millions)

	Customer related	Software related	Land use rights related	Marketing related	Others	Total
Gross carrying value as of April 1, 2018	**68**	**3**	**11**	**4**	**4**	**90**
Additions during the period	—	1	—	—	—	1
Acquisition through business combination (Refer note no. 2.9)	47	—	—	5	9	61
Reclassified under assets held for sale (Refer note no. 2.9)	24	60	—	6	—	90
Translation differences	(3)	—	(1)	(1)	(1)	**(6)**
Gross carrying value as of March 31, 2019	**136**	**64**	**10**	**14**	**12**	**236**
Accumulated amortization as of April 1, 2018	**(44)**	**(3)**	**(1)**	**(2)**	**(2)**	**(52)**
Amortization expense	(16)	(13)	—	(1)	(2)	(32)
Reduction in value (Refer note no. 2.9)	(13)	—	—	—	—	(13)
Reclassified under assets held for sale (Refer note no. 2.9)	(9)	(28)	—	(3)	—	(40)
Translation differences	1	—	—	—	—	1
Accumulated amortization as of March 31, 2019	**(81)**	**(44)**	**(1)**	**(6)**	**(4)**	**(136)**
Carrying value as of March 31, 2019	**55**	**20**	**9**	**8**	**8**	**100**
Carrying value as of April 1, 2018	**24**	**—**	**10**	**2**	**2**	**38**
Estimated Useful Life (in years)	1-10	3-8	50	5-10	3-5	
Estimated Remaining Useful Life (in years)	0-7	1	42	2-8	2-3	

Following are the changes in the carrying value of acquired intangible assets for fiscal 2018:

(Dollars in millions)

	Customer related	Software related	Sub-contracting right related	Land use rights related	Marketing related	Others	Total
Gross carrying value as of April 1, 2017	**116**	**62**	**3**	**10**	**14**	**10**	**215**
Addition through business combination (refer note no. 2.9)	2	—	—	—	—	—	**2**
Deletion/ retirals	(27)	—	(3)	—	(4)	(5)	**(39)**
Reclassified under assets held for sale (Refer note no. 2.9)	(24)	(60)	—	—	(6)	—	**(90)**
Translation differences	1	1	—	1	—	(1)	**2**
Gross carrying value as of March 31, 2018	**68**	**3**	**—**	**11**	**4**	**4**	**90**
Accumulated amortization as of April 1, 2017	**(59)**	**(19)**	**(3)**	**(1)**	**(7)**	**(6)**	**(95)**
Amortization expense	(20)	(12)	—	—	(2)	(1)	**(35)**
Deletion/ retirals	27	—	3	—	4	5	**39**
Reclassified under assets held for sale (Refer note no. 2.9)	9	28	—	—	3	—	**40**
Translation differences	(1)	—	—	—	—	—	**(1)**
Accumulated amortization as of March 31, 2018	**(44)**	**(3)**	**—**	**(1)**	**(2)**	**(2)**	**(52)**
Carrying value as of March 31, 2018	**24**	**—**	**—**	**10**	**2**	**2**	**38**
Carrying value as of April 1, 2017	**57**	**43**	**—**	**9**	**7**	**4**	**120**
Estimated Useful Life (in years)	2-10	—	—	50	5	5	
Estimated Remaining Useful Life (in years)	1-5	—	—	43	3	3	

Following are the changes in the carrying value of acquired intangible assets for fiscal 2017:

(Dollars in millions)

	Customer related	Software related	Sub-contracting right related	Land use rights related	Marketing related	Others	Total
Gross carrying value as of April 1, 2016	**117**	**62**	**3**	**11**	**14**	**10**	**217**
Translation differences	(1)	—	—	(1)	—	—	(2)
Gross carrying value as of March 31, 2017	**116**	**62**	**3**	**10**	**14**	**10**	**215**
Accumulated amortization as of April 1, 2016	**(46)**	**(9)**	**(3)**	**(1)**	**(5)**	**(4)**	**(68)**
Amortization expense	(14)	(9)	—	—	(2)	(3)	(28)
Translation differences	1	(1)	—	—	—	1	1
Accumulated amortization as of March 31, 2017	**(59)**	**(19)**	**(3)**	**(1)**	**(7)**	**(6)**	**(95)**
Carrying value as of March 31, 2017	**57**	**43**	**—**	**9**	**7**	**4**	**120**
Carrying value as of April 1, 2016	**71**	**53**	**—**	**10**	**9**	**6**	**149**
Estimated Useful Life (in years)	3-10	5-8	—	50	3-10	3-5	
Estimated Remaining Useful Life (in years)	1-6	3-6	—	44	1 -8	1-4	

The amortization expense has been included under depreciation and amortization expense in the consolidated statement of comprehensive income.

During fiscal 2017, the management based on an internal evaluation reassessed the remaining useful life of certain software technology assets acquired as a part of business combinations. Accordingly, the remaining useful life of the said asset which was 8 years has been revised to 3 years. Amortization expense for fiscal 2017 is higher by $3 million due to the revision.

The aggregate amortization expense is included in cost of sales in the consolidated statement of comprehensive income.

Research and development expense recognized in the consolidated statement of comprehensive income, for the years ended March 31, 2019, 2018 and 2017 were $110 million, $116 million and $118 million, respectively.

2.9 Business combinations and Disposal group held for sale

a. Business combinations

Accounting Policy:

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

The cost of 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 cost of acquisition 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.

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.

Transaction costs that the Group incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Brilliant Basics Holdings Limited:

On September 8, 2017, Infosys acquired 100% of the voting interests in Brilliant Basics Holdings Limited., UK, (Brilliant Basics) a product design and customer experience innovator with experience in executing global programs. The business acquisition was completed by entering into a share purchase agreement for cash consideration of $4 million, contingent consideration of up to $3 million and an additional consideration of $2 million, referred to as retention bonus, payable to the employees of Brilliant Basics at each anniversary year over the next two years, subject to their continuous employment with the group at each anniversary.

The payment of contingent consideration to sellers of Brilliant Basics is dependent upon the achievement of certain financial targets by Brilliant Basics over a period of 3 years ending on March, 2020.

The fair value of contingent consideration is determined by discounting the estimated amount payable to the sellers of Brilliant Basics on achievement of certain financial targets. The key inputs used in determination of the fair value of contingent consideration are the discount rate of 10% and the probabilities of achievement of the financial targets. The undiscounted value of contingent consideration is $2 million for each of March 31, 2018 and March 31,2019.

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill.

The purchase price has been allocated based on management's estimates and independent appraisal of fair values as follows:

(Dollars in millions)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets*	—	—	—
Intangible assets – customer relationships	—	2	2
Deferred tax liabilities on intangible assets	—	—	—
	—	2	2
Goodwill			5
Total purchase price			**7**

* Includes cash and cash equivalents acquired of less than $1 million

The goodwill is not tax deductible.

The gross amount of trade receivables acquired and its fair value is less than $1 million and the amounts have been substantially collected.

The fair value of each major class of consideration as of the acquisition date is as follows:

(Dollars in millions)

Component	Consideration settled
Cash Paid	4
Fair value of contingent consideration	3
Total purchase price	**7**

The transaction costs of less than $1 million related to the acquisition have been included under administrative expenses in the statement of comprehensive income for fiscal 2018

Wongdoody Holding Company Inc.

On May 22, 2018, Infosys acquired 100% of the voting interests in WongDoody Holding Company Inc., (WongDoody) an US-based, full-service creative and consumer insights agency. The business acquisition was completed by entering into a share purchase agreement for a total consideration of up to $75 million, which includes a cash consideration of $38 million, contingent consideration of up to $28 million and an additional consideration of up to $9 million, referred to as retention bonus, payable to the certain employees of WongDoody over the next three years, subject to their continuous employment with the group.

WongDoody, brings to Infosys the creative talent and marketing and brand engagement expertise. Further the acquisition is expected to strengthen Infosys' creative, branding and customer experience capabilities to bring innovative thinking, talent and creativity to clients.

The purchase price has been allocated based on management's estimates and independent appraisal of fair values as follows:

(Dollars in millions)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets*	5	—	5
Intangible assets – customer contracts and relationships	—	20	20
Intangible assets – Trade name	—	1	1
	5	21	26
Goodwill			25
Total purchase price			**51**

* *Includes cash and cash equivalents acquired of $8 million.*

Goodwill is tax deductible

The fair value of each major class of consideration as of the acquisition date is as follows:

(Dollars in millions)

Component	Consideration settled
Cash Consideration	38
Fair value of contingent consideration	13
Total purchase price	**51**

The gross amount of trade receivables acquired and its fair value is $2 million and the amount has been fully collected.

The payment of contingent consideration to sellers of WongDoody is dependent upon the achievement of certain financial targets by WongDoody. At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the discount rate of 16% and the probabilities of achievement of the financial targets. The undiscounted value of contingent consideration as of March 31, 2019 is $17 million.

The transaction costs of less than $1 million related to the acquisition have been included under administrative expenses in the statement of comprehensive income for fiscal 2019.

Infosys Compaz Pte Limited (formerly known as Trusted Source Pte Ltd)

On November 16, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 60% stake in Infosys Compaz Pte. Ltd, a Singapore based IT services company. The business acquisition was completed by entering into a share purchase agreement for a total consideration of up to SGD 17 million (approximately $13 million on acquisition date), which includes a cash consideration of SGD 10 million (approximately $8 million on acquisition date), contingent consideration of up to SGD 7 million (approximately $5 million on acquisition date).

The purchase price has been allocated based on management's estimates and independent appraisal of fair values as follows:

(Dollars in millions)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets*	13	—	13
Intangible assets – customer contracts and relationships	—	6	6
Deferred tax liabilities on intangible assets	—	(1)	(1)
	13	5	18
Less: Non-controlling interests			(7)
Total purchase price			**11**

* *Includes cash and cash equivalents acquired of $ 9 million.*

The fair value of each major class of consideration as at the acquisition date is as follows:

(Dollars in millions)

Component	Consideration settled
Cash Consideration	8
Fair value of contingent consideration	3
Total purchase price	**11**

The gross amount of trade receivables acquired and its fair value is $7 million and the amount has been substantially collected.

The payment of contingent consideration to sellers of Infosys Compaz Pte. Ltd is dependent upon the achievement of certain revenue targets by Infosys Compaz Pte. Ltd. At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the discount rate of 9% and the probabilities of achievement of the financial targets. The undiscounted value of contingent consideration as at March 31, 2019 is $5 million (SGD 7 million).

The transaction costs of less than $1 million related to the acquisition have been included under administrative expenses in the statement of comprehensive income for fiscal 2019.

Fluido Oy

On October 11, 2018, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 100% of voting interests in Fluido Oy (Fluido), a Nordic-based salesforce advisor and consulting partner in cloud consulting, implementation and training services for a total consideration of upto Euro 65 million (approximately $75 million), comprising of cash consideration of Euro 45 million (approximately $52 million), contingent consideration of upto Euro 12 million (approximately $ 14 million) and retention payouts of upto Euro 8 million (approximately $9 million), payable to the employees of Fluido over the next three years, subject to their continuous employment with the group.

Fluido brings to Infosys Salesforce expertise, alongside an agile delivery process that simplifies and scales digital efforts across channels and touchpoints. Further, Fluido strengthens Infosys' presence across the Nordics region with developed assets and client relationships. The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill.

The purchase price has been allocated based on management's estimates and independent appraisal of fair values as follows:

(Dollars in millions)

Component	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Net Assets*	2	—	2
Intangible assets – customer contracts and relationships	—	21	21
Intangible assets – Salesforce Relationships	—	8	8
Intangible assets – Brand	—	4	4
Deferred tax liabilities on intangible assets	—	(7)	(7)
	2	26	28
Goodwill			32
Total purchase price			**60**

* *Includes cash and cash equivalents acquired of $ 4 million.*

Goodwill is not tax deductible

The fair value of each major class of consideration as of the acquisition date is as follows:

(in $ million)

Component	Consideration settled
Cash consideration	52
Fair value of contingent consideration	8
Total purchase price	**60**

The gross amount of trade receivables acquired and its fair value is $4 million and the amount is fully collected.

The payment of contingent consideration to sellers of Fluido is dependent upon the achievement of certain financial targets by Fluido. At the acquisition date, the key inputs used in determination of the fair value of contingent consideration are the discount rate of 16% and the probabilities of achievement of the financial targets. The undiscounted value of contingent consideration as of March 31, 2019 was EUR 8 million ($9 million).

The transaction costs of $1 million related to the acquisition have been included under administrative expenses in the statement of comprehensive income for fiscal 2019.

Hitachi Procurement Service Co. Ltd

On April 1, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 81% of the voting interests in Hitachi Procurement Service Co., Ltd.,(HIPUS), Japan, a wholly-owned subsidiary of Hitachi Ltd, Japan, for a total cash consideration of JPY 3.29 billion (approximately $30 million) after fulfilment of closing conditions. The company paid an advance of JPY 3.29 billion (approximately $30 million) to Hitachi towards cash consideration on March 29, 2019. HIPUS handles indirect materials purchasing functions for the Hitachi Group. The name of Hitachi Procurement Services Co., Ltd has been changed to HIPUS Co., Ltd with effect from April 1, 2019.

As of June 19, 2019 the Company is in the process of finalizing the accounting for acquisition of HIPUS, including allocation of purchase consideration to identifiable assets and liabilities.

Stater N.V.

On May 23, 2019, Infosys Consulting Pte Limited (a wholly owned subsidiary of Infosys Limited) acquired 75% of voting interests in Stater N.V (Stater), a wholly-owned subsidiary of ABN AMRO Bank N.V., Netherland, for a total consideration of upto Euro 154 Million (approximately $171 Million). As of June 19, 2019 the Company is in the process of finalizing the accounting for acquisition of Stater, including allocation of purchase consideration to identifiable assets and liabilities.

b. Disposal group held for sale

Accounting policy

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non-current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non-current assets and disposal groups held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets and Disposal Group that ceases to be classified as held for sale shall be measured at the lower of carrying amount before the non-current asset and Disposal Group was classified as held for sale adjusted for any depreciation/ amortization and its recoverable amount at the date when the Disposal Group no longer meets the "Held for sale" criteria.

During the three months ended March 2018, the Company initiated identification and evaluation of potential buyers for its subsidiaries, Kallidus and Skava (together referred to as "Skava") and Panaya, collectively referred to as the "Disposal Group". The Disposal Group was classified and presented separately as "held for sale" and was carried at the lower of carrying value and fair value. Consequently, a reduction in the fair value of Disposal Group held for sale amounting to $18 million in respect of Panaya has been recognized in the consolidated statement of comprehensive income for fiscal 2018. During the three months ended June 30, 2018, on remeasurement, including consideration of progress in negotiations on offers from prospective buyers for Panaya, the Company recorded a reduction in the fair value of Disposal Group held for sale amounting to $39 million in respect of Panaya.

During the three months ended December 31, 2018, based on evaluation of proposals received and progress of negotiations with potential buyers, the Company concluded that the Disposal Group does not meet the criteria for "Held for Sale' classification because it is no longer highly probable that sale would be consummated by March 31, 2019 (twelve months from date of initial classification " as held for sale") Accordingly, in accordance with IFRS 5 - " Non current Assets held for Sale and Discontinued Operations", the assets and liabilities of Panaya and Skava have been included on a line by line basis in the consolidated financial statements for fiscal ended and as at March 31, 2019.

On reclassification from "Held for sale", the assets of Panaya and Skava have been remeasured at the lower of cost and recoverable amount resulting in recognition of an adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale" of $65 million (comprising of $52 million towards goodwill and $13 million towards value of customer relationships) in respect of Skava in the consolidated statement of comprehensive income for fiscal 2019.

2.10 Revenue from operations

Accounting policy

The Group derives revenues primarily from business IT services comprising of software development and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings ("together called as software related services")

Effective April 1, 2018, the Group adopted IFRS 15 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer Note 2.10 "Revenue from operations" in the Company's 2018 Annual Report on Form 20-F for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of IFRS 15 was insignificant.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as unbilled revenue while invoicing 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, the Group has applied the guidance in IFRS 15, Revenue from contract with customer, 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 has measured 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.

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). The Group has applied the principles under IFRS 15 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two 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 performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed. Revenue from client training, support and other services arising due to the sale of software products is recognized as the performance obligations are satisfied. ATS revenue is recognized ratably over the period in which the services are rendered.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Deferred contract costs are incremental costs of obtaining a contract which are recognised as assets and amortized over the term of the contract.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Group presents revenues net of indirect taxes in its statement of comprehensive income.

Revenues for fiscal 2019, 2018 and 2017 are as follows:

(Dollars in millions)

	Year ended March 31,		
Particulars	**2019**	**2018**	**2017**
Revenue from software services	11,184	10,371	9,669
Revenue from products and platforms	615	568	539
	11,799	**10,939**	**10,208**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments. The Group believes 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.

Year ended March 31, 2019 (Dollars in millions)

Particulars	Financial Services[1]	Retail[2]	Communication[3]	Energy, Utilities, resources and Services	Manufacturing	Hi Tech	Life Sciences[4]	Others[5]	Total
Revenues by Geography									
North America	2,290	1,255	796	838	619	844	438	61	7,141
Europe	698	548	271	507	499	15	287	22	2,847
India	172	3	8	—	12	20	2	75	292
Rest of the world	618	129	413	138	33	3	16	169	1,519
Total	3,778	1,935	1,488	1,483	1,163	882	743	327	11,799
Revenue by offerings									
Services									
Digital	**1,076**	**630**	**491**	**427**	**327**	**285**	**156**	**44**	3,436
Core	2,293	1,255	971	1,026	805	584	539	275	7,748
Subtotal	3,369	1,885	1,462	1,453	1,132	869	695	319	11,184
Products and platforms									
Digital	104	43	25	10	20	12	29	6	249
Core	305	7	1	20	11	1	19	2	366
Subtotal	409	50	26	30	31	13	48	8	615
Total	3,778	1,935	1,488	1,483	1,163	882	743	327	11,799
Digital	**1,180**	**673**	**516**	**437**	**347**	**297**	**185**	**50**	**3,685**
Core	**2,598**	**1,262**	**972**	**1,046**	**816**	**585**	**558**	**277**	**8,114**
Revenues by contract type									
Fixed Price	1,655	1,223	903	861	596	450	347	162	6,197
Time & Materials	2,123	712	585	622	567	432	396	165	5,602
Total	3,778	1,935	1,488	1,483	1,163	882	743	327	11,799

(1) *Financial Services include enterprises in Financial Services and Insurance*
(2) *Retail includes enterprises in Retail, Consumer Packaged Goods and Logistics*
(3) *Communication includes enterprises in Communication, Telecom OEM and Media*
(4) *Life Sciences includes enterprises in Life sciences and Health care*
(5) *Others include operating segments of businesses in India, Japan, China, Infosys Public Services & other Public Service enterprises*

Digital Services

Digital Services comprise of service and solution offerings of the Group that enable our clients to transform their businesses. These include offerings that enhance customer experience, leverage AI-based analytics and big data, engineer digital products and IoT, modernize legacy technology systems, migrate to cloud applications and implement advanced cyber security systems.

Core Services

Core Services comprise traditional offerings of the Group that have scaled and industrialized over a number of years. These primarily include application management services, proprietary application development services, independent validation solutions, product engineering and management, infrastructure management services, traditional enterprise application implementation, support and integration services.

Products & platforms

The Group also derives revenues from the sale of products and platforms including Finacle – core banking solution, Edge Suite of products, Infosys Nia - Artificial Intelligence (AI) platform which applies next-generation AI and machine learning and Infosys McCamish- insurance platform

Trade Receivables and Contract Balances

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the consolidated statements of financial position.

During fiscal 2019 , the company recognized revenue of $319 million arising from opening unearned revenue as of April 1, 2018.

As of March 31, 2019, unbilled revenue for fixed price development contracts amounted to $474 million.

Out of the unbilled revenues pertaining to fixed price development contracts amounting to $431 million as at April 01, 2018, $383 million has been reclassified to trade receivables upon billing to customers on completion of milestone during fiscal 2019.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as of the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in IFRS 15, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2019, other than those meeting the exclusion criteria mentioned above, is $ 7,414 million. Out of this, the Group expects to recognize revenue of around 50% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

The impact on account of applying the erstwhile IAS 18 - Revenue instead of IFRS 15- Revenue from contract with customers on the financials results of the Group for the year ended and as at March 31, 2019 is insignificant. On account of adoption of IFRS 15, unbilled revenues of $474 million as of March 31, 2019 has been considered as non-financial asset.

2.11 Expenses by nature

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Employee benefit costs	6,468	6,034	5,612
Depreciation and amortization charges (Refer to Note 2.7 and 2.8)	287	289	254
Travelling costs	348	310	333
Cost of technical sub-contractors	860	666	571
Cost of software packages for own use	133	138	118
Third party items bought for service delivery to clients	231	152	120
Operating lease payments (Refer to Note 2.15)	83	82	73
Consultancy and professional charges	189	162	114
Communication costs	67	76	82
Repairs and maintenance	188	174	191
Rates and Taxes	27	25	22
Provision for post-sales client support	—	22	12
Power and fuel	32	32	34
Commission to non-whole time directors	1	1	2
Branding and marketing expenses	69	47	51
Impairment loss recognized/(reversed) under expected credit loss model	35	11	21
Insurance charges	10	9	8
Contribution towards Corporate Social Responsibility	38	24	34
Others	37	26	36
Total cost of sales, selling and marketing expenses and administrative expenses	**9,103**	**8,280**	**7,688**

Operating profit

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

2.12 Employee benefits

Accounting policy

Gratuity

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees 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.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Infosys 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 Life Insurance Corporation of India as permitted by Indian law.

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 not reclassified to profit or loss in subsequent period. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments are recognized in net profits in the statement of 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 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. 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 their 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 independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.12.1 Gratuity

The following tables set out the funded status of the gratuity plans and the amounts recognized in the Group's financial statements as of March 31, 2019 and March 31, 2018:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Change in benefit obligations		
Benefit obligations at the beginning	184	172
Service cost	23	23
Interest expense	12	11
Remeasurements - Actuarial losses / (gains)	5	(9)
Transfer	—	4
Benefits paid	(18)	(17)
Translation differences	(11)	—
Benefit obligations at the end	**195**	**184**
Change in plan assets		
Fair value of plan assets at the beginning	187	184
Interest Income	13	12
Remeasurements – Returns on plan assets excluding amounts included in interest income	1	2
Contributions	25	5
Benefits paid	(18)	(17)
Translation differences	(11)	1
Fair value of plan assets at the end	**197**	**187**
Funded status	2	3
Prepaid gratuity benefit	6	7
Accrued gratuity	(4)	(4)

Net gratuity cost for fiscal 2019, 2018 and 2017 comprises the following components:

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Service cost	23	23	19
Net interest on the net defined benefit liability / asset	(1)	(1)	(2)
Net gratuity cost	**22**	**22**	**17**

Amount for fiscal 2019, 2018 and 2017 recognized in statement of other comprehensive income:

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Re-measurements of the net defined benefit liability / asset			
Actuarial (gains) / losses	5	(9)	10
(Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability / asset	(1)	(2)	(2)
Total	**4**	**(11)**	**8**

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
(Gain) / loss from change in demographic assumptions	**—**	**—**	**—**
(Gain) / loss from change in financial assumptions	4	(6)	8
(Gain) / loss from change in experience adjustments	1	(3)	2
	5	**(9)**	**10**

The gratuity cost recognized in the statement of comprehensive income apportioned between cost of sales, selling and marketing expenses and administrative expenses on the basis of direct employee cost is as follows:

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Cost of sales	20	20	15
Selling and marketing expenses	1	1	1
Administrative expenses	1	1	1
	22	**22**	**17**

The weighted-average assumptions used to determine benefit obligations as of March 31, 2019 and March 31, 2018 are set out below:

	As of	
	March 31, 2019	**March 31, 2018**
Discount rate	7.1%	7.5%
Weighted average rate of increase in compensation levels	8.0%	8.0%
Weighted average duration of defined benefit obligation	5.9 years	6.1 years

The weighted-average assumptions used to determine net periodic benefit cost for fiscal 2019, 2018 and 2017 are set out below:

	Year ended March 31,		
	2019	**2018**	**2017**
Discount rate for the year	7.5%	6.9%	7.8%
Weighted average rate of increase in compensation levels	8.0%	8.0%	8.0%

Discount rate	In India, the market for high quality corporate bonds being not developed, the yield of government bonds is considered as the discount rate. The tenure has been considered taking into account the past long-term trend of employees' average remaining service life which reflects the average estimated term of the post- employment benefit obligations.
Weighted average rate of increase in compensation levels	The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases.
Attrition rate	Attrition rate considered is the management's estimate based on the past long-term trend of employee turnover in the Company.

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

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

The company contributes all ascertained liabilities towards gratuity to the Infosys Employees' Gratuity Fund Trust. In case of Infosys BPM and EdgeVerve, contributions are made to the Infosys BPM Employees' Gratuity Fund Trust and EdgeVerve Systems Limited Gratuity Fund Trust, respectively. Trustees administer contributions made to the trusts. As of March 31, 2018 and March 31, 2017, the plan assets have been primarily invested in insurer managed funds.

Actual return on assets for fiscal 2019, 2018 and 2017 was $14 million, $14 million and $14 million, respectively.

Sensitivity of significant assumptions used for valuation of defined benefit obligation:

(Dollars in millions)

Impact from one percentage point increase / decrease in	As at March 31, 2019
Discount rate	10
Weighted average rate of increase in compensation levels	8

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. In practice, this is not probable, and changes in some of the assumptions may be correlated.

The Group expects to contribute $23 million to the gratuity trusts during fiscal 2020.

Maturity profile of defined benefit obligation:

(Dollars in millions)

Within 1 year	29
1 - 2 year	30
2 - 3 year	31
3 - 4 year	32
4 - 5 year	34
5 - 10 years	168

2.12.2 Superannuation

The Group contributed $31 million, $27 million and $25 million to the superannuation plan during fiscal 2019, 2018 and 2017, respectively.

Superannuation contributions have been apportioned between cost of sales, selling and marketing expenses and administrative expenses on the basis of direct employee cost as follows:

(Dollars in millions)

	Year ended March 31,		
	2019	2018	2017
Cost of sales	28	24	22
Selling and marketing expenses	2	2	2
Administrative expenses	1	1	1
	31	**27**	**25**

2.12.3 Provident fund

Infosys has an obligation to fund any shortfall on the yield of the trust’s investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2019 and March 31, 2018, respectively.

The details of the benefit obligation is given below:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Benefit obligation at the period end	866	792
Net liability recognized in Balance Sheet	**—**	**—**

The plan assets have been primarily invested in government securities.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	As of	
	March 31, 2019	**March 31, 2018**
Government of India (GOI) bond yield	7.1%	7.5%
Remaining term to maturity of portfolio	5.47 years	5.9 years
Expected guaranteed interest rate		
First year	8.65%	8.55%
Thereafter	8.60%	8.55%

The Group contributed $78 million, $75 million and $69 million to the provident fund during fiscal 2019, 2018 and 2017, respectively.

Provident fund contributions have been apportioned between cost of sales, selling and marketing expenses and administrative expenses on the basis of direct employee cost as follows:

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Cost of sales	69	67	61
Selling and marketing expenses	6	5	5
Administrative expenses	3	3	3
	78	**75**	**69**

2.12.4 Employee benefit costs include:

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Salaries and bonus [(1)]	6,338	5,910	5,501
Defined contribution plans	44	40	37
Defined benefit plans	86	84	74
	6,468	**6,034**	**5,612**

(1) *Includes stock compensation expense of $29 million, $13 million and $17 million for fiscal* 2019, 2018 and 2017 *respectively. (Refer to Note 2.16)*

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

The employee benefit cost is recognized in the following line items in the consolidated statement of comprehensive income:

(Dollars in millions)

	Year ended March 31,		
	2019	2018	2017
Cost of sales	5,780	5,379	4,987
Selling and marketing expenses	462	425	405
Administrative expenses	226	230	220
	6,468	**6,034**	**5,612**

2.13 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 capital and share premium

The amount received in excess of the par value has been classified as share premium. Additionally, share-based compensation recognized in the 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/-. The Company has allotted 2,184,191,490 fully paid up equity shares (including treasury shares of 10,486,661) of face value ₹5/- each during the three months ended September 30, 2018 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was September 5, 2018. The bonus shares were issued by capitalization of profits transferred from general reserve. Bonus share of one equity share for every equity share held, and a bonus issue, viz., a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged. Options granted under the stock option plan have been adjusted for bonus shares.

The company allotted 1,148,472,332 fully paid-up shares (not adjusted for September 2018 bonus issue) of face value ₹5/- each during the three months ended June 30, 2015 pursuant to bonus issue approved by the shareholders through postal ballot. For both the bonus issues, bonus share of one equity share for every equity share held, and a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged.

20,324,982 and 10,801,956 shares (not adjusted for September 2018 bonus issue) were held by controlled trust, as of March 31, 2019 and March 31, 2018, respectively.

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.

Other components of equity

Other components of equity consist of 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.

Capital Allocation Policy

In line with the capital allocation policy announced in April 2018, the Board, in its meeting held on January 11, 2019, approved the following:

(a) A special dividend of ₹4/- per equity share (approximately $0.06 per share);

(b) Buyback of Equity Shares from the open market route through Indian stock exchanges of up to ₹8,260 crore (Maximum Buyback Size) at a price not exceeding ₹800/- per share (Maximum Buyback Price) subject to shareholders' approval by way of Postal Ballot.

After the execution of the above, along with the special dividend of ₹5/- per share (approximately $0.08 per share) already paid in June 2018, the Company would complete the distribution of ₹13,000 crore, which was announced as part of its capital allocation policy in April 2018.

The shareholders approved the proposal of buyback of Equity Shares recommended by its Board of Directors in its meeting held on January 11, 2019 through the postal ballot that concluded on March 12, 2019. At the Maximum buyback price of ₹800/- per share and the Maximum buyback size of ₹8,260 crore, the indicative maximum number of Equity shares bought back would be 103,250,000 Equity Shares (Maximum buyback shares) comprising approximately 2.36% of the paid-up equity share capital of the Company as of March 12, 2019 (the date of conclusion of postal ballot for approval for buyback).

The buyback was offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchange. The Company will fund the buyback from its free reserves as defined under Companies Act 2013. The buyback of equity shares through the stock exchange commenced on March 20, 2019 and is expected to be completed by September 2019. During fiscal 2019, 12,652,000 equity shares were purchased from the stock exchange which includes 1,818,000 shares which have been purchased but not extinguished as of March 31, 2019 and 3,636,000 shares which have been purchased but have not been settled and therefore not extinguished as of March 31, 2019. In accordance with section 69 of the Companies Act, 2013, during fiscal 2019 , the Company has created 'Capital Redemption Reserve' of $1 million equal to the nominal value of the shares bought back as an appropriation from general reserve.

Subsequent to March 31, 2019, the Company has bought back 57,600,000 equity shares from the Indian stock exchanges.

The Board, at its meeting on August 19, 2017, 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 not exceeding ₹13,000 crore ($2 billion). The shareholders approved the said proposal of buyback of Equity Shares through the postal ballot that concluded on October 7, 2017. The Buyback offer comprised a purchase of 113,043,478 equity Shares aggregating 4.92% of the paid-up equity share capital of the Company at a price of ₹1,150 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 1, 2017) on a proportionate basis through the "Tender offer" route. The Company concluded the buyback procedures on December 27, 2017 and 113,043,478 equity shares were extinguished. The company has utilized its securities premium and general reserve for the buyback of its shares. In accordance with section 69 of the Indian Companies Act, 2013, the company has created 'Capital Redemption Reserve' of $9 million equal to the nominal value of the shares bought back as an appropriation from general reserve for fiscal 2018.

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 March 31, 2019, 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

Bonus issue

The Company has allotted 2,184,191,490 fully paid up equity shares (including treasury shares of 10,486,661) of face value ₹5/- each during the three months ended September 30, 2018 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was September 5, 2018. The bonus shares were issued by capitalization of profits transferred from general reserve. Bonus share of one equity share for every equity share held, and a bonus issue, viz., a stock dividend of one American Depositary Share (ADS) for every ADS held, respectively, has been allotted. Consequently, the ratio of equity shares underlying the ADSs held by an American Depositary Receipt holder remains unchanged. Options granted under the stock option plan have been adjusted for bonus shares.

The bonus shares allotted ranks pari passu in all respects and carry the same rights as the existing equity shareholders and are entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

The rights of equity shareholders are set out below.

2.13.1 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.

2.13.2 Dividends

Accounting policy

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

The Company declares and pays dividends in Indian rupees. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes. Dividend distribution tax paid by subsidiaries may be reduced / available as credit against dividend distribution tax payable by Infosys Limited.

Effective from Financial Year 2018, the Company's policy is to payout up to 70% of the free cash flow of the corresponding Financial Year in such manner (including by way of dividend and / or share buyback) as may be decided by the Board from time to time, subject to applicable laws and requisite approvals, 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 payout includes dividend distribution tax.

The following table provides details of per share dividend recognized during fiscal 2019, 2018 and 2017:

	Fiscal 2019	Fiscal 2018	Fiscal 2017
Dividend per Equity Share (₹)[2]			
Interim dividend[3]	7.00	6.50	5.50
Final dividend[4]	10.25	7.38	7.13
Special dividend[5]	9.00	—	—
Dividend per Equity Share/ADS ($) [1][2]			
Interim dividend[3]	0.10	0.10	0.09
Final dividend[4]	0.16	0.12	0.11
Special dividend[5]	0.14	—	—

(1) *Converted at the monthly exchange rate in the month of declaration of dividend.*
(2) *Adjusted for September 2018 bonus share issue, wherever applicable.*
(3) *Represents interim dividend for the respective fiscal year*
(4) *Represents final dividend for the preceding fiscal year*
(5) *Represents special dividend of ₹5/- per share (approximately $0.08 per share) declared in fiscal 2018 and special dividend of ₹4/- per equity share (approximately $0.06 per share) declared in fiscal 2019.*

During fiscal 2019, on account of the final dividend for fiscal 2018, special dividend declared in fiscal 2018 and fiscal 2019 and interim dividend for fiscal 2019, the Company has incurred a net cash outflow of $1,956 million, (excluding dividend paid on treasury shares) inclusive of corporate dividend tax.

The Board of Directors in their meeting on April 12, 2019 recommended a final dividend of ₹10.50/- per equity share (approximately $0.15 per equity share) for fiscal 2019. This payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company, to be held on June 22, 2019 and if approved would result in a net cash outflow of approximately $780 million, (excluding dividend paid on treasury shares) including dividend distribution tax. The final dividend of ₹10.50/- per equity share (approximately $0.15 per equity share) and the resultant expected cash outflow is based on the outstanding number of shares after considering shares bought back by the Company till the book closure date i.e June 15, 2019.

2.13.3 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.

2.13.4 Share options

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

2.14 Other income, net

Accounting policy

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

Effective April 1, 2018, the Group has adopted IFRS interpretation IFRIC 22- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Functional currency and presentation currency

The functional currency of Infosys, Infosys BPM, EdgeVerve, Skava 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 included in the net profit in the statement of comprehensive income. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

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

The translation of financial statements of the entities of the group from functional currency 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 of, in full, the relevant amount is transferred to the 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.

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.

Other income consists of the following:

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Interest income on financial assets carried at amortized cost	201	260	352
Interest income on financial assets fair valued through other comprehensive income	92	106	28
Dividend income on investments carried at fair value through profit or loss	—	1	4
Gain / (loss) on investments carried at fair value through profit or loss	24	39	18
Exchange gains / (losses) on forward and options contracts	27	—	89
Exchange gains / (losses) on translation of other assets and liabilities	18	36	(54)
Others	49	71	22
	411	**513**	**459**

2.15 Leases

Accounting policy

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

The Group has various operating leases, mainly for office buildings, that are renewable on a periodic basis. Rental expense for operating leases was $83 million, $82 million and $73 million for fiscal 2019, 2018 and 2017, respectively.

The schedule of future minimum rental payments in respect of non-cancellable operating leases is set out below:

(Dollars in millions)

	As of	
	March 31, 2019	**March 31, 2018**
Within one year of the balance sheet date	90	70
Due in a period between one year and five years	259	213
Due after five years	128	134

A majority of the group’s operating lease arrangements extend up to a maximum of ten years from their respective dates of inception, and relate to rented premises. Some of these lease agreements contain a price escalation clause.

2.16 Employees' Stock Option Plans (ESOP)

Accounting policy

The Group recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with IFRS 2, Share-Based Payment. The estimated fair value of awards is charged to 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.

2015 Stock Incentive Compensation Plan (formerly 2011 RSU Plan) (the 2015 Plan): On March 31, 2016, pursuant to the approval by the shareholders through postal ballot, the Board has been 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 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 and the Company expects to grant the instruments under the 2015 Plan over the period of 4 to 7 years. The plan numbers mentioned above would further be adjusted for the September 2018 bonus issue.

Consequent to the September 2018 bonus issue, all outstanding options granted under the stock option plan have been adjusted for bonus shares. Unless otherwise stated , all the prior period share numbers, share prices and weighted average exercise prices in this note have been adjusted to give effect to the September 2018 bonus issue

Controlled trust holds 20,324,982 and 10,801,956 shares (not adjusted for September, 2018 bonus issue) as at March 31, 2019 and March 31, 2018, respectively under the 2015 plan, out of which 200,000 and 100,000 (not adjusted for September, 2018 bonus issue) equity shares have been earmarked for welfare activities of the employees as at March 31, 2019 and March 31, 2018, respectively.

The following is the summary of grants made during fiscal 2019, 2018 and 2017 under the 2015 Plan:

Particulars	Fiscal 2019	Fiscal 2018	Fiscal 2017
RSU and ESOP			
Salil Parekh, CEO and MD - *Refer Note 1 below*	260,130	226,048	—
U.B. Pravin Rao, COO and WTD- *Refer Note 2 below*	68,250	140,500	—
Dr.Vishal Sikka*	—	1,201,498	241,400
Other KMP**	368,100	631,100	1,497,600
Employees other than KMP	3,644,220	3,345,220	6,422,080
	4,340,700	**5,544,366**	**8,161,080**
Incentive units- cash settled			
Other employees	74,090	100,080	224,420
	74,090	**100,080**	**224,420**
Total grants	**4,414,790**	**5,644,446**	**8,385,500**

Information in the table above is adjusted for September 2018 bonus issue, wherever applicable.

* *Upon Dr. Vishal Sikka's resignation from the roles of the company, the unvested RSUs and ESOPs have been forfeited*

** *Refer note 2.19 for details on appointment and resignation of KMPs*

Note:

1. Stock incentives granted to Salil Parekh, CEO and MD

Pursuant to the approval of the shareholders through a postal ballot on February 20, 2018, Salil Parekh (CEO & MD) is eligible to receive under the 2015 Plan and as per the terms of his employment agreement:

a) an annual grant of RSUs of fair value ₹3.25 crore (approximately $0.5 million) which will vest over time in 3 equal annual installments upon completion of each year of service from the respective grant date

b) a one-time grant of RSUs of fair value ₹9.75 crore (approximately $1.5 million) which will vest over time in 2 equal annual installments upon completion of each year of service from the grant date and

c) annual grant of performance based RSUs of fair value ₹13 crore (approximately $2 million) which will vest after completion of three years, subject to achievement of performance targets set by the Board or its committee.

The Board based on the recommendations of the Nomination and Remuneration committee approved on February 27, 2018, the annual time based grant for fiscal 2018 of 56,512 RSUs (adjusted for September 2018 bonus issue) and the one-time time based grant of 169,536 RSUs (adjusted for September 2018 bonus issue). The grants were made effective February 27, 2018.

Further, the Board, based on the recommendations of the Nomination and Remuneration Committee, granted 217,200 (adjusted for September 2018 bonus issue) performance based RSUs to Salil Parekh with an effective date of May 2, 2018. The grants would vest upon successful completion of three full fiscal years with the Company and will be determined based on achievement of certain performance targets for the said three-year period.

The Board based on the recommendations of the Nomination and Remuneration committee approved on January 11, 2019, the annual time based grant for fiscal 2019 of 42,930 RSUs. The grant was made effective February 1, 2019.

Though the annual time based grants for the remaining employment term ending on March 31, 2023 have not been granted as of March 31, 2019, 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.

2. On the recommendation of the nomination and remuneration committee, in accordance with the terms of the employment agreement, under the 2015 Plan, the Board approved grant of 68,250 RSUs to U.B. Pravin Rao, based on his performance in fiscal 2018. The grants were made effective February 1, 2019.

The RSUs and stock options would vest generally over a period of 4 years and shall be exercisable within the period as approved by the Committee. 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.

As at March 31, 2019 and March 31, 2018, incentive units outstanding (net of forfeitures) were 1,77,454 and 223,514 (adjusted for September 2018 bonus issue), respectively.

Break-up of employee stock compensation expense

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Granted to:			
KMP [(1)]	5	(2)	5
Employees other than KMP	24	15	12
Total	**29**	**13**	**17**
Cash settled stock compensation expense included in the above	1	1	—

(1) Included a reversal of stock compensation cost of $5 million for fiscal 2018, towards forfeiture of stock incentives granted to Dr. Vishal Sikka upon his resignation.

The carrying value of liability towards cash settled share based payments was $1 million each respectively as at March 31, 2019 and March 31, 2018.

The activity in the 2015 Plan (formerly 2011 RSU Plan) for equity-settled share based payment transaction during fiscal 2019 is set out below:

	Year ended March 31, 2019	
	Shares arising out of options	**Weighted average exercise price($)**
2015 Plan -RSU		
Outstanding at the beginning	7,500,818	0.04
Granted	4,340,700	0.05
Exercised	1,864,510	0.04
Forfeited and expired	795,810	0.04
Outstanding at the end	**9,181,198**	**0.05**
Exercisable at the end	235,256	0.04
2015 Plan-ESOP		
Outstanding at the beginning	1,933,826	7.62
Granted	—	—
Exercised	117,350	7.35
Forfeited and expired	193,300	7.43
Outstanding at the end	**1,623,176**	**7.46**
Exercisable at the end	698,500	7.46

Information in the above table is adjusted for September 2018 bonus issue, wherever applicable.

The activity in the 2015 Plan for equity-settled share based payment transaction during fiscal 2018 is set out below:

	Year ended March 31, 2018	
	Shares arising out of options	**Weighted average exercise price($)**
2015 Plan -RSU		
Outstanding at the beginning	5,922,746	0.04
Granted	4,561,216	0.04
Exercised	1,296,434	0.04
Forfeited and expired	1,686,710	0.04
Outstanding at the end	**7,500,818**	**0.04**
Exercisable at the end	48,410	0.04
2015 Plan-ESOP		
Outstanding at the beginning	2,395,300	7.63
Granted	983,150	7.31
Exercised	104,824	7.63
Forfeited and expired	1,339,800	7.42
Outstanding at the end	**1,933,826**	**7.62**
Exercisable at the end	393,824	7.63

Information in the above table is adjusted for September 2018 bonus issue.

The activity in the 2015 Plan for equity-settled share based payment transaction during fiscal 2017 is set out below:

	Year ended March 31, 2017	
	Shares arising out of options	Weighted average exercise price($)
2015 Plan -RSU		
Outstanding at the beginning	443,010	0.04
Granted	5,749,380	0.04
Forfeited and expired	201,520	0.04
Exercised	68,124	—
Outstanding at the end	**5,922,746**	**0.04**
Exercisable at the end	—	—
2015 Plan-ESOP		
Outstanding at the beginning	—	—
Granted	2,411,700	7.63
Forfeited and expired	16,400	7.63
Exercised	—	—
Outstanding at the end	**2,395,300**	**7.63**
Exercisable at the end	—	—

Information in the above table is adjusted for September 2018 bonus issue.

During fiscal 2019, 2018 and 2017, the weighted average share price of options exercised under the 2015 Plan on the date of exercise was $10.01, $7.74 and $8.05 (adjusted for September 2018 bonus issue), respectively

The following table summarizes information about equity settled RSUs and ESOPs outstanding as of March 31, 2019:

	Options outstanding		
Range of exercise prices per share ($)	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price ($)
2015 Plan: ADS and IES			
0 - 0.07 (RSU)	9,181,198	1.70	0.05
6 - 8 (ESOP)	1,623,176	5.04	7.46
	10,804,374	**2.20**	**1.16**

Information in the above table is adjusted for September 2018 bonus issue, wherever applicable.

The following table summarizes information about equity settled RSUs and ESOPs outstanding as at March 31, 2018:

	Options outstanding		
Range of exercise prices per share ($)	No. of shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price ($)
2015 Plan:			
0 - 0.04 (RSU)	7,500,818	1.89	0.04
6 - 8 (ESOP)	1,933,826	6.60	7.62
	9,434,644	**2.57**	**1.59**

Information in the above table is adjusted for September 2018 bonus issue.

The fair value of each equity settled award is estimated on the date of grant using the Black-Scholes-Merton model with the following assumptions:

Particulars	For options granted in Fiscal 2019- Equity Shares-RSU	Fiscal 2019- ADS- RSU
Weighted average share price (₹) / ($- ADS)*	696	10.77
Exercise price (₹)/ ($- ADS)*	3.31	0.06
Expected volatility (%)	21-25	22-26
Expected life of the option (years)	1-4	1-4
Expected dividends (%)	2.65	2.65
Risk-free interest rate (%)	7-8	2-3
Weighted average fair value as on grant date (₹) / ($- ADS)*	648	10.03

Particulars	For options granted in Fiscal 2018- Equity Shares-RSU	Fiscal 2018- Equity shares ESOP	Fiscal 2018- ADS-RSU	Fiscal 2018- ADS- ESOP
Weighted average share price (₹) / ($- ADS)*	572	461	8.31	7.32
Exercise price (₹)/ ($- ADS)*	2.50	459	0.04	7.33
Expected volatility (%)	20-25	25-28	21-26	25-31
Expected life of the option (years)	1 - 4	3 - 7	1 - 4	3 - 7
Expected dividends (%)	2.78	2.78	2.74	2.74
Risk-free interest rate (%)	6 - 7	6 - 7	1 - 2	1 - 2
Weighted average fair value as on grant date (₹) / ($- ADS)*	533	127	7.74	1.47

Particulars	For options granted in Fiscal 2017- Equity Shares-RSU	Fiscal 2017- Equity shares ESOP	Fiscal 2017- ADS-RSU	Fiscal 2017- ADS- ESOP
Weighted average share price (₹) / ($- ADS)*	534	494.5	7.89	7.63
Exercise price (₹)/ ($- ADS)*	2.50	499	0.035	7.63
Expected volatility (%)	24-29	27-29	26-29	27-31
Expected life of the option (years)	1-4	3 - 7	1 - 4	3 - 7
Expected dividends (%)	2.37	2.37	2.29	2.29
Risk-free interest rate (%)	6-7	6 - 7	1 - 2	1 - 2
Weighted average fair value as on grant date (₹) / ($- ADS)*	501	142.5	7.42	1.73

* Adjusted for September 2018 bonus issue

The expected term 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. Expected volatility during the expected term of the RSU / ESOP 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 RSU / ESOP.

2.17 Income taxes

Accounting policy

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the net profit in the statement of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements 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, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Tax benefits of deductions earned on exercise of employee share options in excess of compensation charged to income are credited to share premium.

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

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Current taxes			
Domestic taxes	600	721	616
Foreign taxes	217	(12)	226
	817	**709**	**842**
Deferred taxes			
Domestic taxes	3	(80)	(1)
Foreign taxes	(17)	28	(7)
	(14)	**(52)**	**(8)**
Income tax expense	**803**	**657**	**834**

During fiscal 2019, the Company entered into Advance Pricing Agreement (APA) in an overseas jurisdictions resulting in a reversal of income tax expense of $7 million which pertained to prior periods.

In December 2017, the Company concluded an Advance Pricing Agreement ("APA") with the US Internal Revenue Service ("IRS") for the US branch covering fiscal years 2011 to 2021. Under the APA, the Company and the IRS have agreed on the methodology to allocate revenues and compute the taxable income of the Company's US Branch operations. In accordance with the APA, the company reversed income tax expense provision of $225 million which pertained to previous periods which are no longer required. This comprises of reduction in current tax expense of $253 million, offset by a reversal of $21 million on account of deferred tax assets pertaining to the temporary differences which are no longer required and an increase in deferred tax liability of $7 million pertaining to Branch profit tax on account of conclusion of APA. The Company had to pay an adjusted amount of approximately $223 million due to the difference between the taxes payable for prior periods as per the APA and the actual taxes paid for such periods. The company paid $215 million till March 31, 2019.

Additionally, income tax expense for fiscal 2019, 2018 and 2017 includes reversals (net of provisions) of $18 million, $45 million and $23 million, respectively, pertaining to prior periods on account of adjudication of certain disputed matters in favor of the company across various jurisdictions.

Further, the "Tax Cuts and Jobs Act (H.R. 1)" was signed into law on December 22, 2017 ("US Tax Reforms"). The US tax reforms has reduced federal tax rates from 35% to 21% effective January 1, 2018 amongst other measures. During fiscal 2018, the US tax reforms has resulted in a positive impact of $24 million on account of credits pertaining to deferred tax liabilities on branch profit. The impact of US tax reforms is expected to be not significant for future periods.

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

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Profit before income taxes	3,003	3,143	2,974
Enacted tax rates in India	34.94%	34.61%	34.61%
Computed expected tax expense	1,049	1,088	1,029
Tax effect due to non-taxable income for Indian tax purposes	(386)	(321)	(295)
Overseas taxes	102	109	112
Tax provision (reversals)	(25)	(253)	(23)
Effect of differential overseas tax rates	—	8	10
Effect of exempt non-operating income	(8)	(10)	(10)
Effect of unrecognized deferred tax assets	13	29	14
Effect of non-deductible expenses	50	9	4
Branch profit tax (net of credits)	4	(32)	—
Subsidiary dividend distribution tax	—	27	—
Others	4	3	(7)
Income tax expense	**803**	**657**	**834**

The increase in the corporate statutory tax rate to 34.94% in fiscal 2019 from 34.61% in fiscal 2018 and 2017 is consequent to changes made in the Finance Act, 2018.

The foreign tax expense is due to income taxes payable overseas, principally in the United States. In India, the company has benefited from certain income tax incentives that the Government of India had provided for export of software and services from the units registered under the Special Economic Zones Act, 2005 (SEZ). SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100 % of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50% of such profits or gains for a further five years. Up to 50% of such profits or gains is also available for a further five years subject to creation of a Special Economic Zone Re-investment Reserve out of the profit of the eligible SEZ units and utilization of such reserve by the Company for acquiring new plant and machinery for the purpose of its business as per the provisions of the Income Tax Act, 1961. (Refer to Other Reserves under note 2.13 Equity).

During fiscal 2018, the Company received $130 million as dividend from Infosys BPM, its majority owned subsidiary. Dividend distribution tax paid by the subsidiary on such dividend has been reduced as credit against dividend distribution tax payable by Infosys. Accordingly, the group has recorded a charge of $27 million as income tax expense during fiscal 2018.

Other income for fiscal 2019 and fiscal 2018, includes interest on income tax refund of $7 million and $41 million, respectively.

Entire deferred income tax for fiscal 2019, 2018 and 2017 relates to origination and reversal of temporary differences except for a credit of $24 million (on account of US Tax Reforms explained above), for fiscal 2018.

As a result of these tax incentives, a portion of the company's pre-tax income has not been subject to tax in recent years. These tax incentives resulted in a decrease in our income tax expense of $386 million, $321 million and $295 million for the year ended March 31, 2019, 2018 and 2017, respectively, compared to the tax amounts that we estimate we would have been required to pay if these incentives had not been available. The per share effect of these tax incentives computed based on both basic and diluted weighted average number of equity shares for the year ended March 31, 2019, March 31, 2018 and March 31, 2017 was $0.09, $0.07 (adjusted for September 2018 bonus issue) and $0.07, (adjusted for September 2018 bonus issue), respectively.

Infosys is subject to a 15% Branch Profit Tax (BPT) in the U.S. to the extent its U.S. branch's net profit during the year is greater than the increase in the net assets of the U.S. branch during the year, computed in accordance with the Internal Revenue Code. As of March 31, 2019, Infosys' U.S. branch net assets amounted to approximately $751 million. As at March 31, 2019, the Company has a deferred tax liability for branch profit of $29 million (net of credits), as the Company estimates that these branch profits are expected to be distributed in the foreseeable future.

Deferred income tax liabilities have not been recognized on temporary differences amounting to $869 million and $774 million as of March 31, 2019 and March 31, 2018, respectively, associated with investments in subsidiaries and branches as it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets have not been recognized on accumulated losses of $379 million and $297 million as of March 31, 2019 and March 31, 2018, respectively, as it is probable that future taxable profit will be not available against which the unused tax losses can be utilized in the foreseeable future. The balance as of March 31, 2018 excludes the accumulated losses of disposal groups held for sale. (Refer note 2.9)

The following table provides details of expiration of unused tax losses for fiscal 2019:

	Dollars in millions
Year	
2020	25
2021	11
2022	20
2023	29
2024	27
Thereafter	267
Total	**379**

The following table provides details of expiration of unused tax losses for fiscal 2018:

	Dollars in millions
Year	
2019	14
2020	37
2021	12
2022	21
2023	39
Thereafter	174
Total	**297**

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2019 and March 31, 2018:

(Dollars in millions)

	As of March 31, 2019	March 31, 2018
Income tax assets	975	931
Current income tax liabilities	(227)	(314)
Net current income tax assets / (liabilities) at the end	**748**	**617**

The gross movement in the current income tax asset / (liability) for fiscal 2019, 2018 and 2017 is as follows:

(Dollars in millions)

	Year ended March 31,		
	2019	**2018**	**2017**
Net current income tax asset / (liability) at the beginning	617	282	274
Translation differences	(34)	(8)	6
Income tax paid	975	1,059	843
Current income tax expense	(817)	(709)	(842)
Income tax on other comprehensive income	1	(2)	1
Reclassified under assets held for sale (refer note no 2.9)	3	(5)	—
Reclassified from held for sale (Refer note 2.9)	2	—	—
Income tax benefit arising on exercise of stock options	1	—	—
Tax impact on buyback expenses	1	—	—
Additions through business combination	(1)	—	—
Net current income tax asset / (liability) at the end	**748**	**617**	**282**

The movement in gross deferred income tax assets and liabilities (before set off) for fiscal 2019 is as follows:

(Dollars in millions)

	Carrying value as of April 1, 2018	Changes through profit and loss	Addition through business combination	Changes through OCI	Reclassified from Held for Sale	Translation difference	Carrying value as of March 31, 2019
Deferred income tax assets							
Property, plant and equipment	33	7	—	—	—	(2)	38
Accrued compensation to employees	2	2	—	—	—	—	4
Trade receivables	22	5	—	—	—	(1)	26
Compensated absences	56	4	—	—	—	(3)	57
Post sales client support	15	1	—	—	—	(1)	15
Derivative financial instruments	2	(2)	—	1	—	—	1
Intangibles	1	1	—	—	—	—	2
Credits related to branch profits	52	(3)	—	—	—	—	49
Others	18	11	—	1	5	(2)	33
	201	**26**	**—**	**2**	**5**	**(9)**	**225**
Deferred income tax liabilities							
Intangible asset	(6)	9	(8)	—	(12)	(2)	(19)
Branch profit tax	(77)	(1)	—	—	—	—	(78)
Derivative financial instruments	—	(14)	—	(2)	—	—	(16)
Others	(4)	(6)	(1)	—	(1)	1	(11)
	(87)	**(12)**	**(9)**	**(2)**	**(13)**	**(1)**	**(124)**

The movement in gross deferred income tax assets and liabilities (before set off) for fiscal 2018 is as follows:

(Dollars in millions)

	Carrying value as of April 1, 2017	Changes through profit and loss	Changes through OCI	Reclassified as Held for Sale	Translation difference	Carrying value as of March 31, 2018
Deferred income tax assets						
Property, plant and equipment	21	12	—	—	—	33
Computer software	6	(6)	—	—	—	—
Accrued compensation to employees	9	(8)	—	—	1	2
Trade receivables	21	1	—	—	—	22
Compensated absences	58	—	—	—	(2)	56
Post sales client support	15	—	—	—	—	15
Derivative financial instruments	—	2	—	—	—	2
Intangibles	3	(3)	—	—	1	1
Credits related to branch profits	—	53	—	—	(1)	52
Others	22	(2)	—	(5)	3	18
	155	**49**	**—**	**(5)**	**2**	**201**
Deferred income tax liabilities						
Intangible asset	(32)	13	—	13	—	(6)
Branch profit tax	(50)	(25)	—	—	(2)	(77)
Derivative financial instruments	(11)	11	—	—	—	—
Others	(11)	4	2	—	1	(4)
	(104)	**3**	**2**	**13**	**(1)**	**(87)**

The movement in gross deferred income tax assets and liabilities (before set off) for fiscal 2017 is as follows:

(Dollars in millions)

	Carrying value as of April 1, 2016	Changes through profit and loss	Changes through OCI	Translation difference	Carrying value as of March 31, 2017
Deferred income tax assets					
Property, plant and equipment	27	(6)	—	—	21
Computer software	8	(2)	—	—	6
Accrued compensation to employees	10	—	—	(1)	9
Trade receivables	13	8	—	—	21
Compensated absences	59	(3)	—	2	58
Post sales client support	12	3	—	—	15
Intangibles	1	2	—	—	3
Others	7	14	—	1	22
	137	**16**	**—**	**2**	**155**
Deferred income tax liabilities					
Intangible asset	(38)	6	—	—	(32)
Branch profit tax	(51)	—	—	1	(50)
Derivative financial instruments	—	(11)	—	—	(11)
Others *	(6)	(3)	(1)	(1)	(11)
	(95)	**(8)**	**(1)**	**—**	**(104)**

* included in others is the impact on adoption of IFRS 9 of $1 million

The tax effects of significant temporary differences that resulted in deferred income tax assets and liability is as follows:

(Dollars in millions)

	As of	
	March 31, 2019	March 31, 2018
Deferred income tax assets after set off	199	196
Deferred income tax liabilities after set off	(98)	(82)

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

In assessing the reliability 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.

As at March 31, 2019, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹2,851 crore ($412 million).

Amount paid to statutory authorities against the above tax claims amounted to ₹5,924 crore ($857 million).

As at March 31, 2018, claims against the Group not acknowledged as debts from the Income tax authorities amounted to ₹3,041 crore ($467 million). Amount paid to statutory authorities against this amounted to ₹6,540 crore ($1,003 million).

These matters are pending before various Appellate 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.

2.18 Reconciliation of basic and diluted shares used in computing 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 of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

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

	Year ended March 31,		
	2019	**2018**	**2017**
Basic earnings per equity share - weighted average number of equity shares outstanding [(1)(2)]	4,347,130,157	4,510,664,644	4,571,278,894
Effect of dilutive common equivalent shares - share options outstanding	6,290,615	4,483,096	1,514,596
Diluted earnings per equity share - weighted average number of equity shares and common equivalent shares outstanding	**4,353,420,772**	**4,515,147,740**	**4,572,793,490**

(1) *excludes treasury shares*
(2) *adjusted for bonus shares, wherever applicable Refer to note 2.13*

For fiscal 2019, 2018 and 2017, Nil, 134,476 and 224,380 number of options to purchase equity shares, respectively, had an anti-dilutive effect (adjusted for September 2018 bonus issue).

2.19 Related party transactions

List of subsidiaries:

Particulars	Country	Holding as of March 31, 2019	Holding as of March 31, 2018
Infosys Technologies (China) Co. Limited (Infosys China)	China	100%	100%
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)	Mexico	100%	100%
Infosys Technologies (Sweden) AB. (Infosys Sweden)	Sweden	100%	100%
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)	China	100%	100%
Infosys Tecnologia DO Brasil LTDA. (Infosys Brasil)	Brazil	100%	100%
Infosys Nova Holdings LLC. (Infosys Nova)	U.S.	100%	100%
EdgeVerve Systems Limited (EdgeVerve)	India	100%	100%
Infosys Austria GmbH[1] (formerly Lodestone Management Consultants GmbH)	Austria	100%	100%
Skava Systems Pvt. Ltd. (Skava Systems)	India	100%	100%
Kallidus Inc. (Kallidus)	U.S.	100%	100%
Infosys Chile SpA[2]	Chile	100%	—
Infosys Arabia Limited[3]	Saudi Arabia	70%	70%
Infosys Consulting Ltda.[3]	Brazil	99.99%	99.99%
Infosys CIS LLC[1][22]	Russia	—	—
Infosys Luxembourg S.a.r.l [1][17]	Luxembourg	100%	—
Infosys Americas Inc., (Infosys Americas)	U.S.	100%	100%
Infosys Technologies (Australia) Pty. Limited (Infosys Australia)[4]	Australia	100%	100%
Infosys Public Services, Inc. USA (Infosys Public Services)	U.S.	100%	100%
Infosys Canada Public Services Inc[23]	Canada	—	—
Infosys Canada Public Services Ltd[24]	Canada	—	—
Infosys BPM Limited (formerly Infosys BPO Limited)	India	99.98%	99.98%
Infosys (Czech Republic) Limited s.r.o.[5]	Czech Republic	99.98%	99.98%
Infosys Poland, Sp z.o.o[5]	Poland	99.98%	99.98%
Infosys McCamish Systems LLC [5]	U.S.	99.98%	99.98%
Portland Group Pty Ltd[5]	Australia	99.98%	99.98%
Infosys BPO Americas LLC.[5]	U.S.	99.98%	99.98%
Infosys Consulting Holding AG (Infosys Lodestone)	Switzerland	100%	100%
Lodestone Management Consultants Inc.[6][15]	U.S.	—	100%
Infosys Management Consulting Pty Limited[6]	Australia	100%	100%
Infosys Consulting AG[6]	Switzerland	100%	100%
Infosys Consulting GmbH[6]	Germany	100%	100%
Infosys Consulting SAS[6]	France	100%	100%
Infosys Consulting s.r.o.[6]	Czech Republic	100%	100%
Infosys Consulting (Shanghai) Co., Ltd.(formerly Lodestone Management Consultants Co., Ltd)[6]	China	100%	100%
Infy Consulting Company Ltd[6]	U.K.	100%	100%
Infy Consulting B.V.[6]	The Netherlands	100%	100%
Infosys Consulting Sp. z.o.o[6]	Poland	100%	100%
Lodestone Management Consultants Portugal, Unipessoal, Lda. [6]	Portugal	100%	100%
S.C. Infosys Consulting S.R.L.[1]	Romania	100%	100%
Infosys Consulting S.R.L.[6]	Argentina	100%	100%
Infosys Consulting (Belgium) NV [7]	Belgium	99.90%	99.90%
Panaya Inc. (Panaya)	U.S.	100%	100%
Panaya Ltd.[8]	Israel	100%	100%
Panaya GmbH[8]	Germany	100%	100%
Panaya Japan Co. Ltd[4][8]	Japan	100%	100%
Noah Consulting LLC (Noah)[9]	U.S.	—	—
Noah Information Management Consulting Inc. (Noah Canada)[10]	Canada	—	—
Brilliant Basics Holdings Limited (Brilliant Basics)[11]	U.K.	100%	100%
Brilliant Basics Limited[12]	U.K.	100%	100%
Brilliant Basics (MENA) DMCC[12]	Dubai	100%	100%
Infosys Consulting Pte Limited (Infosys Singapore)[1]	Singapore	100%	100%
Infosys Middle East FZ LLC[13]	Dubai	100%	100%
Fluido Oy[13][18]	Finland	100%	—
Fluido Sweden AB (Extero)[19]	Sweden	100%	—
Fluido Norway A/S[19]	Norway	100%	—
Fluido Denmark A/S[19]	Denmark	100%	—
Fluido Slovakia s.r.o[19]	Slovakia	100%	—
Fluido Newco AB[19]	Sweden	100%	—
Infosys Compaz Pte. Ltd (formerly Trusted Source Pte. Ltd) [20]	Singapore	60%	—
Infosys South Africa (Pty) Ltd[13][21]	South Africa	—	—
WongDoody Holding Company Inc. (WongDoody) [14]	U.S.	100%	—
WDW Communications, Inc[16]	U.S.	100%	—
WongDoody, Inc[16]	U.S.	100%	—

(1) Wholly-owned subsidiary of Infosys Limited

(2) *Incorporated effective November 20, 2017*
(3) *Majority owned and controlled subsidiary of Infosys Limited*
(4) *Under liquidation*
(5) *Wholly owned subsidiary of Infosys BPM*
(6) *Wholly owned subsidiaries of Infosys Consulting Holding AG*
(7) *Majority owned and controlled subsidiaries of Infosys Consulting Holding AG*
(8) *Wholly owned subsidiary of Panaya Inc.*
(9) *Liquidated effective November 9, 2017*
(10) *Wholly owned subsidiary of Noah. Liquidated effective December 20, 2017*
(11) *On September 8, 2017, Infosys acquired 100% of the voting interests in Brilliant Basics Holding Limited*
(12) *Wholly-owned subsidiary of Brilliant Basics Holding Limited.*
(13) *Wholly-owned subsidiary of Infosys Consulting Pte Ltd*
(14) *On May 22, 2018, Infosys acquired 100% of the voting interest in WongDoody*
(15) *Liquidated effective May 4, 2018*
(16) *Wholly-owned subsidiary of WongDoody*
(17) *Incorporated effective August 6, 2018*
(18) *On October 11, 2018, Infosys Consulting Pte. Ltd, acquired 100% of the voting interests in Fluido Oy and its subsidiaries*
(19) *Wholly-owned subsidiary of Fluido Oy*
(20) *On November 16, 2018 , Infosys Consulting Pte. Ltd, acquired 60% of the voting interest in Infosys Compaz Pte. Ltd*
(21) *Incorporated effective December 19, 2018*
(22) *Incorporated effective November 29, 2018*
(23) *Incorporated effective November 27, 2018, wholly owned subsidiary Infosys Public Services Inc*
(24) *Liquidated effective May 9, 2017, wholly owned subsidiary of Infosys Public Services Inc.)*

Infosys has provided guarantee for performance of certain contracts entered into by its subsidiaries.

Associate

During fiscal 2018, the Company has written down the entire carrying value of the investment in its associate DWA Nova LLC amounting to $11 million. DWA Nova LLC has been liquidated w.e.f November 17, 2017

Dividends

During fiscal 2017, Infosys Consulting AG (formerly Lodestone Management Consultants AG) paid a dividend of $4 million to its holding company, Lodestone Holding AG and the tax on such dividend received was Nil.

During fiscal 2019, 2018 and 2017, Infy Consulting Company Ltd. (formerly Lodestone Management Consultants Ltd.) paid a dividend of $Nil, $3 million and $5 million, respectively, to its holding company, Lodestone Holding AG and the tax on such dividend received was Nil.

During fiscal 2018, the Company received $130 million as dividend from Infosys BPM. Dividend distribution tax paid by the subsidiary on such dividend has been reduced as credit against dividend distribution tax payable by Infosys. Accordingly, the group has recorded a charge of $27 million as income tax expense during fiscal 2018.

During fiscal 2018, S.C. Infosys Consulting S.R.L. paid a dividend of $1 million respectively, to its holding company, Infosys Consulting Holding AG and the tax on such dividend received was Nil.

During fiscal 2019 and 2018, Infosys Consulting s.r.o. paid a dividend of $1 million and $1 million respectively, to its holding company, Infosys Consulting Holding AG and the tax on such dividend received was Nil.

During fiscal 2019 and 2018, Infosys Consulting B.V.. paid a dividend of $3 million and $1 million respectively, to its holding company, Infosys Consulting Holding AG and the tax on such dividend received was Nil.

List of other related parties:

Particulars	Country	Nature of relationship
Infosys Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys
Infosys Limited Employees' Provident Fund Trust	India	Post-employment benefit plan of Infosys
Infosys Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys
Infosys BPM Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys BPM
Infosys BPM Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys BPM
EdgeVerve Systems Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of EdgeVerve
EdgeVerve Systems Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of EdgeVerve
Infosys Employees' Welfare Trust	India	Controlled Trust
Infosys Employee Benefits Trust	India	Controlled Trust
Infosys Science Foundation	India	Controlled Trust

Refer to Note 2.12 for information on transactions relating to the post-employment benefit plans mentioned above.

List of Key Managerial Personnel (KMP)

Whole-time directors

Salil Parekh was appointed as Chief Executive Officer and Managing Director effective January 2, 2018. The appointment is for a term of 5 years with effect from January 2, 2018 to January 1, 2023 and the remuneration is approved by shareholders through postal ballot dated February 20, 2018.

U. B. Pravin Rao, Chief Operating officer was appointed as Interim-Chief Executive Officer and Managing Director effective August 18, 2017. Subsequently he stepped down as the interim CEO and Managing Director effective January 2, 2018 and to continue as Chief Operating Officer and a whole-time director of the Company.

Dr. Vishal Sikka resigned as Chief Executive Officer and Managing Director effective August 18, 2017 and as Executive Vice Chairman effective August 24, 2017

Non-whole-time directors

Nandan M. Nilekani (appointed as Non-executive and Non- independent Chairman effective August 24, 2017)

Michael Gibbs was appointed as an Independent Director effective July 13, 2018

Ravi Venkatesan, resigned from his position as Co-Chairman effective August 24, 2017 and resigned as member of the Board effective May 11, 2018.

Kiran Mazumdar-Shaw

Roopa Kudva

Dr. Punita Kumar-Sinha

D.N. Prahlad
D. Sundaram (appointed effective July 14, 2017)
Prof. Jeffrey Lehman, (resigned effective August 24, 2017)
R. Seshasayee (resigned effective August 24, 2017)
Prof. John Etchemendy (resigned effective August 24, 2017)

Executive Officers

Nilanjan Roy was appointed as Chief Financial Officer effective March 1, 2019

Ravi Kumar S, President and Deputy Chief Operating Officer

Mohit Joshi, President

Krishnamurthy Shankar, Group Head-Human Resources and Infosys Leadership Institute

Inderpreet Sawhney, Group general Counsel and Chief Compliance Officer (appointed as executive officer effective July 14, 2017)

Jayesh Sanghrajka was appointed as Interim Chief Financial Officer effective November 17, 2018. He resumed his responsibilities as Deputy Chief Financial Officer effective March 1, 2019.

M.D. Ranganath resigned as Chief Financial Officer effective November 16, 2018.
Sandeep Dadlani, President (resigned effective July 14, 2017)
Gopi Krishnan Radhakrishnan, Acting General Counsel (resigned effective June 24, 2017)
Rajesh K. Murthy, President (appointed effective October 13, 2016 and resigned effective January 31, 2018)

Transactions with Key Managerial Personnel (KMP)

The table below describes the related party transactions with key management personnel which comprises directors and executive officers under IAS 24:

(Dollars in millions)

Particulars	Year ended March 31,		
	2019	2018	2017
Salaries and other employee benefits to whole-time directors and executive officers[(1)(2) (3) (4)]	14	8	12
Commission and other benefits to non-executive / independent directors	1	2	2
Total	**15**	**10**	**14**

(1) *Includes employee stock compensation expense of $5 million for each of the fiscal 2019 and 2017 and reversal of employee stock compensation expense of $2 million for fiscal 2018 towards key managerial personnel.*

(2) *Includes* for *fiscal 2017, $0.87 million payable under severance agreement to David Kennedy, who stepped down as General counsel and Chief compliance officer with effect from December 31, 2016.*

(3) *On December 2, 2017, the Board appointed Salil Parekh as the Chief Executive Officer and Managing Director of the Company with effect from January 2, 2018.*

(4) *Included a reversal of stock compensation cost of $5 million for fiscal 2018 towards forfeiture of stock incentives granted to Dr. Vishal Sikka upon his resignation. (Refer to note 2.16)*

2.20 Segment reporting

IFRS 8 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.

During the three months ended June 30, 2018, the Group internally reorganized some of its business segments to deepen customer relationships, improve focus of sales investments and increase management oversight. Consequent to the internal reorganization, there were changes in the reportable business segments based on "Management approach" as defined under IFRS 8, Operating Segments. Therefore, enterprises in Insurance which was earlier considered under the Life Sciences, Healthcare and Insurance business segment are now considered under the Financial Services business segment and enterprises in Communication, Telecom OEM and Media which was earlier under Energy & Utilities, Communication and Services is now shown as a separate business segment. Segmental operating income has changed in line with these as well as changes in the allocation method. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the accounting policies.

Business segments 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 & other Public Service enterprises. Consequent to the above change in the composition of reportable business segments, the prior year comparatives for fiscal 2018 and 2017 have been restated.

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 Public Service enterprises. Allocated expenses of segments include expenses incurred for rendering services from the Group's offshore software development centres and on-site expenses, which are categorized in relation to the associated efforts of the segment. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. 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. 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.

2.20.1 Business segments

(Dollars in millions)

Year ended March 31, 2019	Financial Services	Retail	Communication	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Science	All other segments	Total
Revenues	3,778	1,935	1,488	1,483	1,163	882	743	327	**11,799**
Identifiable operating expenses	2,021	974	816	808	644	506	394	202	6,365
Allocated expenses	775	385	312	312	255	154	147	109	2,449
Segment profit	**982**	**576**	**360**	**363**	**264**	**222**	**202**	**16**	**2,985**
Unallocable expenses									289
Operating profit									**2,696**
Other income, net (refer note no. 2.14 and 2.9)									411
Reduction in the fair value of Disposal Group held for sale (Refer Note 2.9)									(39)
Adjustment in respect of excess of carrying amount over recoverable amount on reclassification from "Held for Sale" (Refer Note 2.9)									(65)
Profit before Income taxes									**3,003**
Income tax expense									803
Net profit									**2,200**
Depreciation and amortisation									287
Non-cash expenses other than depreciation and amortisation									107

(Dollars in millions)

Year ended March 31, 2018	Financial Services	Retail	Communication	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Science	All other segments	Total
Revenues	**3,594**	**1,760**	**1,378**	**1,287**	**1,035**	**796**	**729**	**360**	**10,939**
Identifiable operating expenses	1,876	878	702	652	602	431	378	208	5,727
Allocated expenses	731	371	269	261	235	140	135	122	2,264
Segment profit	**987**	**511**	**407**	**374**	**198**	**225**	**216**	**30**	**2,948**
Unallocable expenses									289
Operating profit									**2,659**
Other income, net (refer note no. 2.14 and 2.9)									513
Reduction in the fair value of Disposal Group held for sale (Refer Note 2.9)									(18)
Share in associate's profit / (loss) including impairment									(11)
Profit before Income taxes									**3,143**
Income tax expense									657
Net profit									**2,486**
Depreciation and amortisation									289
Non-cash expenses other than depreciation and amortisation									29

(Dollars in millions)

Year ended March 31, 2017	Financial Services	Retail	Communication	Energy, Utilities, Resources and Services	Manufacturing	Hi-Tech	Life Science	All other segments	Total
Revenues	**3,357**	**1,711**	**1,253**	**1,137**	**948**	**772**	**661**	**369**	**10,208**
Identifiable operating expenses	1,747	863	602	552	538	403	328	220	5,253
Allocated expenses	701	368	257	245	213	134	129	133	2,180
Segment profit	**909**	**480**	**394**	**340**	**197**	**235**	**204**	**16**	**2,775**
Unallocable expenses									255
Operating profit									**2,520**
Other income, net									459
Share in associate's profit / (loss) including impairment									(5)
Profit before Income taxes									**2,974**
Income tax expense									834
Net profit									**2,140**
Depreciation and amortisation									254
Non-cash expenses other than depreciation and amortisation									1

2.20.2 Revenue by Geography

The following table sets forth our revenue by geography for fiscal 2019, 2018 and 2017**:**

(Dollars in millions)

	North America	Europe	India	Rest of the World	Total
2019	7,141	2,847	292	1,519	11,799
2018	6,605	2,596	346	1,392	10,939
2017	6,320	2,295	325	1,268	10,208

2.20.3 Significant clients

No client individually accounted for more than 10% of the revenues for fiscal 2019, 2018 and 2017.

2.21 Litigation

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

Item 19. Exhibits

Exhibit number	Description of document
**1.1	Articles of Association of the Registrant, as amended
1.2	Memorandum of Association of the Registrant, as amended
****1.3	Certificate of Incorporation of the Registrant, as currently in effect
******4.1	Form of Deposit Agreement among the Registrant, Deutsche Bank Trust Company Americas and holders from time to time of American Depositary Receipts issued thereunder (including as an exhibit, the form of American Depositary Receipt)(incorporated by reference to the document previously filed as Exhibit 99 (A) to Form F-6 POS filed with the Securities and Exchange Commission on June 28, 2017
*******4.2	Registrant's 2011 RSU Plan
***4.3	Registrant's 2015 Stock Incentive Compensation Plan
*****4.5	Employees Welfare Trust Deed of Registrant Pursuant to Employee Stock Offer Plan (P)
********4.6	Form of Indemnification Agreement(incorporated by reference to the document previously filed as Exhibit 4.5 to the registrant's annual report on Form 20-F filed with the Securities and Exchange Commission on May 13, 2013
**4.7	Form of Employment Agreement with the Chief Operating Officer
*4.8	Form of Employment Agreement with the Chief Executive Officer
4.9	Overview of Executive Leadership Compensation
8.1	List of Subsidiaries
*11.2	Code of Conduct and Ethics
12.1	Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002
12.2	Certification of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002
13.1	Certification of Chief Executive Officer under Section 906 of the Sarbanes-Oxley Act of 2002
13.2	Certification of Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002
*****15.1	Registrant's Specimen Certificate for Equity Shares (P)
*15.8	Certain Tax considerations for non-resident shareholders related to the buyback
15.9	Consent of Independent Registered Public Accounting Firm
**15.10	Dividend Distribution Policy
15.11	Consent of Independent Registered Public Accounting Firm
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* *Incorporated by reference to exhibits filed with Registrant's Annual Report on Form 20-F filed on July 19, 2018.*

** *Incorporated by reference to exhibits filed with the Registrant's Annual Report on Form 20-F filed on June 12, 2017.*

*** *Incorporated by reference to exhibits filed with the Registrant's Annual Report on Form 20-F filed on May 18, 2016.*

**** *Incorporated by reference to exhibits filed with the Registrant's Annual Report on Form 20-F filed on May 20, 2015.*

***** *Incorporated by reference to exhibits filed with the Registrant's Registration Statement on Form F-1 (File No. 333-72195) in the form declared effective on March 9, 1999.*

****** *Incorporated by reference to the exhibits filed with Post-Effective Amendment No. 1 to the Registrant's Registration Statement on Form F-6 (File No. 001-35754) filed on June 28, 2017.*

******* *Incorporated by reference to exhibits filed with the Registrant's Form S-8 filed on August 4, 2014.*

******** *Incorporated by reference to exhibits filed with Registrant's Annual Report on Form 20-F filed on May 13, 2013.*

(P) - Previously filed on paper form

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Infosys Limited
/s/ **Inderpreet Sawhney**

Inderpreet Sawhney
Group General Counsel and Chief Compliance Officer

Date June 19, 2019

प्रारूप० आई० आर०

Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता०.....का सं०.....

No. 24733 of 19 81

मैं एतद्द्वारा प्रमाणित करता हूं कि आज.....

.....

.....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है।

I hereby certify that.... INFOSYS CONSULTANTS PRIVATE LIMITED

.....

.....

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

मेरे हस्ताक्षर से आज ता०.....को दिया गया।

Given under my hand at BOMBAY this SECOND day of JULY One thousand nine hundred and EIGHTY ONE

(T.S.V. PANDURANGA SARMA)

कम्पनियों का रजिस्ट्रार

Registrar of Companies

SEAL OF THE REGISTRAR OF COMPANIES

जे०एस० सी०-1

J.S.C.-1. सत्यमेवजयते

प्रेसमुटेक-553-19 जनरल एडमिन/76-77-भासमुटेक-(सी-566)-7-1-77-10,000

MGIPTC Admn./76-77—GIPTC—(C-566)—7-1-77—10,000.

No.11-24733

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME.

IN THE **OFFICE OF THE REGISTRAR** OF COMPANIES, MAHARASHTRA, BOMBAY.

In the matter of * **INFOSYS CONSULTANTS PRIVATE LIMITED**

I hereby approve and signify in writing under section 21 of the Companies Act, 1956 (Act I of 1956) read with the Govt. of India, Dept. of Company Affairs, Notification No.GSR 507E dated the 24th June, 1985 the change of name of the company ,

FROM **INFOSYS CONSULTANTS PRIVATE LIMITED**

TO **INFOSYS TECHNOLOGIES PRIVATE LIMITED**

AND I hereby certify that **INFOSYS CONSULTANTS PRIVATE LIMITED**

which was originally incorporated on **SECOND**

day of **JULY** 19**81** under the ** **Companies** Act, 19**56** and under the name

INFOSYS CONSULTANTS PRIVATE LIMITED

having duly passed the necessary resolution in terms of

Section **21** xxxxxxxxxxxxxxxx of the Companies Act, 1956 the name of the said company is this day changed TO

INFOSYS TECHNOLOGIES PRIVATE LIMITED

and this certificate is issued pursuant to section 23(1) of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS **TWENTY FIRST**

DAY OF **APRIL** 1992 (One thousand nine hundred ninety **two**).

(**B. L. PANIGAR**)

ADDL. REGISTRAR OF COMPANIES, MAHARASHTRA, BOMBAY.

* Here give the name of the company as standing prior to change.

** Here give the name of the Act(s) under which company was originally registered and incorporated.

Company No. 13115

नाम में तब्दीली के परिणामस्वरूप निगमन के लिए नया प्रमाण पत्र

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME

कम्पनियों के रजिस्ट्रार के कार्यालय में.....

[कम्पनी अधिनियम 1956 (1956 का 1) के अधीन]

In the Office of the Registrar of Companies Karnataka, Bangalore.

(Under the Companies Act, 1956 (1 of 1956)

.....के विषय में।

IN THE MATTER OF INFOSYS TECHNOLOGIES PRIVATE LIMITED

.....

मैं एतद्द्वारा प्रमाणित करता हूं कि.....परिसीमित जिसका निगमन मूलतः 19.....के.....दिन इस.....अधिनियम के अधीन और.....परिसीमित नाम द्वारा किया गया था कम्पनी अधिनियम 1956 की धारा 21/22 (1) (क)/22 (1)(ख) के निबंधनों केअनुसार आवश्यक संकल्प पारित कर चुकी है और इसकी बाबत केन्द्रीय सरकार की लिखित अनुमति कम्पनी कार्य विभाग द्वारा प्रदान कर दी गई है।

I hereby certify that Infosys Technologies Pvt Limited, which was originally incorporated on Second day of July 19 81 under the Companies Act, and under the name Infosys Consultants Private Limited having duly Passed the necessary resolution in terms of section 21/22(1)(a)/22(1)(b) of Companies Act 1956 [illegible]

केंद्रीय निदेशक के तारीख.....19.....के पत्र सं०.....द्वारा प्राप्त हो जाने पर उक्त कम्पनी का नाम इस दिन.....परिसीमित में तब्दील कर दिया गया है और यह प्रमाण-पत्र उक्त अधिनियम की धारा 23(1) के अनुसार में जारी किया जाता है।

Registrar of Companies [illegible] the name of the said company is this day changed to INFOSYS TECHNOLOGIES Limited and this certificate is issued pursuant to section 23(1) of the said Act.

मेरे हस्ताक्षर से यह तारीख.....को दिया गया।

Given under my hand at Bangalore this Second day of June 1992

(One thousand nine hundred Ninety two)

(R. MANTRA MURTHY)
कम्पनियों का रजिस्ट्रार
Asstt. Registrar of Companies
Karnataka, Bangalore.

यहां पर कम्पनी का नाम लिखिए जो कि तब्दीली से पूर्व था।
Here give the name of the Company as existing prior to the change.

यहां पर अधिनियम (अधिनियमों) का नाम लिखिए जिनके अधीन कम्पनी का मूलतः रजिस्ट्रीकरण और निगमन किया गया था।
Here give the name of the Act (s) under which the Company was originally registered and incorporated.

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, करनाटका

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L85110KA1981PLC013115

मैसर्स INFOSYS TECHNOLOGIES LIMITED

के मामले मे, मैं एतदद्वारा सत्यापित करता हूँ कि मैसर्स
INFOSYS TECHNOLOGIES LIMITED

जो मूल रुप में दिनांक दो जुलाई उन्नीस सौ इक्यासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अतंर्गत मैसर्स
INFOSYS CONSULTANTS PRIVATE LIMITED

के रुप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा लिखित रुप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य विभाग, नई दिल्ली की अधिसूचना सं सा का नि 507 (अ) दिनांक 24.6.1985 एस आर एन B14076947 दिनांक 16/06/2011 के द्वारा प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रुप में मैसर्स
INFOSYS LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र बेंगलूर में आज दिनांक सोलह जून दो हजार ग्यारह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Karnataka

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L85110KA1981PLC013115

In the matter of M/s INFOSYS TECHNOLOGIES LIMITED

I hereby certify that INFOSYS TECHNOLOGIES LIMITED which was originally incorporated on Second day of July Nineteen Hundred Eighty One under the Companies Act, 1956 (No. 1 of 1956) as INFOSYS CONSULTANTS PRIVATE LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN B14076947 dated 16/06/2011 the name of the said company is this day changed to INFOSYS LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Bangalore this Sixteenth day of June Two Thousand Eleven.

Signature Valid

Registrar of Companies, Karnataka

कम्पनी रजिस्ट्रार, करनाटका

*Note: The corresponding form has been approved by B N HARISH, Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed Certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:

INFOSYS LIMITED
ELECTRONICS CITY,HOSUR ROAD,, BANGALORE,
KARNATAKA - 561229,
Karnataka, INDIA

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES MEMORANDUM OF ASSOCIATION OF INFOSYS LIMITED

I. The name of the Company is INFOSYS LIMITED.

II. The registered office of the Company will be situated in the State of Karnataka.

III. The objects for which the Company is established are:

(A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:-

1. To establish, maintain, conduct, provide, procure or make available services of every kind including commercial, statistical, financial, accountancy, medical, legal, management, educational, engineering, data processing, communication and other technological social or other services.
2. To carry on the business as importer, exporter, buyers, lessers, and sellers of and dealers in all types of electronic components and equipment necessary for attaining the above objects.

(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

3. To carry on all kinds of promotion business, and in particular to form, constitute, float, lend money to assist, and control any companies, associations, or undertakings whatsoever.
4. To establish, provide, maintain and conduct or otherwise subsidise research laboratories, experimental stations, workshops and libraries for scientific, industrial, commercial and technical research and experiments; to undertake and carry on scientific, industrial, commercial, economic, statistical and technical research, surveys and investigations; to promote studies, research investigation and invention, both scientific and technical by providing, subsiding, endowing, or assisting laboratories, colleges, universities, workshops, libraries, lectures, meetings, exhibitions and conferences and by providing for the remuneration to scientists, scientific or technical professors or teachers and the award of scholarship, grants and prizes to students, research-workers and inventors or otherwise and generally to encourage, promote and reward studies, research, investigations, experiments, tests and inventions of any kind.
5. To provide for the welfare of employees or ex-employees of the Company and the wives, widows, families or dependants of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, gratuities, bonus or other payments or by creating and from time-to-time subscribing or contributing to provident and other funds, institutions and trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and assistance as the Company shall think fit.
6. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, objects or purposes or for any exhibition.
7. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or employments to any person who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or Officers of the Company or of any such other company as aforesaid, and wives, widows, families, and dependants of any such persons and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well being of the Company or of any such other company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
8. To undertake and execute any trust the undertaking of which may seem to the Company desirable and either gratuitously or otherwise.
9. To act as agents, registrars or brokers and as trustees for any person or company and to undertake and perform sub-contracts.
10. To buy, sell, manufacture, repair, alter and exchange, let on hire, export, and deal in all kinds of articles and things which may be required for the purposes of any of the said businesses, or commonly supplied or dealt in by persons engaged in any such businesses, or which may seem capable of being profitably dealt with in connection with any of the said businesses.
11. To adopt such means of making known the business of the Company and/or associate companies or others as may seem expedient and in particular by advertising in the press, public places and theatres, by radio, by television, by circulars, by purchase and exhibition or works of art or interest, by publication of books, pamphlets, bulletins or periodicals, by organising or participating in exhibitions and by granting prizes, rewardsand donations.
12. To apply for and acquire any statutory or other powers, rights or concessions.

13. To act as Aadatias, Selling Agents, Purchasing Agents, Factors, Muccadums, Carriers, Jatha Merchants, Landing and Forwarding Agents, Brokers, Guaranteed Brokers, in respect of goods, materials and merchandise and produce and articles of all kinds and descriptions.
14. To construct and develop residential or industrial colonies for the general advancement of members, employees or others.
15. To purchase, or otherwise acquire and undertake the whole or any part of the business, property, rights, and liabilities of any person, firm or company carrying on any business which this company is authorised to carry on or possessed of property or rights suitable for any of the purposes of the Company and to purchase, acquire, sell and deal in property, shares, stocks, debentures or debenture-stocks of any such person, firm or company and to conduct, make or carry into effect any arrangements in regard to the winding up of the business of any such persons, firm or company.
16. To enter into partnership or into any arrangements for sharing of profits, union of interest, reciprocal concession or co-operation with any person, partnership, or company and to promote, constitute, form and organise, and aid in promoting, constituting, forming and organising companies, syndicates or partnerships of all kinds for all the purposes or acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects thereof or for any other purposes which this Company may think expedient. As also to pay for any properties, rights or privileges required by this Company either in shares of the Company or partly in cash or otherwise and to give shares or stock of this Company in exchange for shares or stock of any other company.
17. To apply for, purchase or otherwise acquire patents, brevet inventions, licences, concessions and the like conferring any exclusive or non -exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or benefit the Company and to use, exercise, or develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired.
18. To receive money, valuable, and goods and materials of all kinds of depositor for safe custody.
19. To lend money and other property, to guarantee the performance of contracts and obligations of all kinds, to act as agents in the management, sale and purchase of property, and generally to transact business as capitalists and financiers.
20. To lend, invest or otherwise employ or deal with moneys belonging to or entrusted to the Company upon making arrangements to secure repayment or payment of principal and interest thereon.
21. To borrow or raise or secure the payment of money or to receive money on such time and from time to time and in such manner as may be thought fit and in particular by the issue of debentures, or debenture-stocks, perpetual or otherwise including debentures or debenture- stock convertible into shares of this or any other company or perpetual annuities and in security for any such money so borrowed, raised or received or any such debentures or debenture-stocks so issued, to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company, present or future, including its uncalled capital by special assignments or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities provided the Company shall not carry on banking business as defined in the Banking Regulation Act, 1949.
22. To draw, make, accept, endorse, discount, execute, issue, negotiate, assign and otherwise deal with cheques, drafts, bills of exchange, promissory notes, hundies, debentures, bonds, bills of lading, railway receipts, warrants and all other negotiable or transferable instruments.
23. To amalgamate with any other company or companies.
24. To distribute any of the property of the Company amongst the members in specie or kind subject to the provisions of the Companies Act in the event of winding up.
25. To apply for, tender, purchase, or otherwise acquire any contracts, subcontracts licences and concessions for or in relation to the objects or business herein mentioned or any of them, and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
26. To do all or any of them in any part of the world either as principals, agents, contractors, trustees or otherwise and either by or through agents, trustees, sub-contractors or otherwise, either alone or in conjunction with others and to allow any property to remain outstanding in such agents or trustees.
27. To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

(C) OTHER OBJECTS:

28. To carry on the business of an investment company and to buy, underwrite and to invest in the acquire and hold shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Government, State, Dominion, Sovereign, Ruler, Commissioners, Public body or authority supreme, municipal, local or otherwise or firm or person whether in India or elsewhere and to deal and turn to account the same.
29. To carry on business related to the electronic industry, Textiles, Chemicals, Hotels, Construction & Engineering items.

30. To transact and carry on all kinds of agency business and in particular to collect rents and debts, and to negotiate loans, to find investments, and to issue and place shares, stocks, debentures, debenture-stocks or securities for the above business of the Company.

31. To carry on business of every kind and to act as merchants, traders, Commission or other agents or in any other capacity whatsoever in India or in any part of the world, to carry on the business of providing services of every kind and to import, export, buy, sell, barter, exchange, pledge, make advances upon or otherwise deal in goods, produce, article, merchandise, services, conveniences and amenities of every kind which will be required for the business of the Company.

32. To carry on business as capitalists, financiers; concession and merchants and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations.

33. To sell or purchase or otherwise deal in any goods, products, articles or things and to carry on business as merchants, traders, and dealers in any goods, commodities, articles and things whatsoever in or outside India and generally to carry on business as exporters, importers and dealers.

34. To carry on the business of advertising contractors and agents and any other business which may be usefully carried on in connection with such business and to acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on business as such contractor or agents, or any other business which may be usefully carried on in connection therewith.

35. To manufacture, maintain, export, import, buy, sell, rent, hire or lease or otherwise acquire, dispose of or deal in all kinds of digital systems, numerical controller, flexible manufacturing systems, robots, communication systems, computers, computer peripherals, computer software, computer hardware, computer technology, machines, computer aided teaching aids, energy saving devices, alternative sources of energy, electrical and electronics components, devices, instruments, equipments and controls for any engineering applications, and all other related components, partsand products used in communication and computers.

36. AND IT IS HEREBY DECLARED that the word "company" in this Memorandum when applied otherwise than to this Company shall whenever the context shall so require or admit be deemed to include any authority, partnership or other body of persons whether incorporated or un-incorporated and whether domiciled in India or elsewhere and that the intention is that the objects specified in the several paragraphs of this Memorandum shall be regarded as independent objects and shall accordingly shall be in no wise limited or restricted in its application (except when otherwise expressed in such paragraphs) by reference to the objects in any other paragraph or the name of the company, but may be carried out in as full and ample a manner and construed and applied in as wide a sense as if each of the said paragraphs defines the objects of a separate, distinct and independent Company.

IV. The liability of the members is limited.

V. "The Authorized Share Capital of the company is ` 2400,00,00,000 (Rupees two thousand four hundred crore only) divided into 480,00,00,000 (four hundred eighty crore only) Equity Shares of ` 5 each (Rupees five only) with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into several classes and attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or by the Articles of Association of the company for the time being".

The authorized capital increased from ` 1200 crore to ` 2400 crore by resolution of the shareholders passed on August 22, 2018.

We the several persons whose names and addresses are subscribed below are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names.

Signature, Name, Address, description and occupation of Subscribers	Number of Equity Shares taken by Subscriber	Signature, Name, Address, description and occupation of Witness
Nagavara Ramarao Narayana Murthy (Son of Nagavara Ramarao) Flat 6, Padmanabhan Apartment, 1126/2, Shivajinagar, Pune - 411 016 Consultant	1 (One equity)	VIPUL DEVENDRA KINKHABWALA (S/o. Devendra Vithaldas Kinkhabwala) 14, Thakurdwar Road, Zaveri Building, Bombay - 400 002. Service
Nadathur Srinivasa Raghavan (Son of N. Sarangapani) 5, "Ravikripa", Station Road, Matunga (C. R.), Bombay- 400019. Consultant	1 (One equity)	
Senapathy Gopalakrishnan (Son of P. G. Senapathy) Krishna Vihar, Kalapalayam Lane, Pathenchanthai, Trivandrum - 695 001. Consultant	1 (One equity)	
Nandan Mohan Nilekani (Son of M. R. Nilekani) 37, Saraswatput, Dharwar - 580 002. KARNATAKA Consultant	1 (One equity)	
	4 (Four equity)	

Dated this 15th day of June 1981.

Amended on August 23, 2018

Exhibit 4.9

OVERVIEW OF EXECUTIVE LEADERSHIP COMPENSATION

1. Executive Leadership Compensation at Infosys

Our Executive Leadership Compensation follows the concept of Total Rewards which comprise three primary components of Base Pay, Performance Bonus and Stock Incentives, where a significant portion of rewards are in the form of stock incentives, in order to align with interest of the shareholders.

Executive Leadership (also called "Executives") are the Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO), Presidents, Group General Counsel & Chief Compliance Officer and Group Head- HRD and are named below.

Executive	Position
Mr. Salil Parekh	Chief Executive Officer and Managing Director
Mr. U.B. Pravin Rao	Chief Operating Officer and Whole-time Director
Mr. Nilanjan Roy	Chief Financial Officer
Mr. Ravi Kumar S.	President and Deputy Chief Operating Officer
Mr. Mohit Joshi	President
Ms. Inderpreet Sawhney	Group General Counsel & Chief Compliance Officer
Mr. Krishnamurthy Shankar	Group Head – Human Resources and Infosys Leadership Institute

2. Nomination and Remuneration Committee of the Board

The Nomination and Remuneration Committee of the Board (henceforth referred to as NRC) acts on behalf of the Board on matters relating to the compensation of Directors and other Executives. It makes recommendations for changes to the compensation structure, and within the limits approved by the shareholders, as may be applicable.

The shareholders approve the overall compensation structure for all whole-time directors.

3. Key Aspects of Executive Compensation Policy

a. Key Objectives:

The Company's executive pay programs support our Executive Compensation philosophy which aims to:

- Attract and retain the best executive talent in order to achieve superior results;
- Create a performance-oriented culture by rewarding performance on comprehensive goals, which include financial, strategic and operational goals; and
- Emphasize sustainable, long-term shareholder value creation through the use of performance-oriented stock-based incentives.

b. Primary Pay Components of the Executives' Compensation

In support of the above key objectives, the Company's Executive pay program has been designed around three primary pay components: Base/Fixed Pay, Performance Bonus and Stock Incentives. These three components together constitute the "Total Rewards" of the Executive.

- **Base/Fixed pay:** The fixed cash component is guaranteed pay, and paid periodically.
- **Performance Bonus:** Cash bonus, payable on the achievement KPIs as established by the NRC.
- **Stock Incentives:** Stock or Equity based incentives can be either time based or performance based equity grants. Time based stock incentives, in the form of Restricted Stock Units (RSUs), are vested based on continuation of service of the Executives. Performance based stock incentives are generally granted annually, in the form of Stock Options and/or RSUs, upon the achievement of Company and individual goals. Such stock incentives generally vest in three (3) or four (4) equal annual installments or cliff vest after a period of time, based on performance criteria decided from time to time and are exercisable within the period as approved by the NRC. The stock incentives are governed by the 2015 Stock Incentive Compensation Plan approved by the shareholders. Occasionally, the NRC may approve a special or one-time stock based incentives to be granted or vested on the achievement of extraordinary performance goals. One-time equity grants may also be issued to new hires in Executive roles, to meet specific compensation expectations, and these grants may be with special vesting conditions.

c. Executive Compensation Fitment and Benchmarking

Infosys Executive compensation is generally aimed towards meeting the market median of total compensation benchmarked amongst the chosen peer group, adjusted as needed to reflect considerations for internal equity, consistency and overall affordability.

For senior executive levels a part of the compensation is in the form of stock incentives and the other part is in cash, in the form of fixed pay & performance bonus. The stock incentives and performance bonus together constitute about 60 to 75% of executive's compensation.

d. Compensation Practices

The highlights of our current compensation practices for our Executives are as below:

- Use appropriate peer groups when establishing compensation for a particular Executive role
- Align Executive pay with shareholder value through performance-based Stock incentives
- Retain Executives through multi-year vesting of Stock Incentives

e. Pay for Performance

Consistent with the Company's Executive Compensation philosophy, a significant portion of Executives' pay is performance-based and 'at-risk'.

i. Performance Bonus

The Executive's performance bonus is linked to the achievement of Company and individual goals. For CEO, the goals mirror the Company targets consisting of revenue growth, operating margin %, digital revenue growth and organization development goals including leadership motivation and organization stability. For other Executives, performance bonus is linked to the achievement of Company goals of revenue, operating margin % and digital revenue growth, along with components of individual goals. These individual goals are linked to the Company's business targets as set by the management and reviewed by the NRC. Adjustments may be made to the payout rate based on the recommendations from the CEO and approved by the NRC.

ii. Stock Incentives

Stock incentive grants are dependent upon the achievement of Company and individual KPIs. At defined target Company performance, the grants are made at 100%. This is further indexed to the Company stock grant budget pool derived from the Company's overall performance and affordability and can be adjusted for individual performance. Stock incentives may not be granted if the Company's performance is below a specific threshold, as determined by the NRC from time to time.

The CEO is eligible to receive an annual Performance Equity grant, the numbers of shares that will vest under each annual performance equity grant will be based on the terms of the employment agreement as approved by the Board and Shareholders, and is subject to the Company's achievement of certain milestones as determined by the Board (or its committee), from time to time in consultation with the CEO.

Any Shares that do not vest as a result of the failure of the Company to meet the milestones are forfeited.

f. Additional Executive Compensation practices and Employment agreements

In addition to the primary pay components, the Company provides competitive health and welfare oriented benefits and perquisites. These benefits are designed to protect the financial and physical well-being of employees and allow them to plan for their own retirement. In general, these benefits do not constitute a significant portion of Executive compensation.

NRC aims to ensure that the Company's interests are protected through appropriate executive obligations including non-disclosure, non-compete and non-solicitation agreements. Further, the Company has adopted a recoupment policy under which any incentive compensation paid or payable to Executives (including any bonus pay and equity awards) will be subject to forfeiture, cancellation, recoupment or clawback in accordance with the applicable laws, government regulations and stock exchange requirements.

With respect to the employment agreement with our Executive Directors, the agreement with Mr. Salil

Parekh was signed effective January 02, 2018. The executive agreement can be accessed at https://www.infosys.com/investors/reports-filings/Documents/CEO-executive-employment-agreement2018.pdf. The agreement with Mr. U. B. Pravin Rao was signed effective November 01, 2016 and can be accessed at https://www.infosys.com/investors/reports-filings/Documents/COO-executive-employment-agreement2017.pdf.

The details of compensation relating to fiscal 2019 for Executives is given in the Annexure << 3>> of the Infosys Annual Report 2018 – 19.

Exhibit 8.1 List of Subsidiaries

Name of subsidiaries	Country	Holdings as at March 31,	
		2019	2018
Infosys Technologies (China) Co. Limited (Infosys China)	China	100%	100%
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)	Mexico	100%	100%
Infosys Technologies (Sweden) AB. (Infosys Sweden)	Sweden	100%	100%
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)	China	100%	100%
Infosys Tecnologia DO Brasil LTDA. (Infosys Brasil)	Brazil	100%	100%
Infosys Nova Holdings LLC. (Infosys Nova)	U.S.	100%	100%
EdgeVerve Systems Limited (EdgeVerve)	India	100%	100%
Infosys Austria GmbH[1] (formerly Lodestone Management Consultants GmbH)	Austria	100%	100%
Skava Systems Pvt. Ltd. (Skava Systems)	India	100%	100%
Kallidus Inc. (Kallidus)	U.S.	100%	100%
Infosys Chile SpA[2]	Chile	100%	100%
Infosys Arabia Limited[3]	Saudi Arabia	70%	70%
Infosys Consulting Ltda.[3]	Brazil	99.99%	99.99%
Infosys CIS LLC[1][22]	Russia	-	-
Infosys Luxembourg S.a.r.l [1][17]	Luxembourg	100%	-
Infosys Americas Inc., (Infosys Americas)	U.S.	100%	100%
Infosys Technologies (Australia) Pty. Limited (Infosys Australia)[4]	Australia	100%	100%
Infosys Public Services, Inc. USA (Infosys Public Services)	U.S.	100%	100%
Infosys Canada Public Services Inc[23]	Canada	-	-
Infosys Canada Public Services Ltd[24]	Canada	-	-
Infosys BPM Limited (formerly Infosys BPO Limited)	India	99.98%	99.98%
Infosys (Czech Republic) Limited s.r.o.[5]	Czech Republic	99.98%	99.98%
Infosys Poland, Sp z.o.o[5]	Poland	99.98%	99.98%
Infosys McCamish Systems LLC [5]	U.S.	99.98%	99.98%
Portland Group Pty Ltd[5]	Australia	99.98%	99.98%
Infosys BPO Americas LLC.[5]	U.S.	99.98%	99.98%
Infosys Consulting Holding AG (Infosys Lodestone)	Switzerland	100%	100%
Lodestone Management Consultants Inc.[6][15]	U.S.	-	100%
Infosys Management Consulting Pty Limited[6]	Australia	100%	100%
Infosys Consulting AG[6]	Switzerland	100%	100%
Infosys Consulting GmbH[6]	Germany	100%	100%
Infosys Consulting SAS[6]	France	100%	100%
Infosys Consulting s.r.o.[6]	Czech Republic	100%	100%
Infosys Consulting (Shanghai) Co., Ltd.(*formerly Lodestone Management Consultants Co., Ltd)*[6]	China	100%	100%
Infy Consulting Company Ltd[6]	U.K.	100%	100%
Infy Consulting B.V.[6]	The Netherlands	100%	100%
Infosys Consulting Sp. z.o.o[6]	Poland	100%	100%
Lodestone Management Consultants Portugal, Unipessoal, Lda. [6]	Portugal	100%	100%
S.C. Infosys Consulting S.R.L.[1]	Romania	100%	100%
Infosys Consulting S.R.L.[6]	Argentina	100%	100%
Infosys Consulting (Belgium) NV[7]	Belgium	99.90%	99.90%
Panaya Inc. (Panaya)	U.S.	100%	100%
Panaya Ltd.[8]	Israel	100%	100%
Panaya GmbH[8]	Germany	100%	100%
Panaya Japan Co. Ltd[4][8]	Japan	100%	100%
Noah Consulting LLC (Noah)[9]	U.S.	-	-
Noah Information Management Consulting Inc. (Noah Canada)[10]	Canada	-	-
Brilliant Basics Holdings Limited (Brilliant Basics)[11]	U.K.	100%	100%
Brilliant Basics Limited[12]	U.K.	100%	100%
Brilliant Basics (MENA) DMCC[12]	Dubai	100%	100%
Infosys Consulting Pte Limited (Infosys Singapore)[1]	Singapore	100%	100%
Infosys Middle East FZ LLC[13]	Dubai	100%	100%
Fluido Oy[13][18]	Finland	100%	-
Fluido Sweden AB (Extero)[19]	Sweden	100%	-
Fluido Norway A/S[19]	Norway	100%	-
Fluido Denmark A/S[19]	Denmark	100%	-
Fluido Slovakia s.r.o[19]	Slovakia	100%	-
Fluido Newco AB[19]	Sweden	100%	-
Infosys Compaz PTE. Ltd (formerly Trusted Source Pte. Ltd) [20]	Singapore	60%	-
Infosys South Africa (Pty) Ltd[13][21]	South Africa	-	-
WongDoody Holding Company Inc. (WongDoody) [14]	U.S.	100%	-
WDW Communications, Inc[16]	U.S.	100%	-
WongDoody, Inc[16]	U.S.	100%	-

(1) Wholly-owned subsidiary of Infosys Limited

(2) Incorporated effective November 20, 2017

(3) Majority owned and controlled subsidiary of Infosys Limited

(4) Under liquidation

(5) Wholly owned subsidiary of Infosys BPM

(6) Wholly owned subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)

(7) Majority owned and controlled subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)

(8) Wholly owned subsidiary of Panaya Inc.

(9) Liquidated effective November 9, 2017

(10) Wholly owned subsidiary of Noah. Liquidated effective December 20, 2017

(11) On September 8, 2017, Infosys acquired 100% of the voting interests in Brilliant Basics Holding Limited

(12) Wholly-owned subsidiary of Brilliant Basics Holding Limited.

(13) Wholly-owned subsidiary of Infosys Consulting Pte Ltd

(14) On May 22, 2018, Infosys acquired 100% of the voting interest in WongDoody

(15) Liquidated effective May 17, 2018

(16) Wholly-owned subsidiary of WongDoody

(17) Incorporated effective August 6, 2018

(18)On October 11, 2018, Infosys Consulting Pte. Ltd, acquired 100% of the voting interests in Fluido Oy and its subsidiaries

(19)Wholly-owned subsidiary of Fluido Oy

(20)On November 16, 2018 , Infosys Consulting Pte. Ltd, acquired 60% of the voting interest in Infosys Compaz Pte. Ltd

(21) Incorporated effective December 19,2018

(22)Incorporated effective November 29, 2018

(23)Incorporated effective November 27, 2018, wholly owned subsidiary Infosys Public Services Inc

(24)Liquidated effective May 9, 2017, wholly owned subsidiary Infosys Public Services Inc

Exhibit 12.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Salil Parekh, certify that:

1. I have reviewed this Annual Report on Form 20-F of Infosys Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/s/ Salil Parekh

Salil Parekh
Chief Executive Officer and Managing Director

Date: June 19, 2019

Exhibit 12.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Nilanjan Roy, certify that:

1. I have reviewed this Annual Report on Form 20-F of Infosys Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/s/ NILANJAN ROY

Nilanjan Roy
Chief Financial Officer

Date: June 19, 2019

Exhibit 13.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Salil Parekh, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report on Form 20-F of Infosys Limited for the year ended March 31, 2019, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Annual Report on Form 20-F fairly presents in all material respects the financial condition and results of operations of Infosys Limited.

/s/ Salil Parekh

Salil Parekh
Chief Executive Officer and Managing Director

Date: June 19, 2019

Exhibit 13.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Nilanjan Roy, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report on Form 20-F of Infosys Limited for the year ended March 31, 2019, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in such Annual Report on Form 20-F fairly presents in all material respects the financial condition and results of operations of Infosys Limited.

/s/ NILANJAN ROY

Nilanjan Roy
Chief Financial Officer

Date: June 19, 2019

Exhibit 15.9

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No.333-212767 on Form S-8 of our reports dated June 19, 2019 relating to the consolidated financial statements of Infosys Limited and its subsidiaries (the "Infosys Limited" or "Group") (which report expresses an unqualified opinion and includes an explanatory paragraph related to the Group's change in method of accounting for revenue from contracts with customers in fiscal year 2019 due to the adoption of International Financial Reporting Standard 15, *Revenue from Contracts with Customers*), and the effectiveness of Infosys Limited's internal control over financial reporting, appearing in the Annual Report on Form 20-F of Infosys Limited for the fiscal year ended March 31, 2019.

/s/ Deloitte Haskins & Sells LLP
Bengaluru, India
June 19, 2019

Exhibit 15.11

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Infosys Limited:

We consent to the incorporation by reference in the registration statement (No. 333-32196) on Form S-8 of Infosys Limited of our report dated June 12, 2017 except for Note 2.13, 2.16, 2.17, 2.18 and 2.20, which are as of June 19, 2019, with respect to the consolidated statement of comprehensive income of Infosys Limited and its subsidiaries for the year ended March 31, 2017 and related consolidated statement of changes in equity and cash flows for the year ended March 31, 2017, which report appears in the March 31, 2019 annual report on Form 20-F of Infosys Limited.

/s/ KPMG
Bengaluru, India
June 19, 2019