



EdgeVerve Systems Limited
Annual Report 2020-21

The EdgeVerve Board of Directors*



Mohit Joshi, Chairman



Sanat Rao, Whole-time Director



Atul Soneja, Whole-time Director



Inderpreet Sawhney, Director



Deepak Padaki, Director

*As on April 12, 2021

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Board's report

Dear members,

The Board of Directors hereby submits the report of the business and operations of the Company ('the Company' or 'EdgeVerve'), along with the audited financial statements, for the financial year ended March 31, 2021.

1. Results of our operations and state of affairs

in ₹ lakh, except per share data

Particulars	2021	2020
Income from software products, platforms and services	277,750	249,683
Cost of Sales	153,758	147,341
Gross Profit	123,992	102,342
Operating expenses		
Selling and marketing expenses	15,391	19,609
General and administration expenses	19,853	20,236
Total operating Expenses	35,244	39,845
Operating Profit	88,748	62,497
Other income, net	804	1,113
Profit before interest and tax	89,552	63,610
Finance Cost	6,120	10,855
Profit before tax	83,432	52,755
Tax Expense	17,822	14,836
Net profit after tax	65,610	37,919
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of the net defined benefit liability/asset	185	124
Items that will be reclassified subsequently to profit or loss	-	-
Total other comprehensive income, net of taxes	185	124
Total other comprehensive income	65,795	38,043
Earnings per share (at par value of ₹ 10 each)		
Basic	5.00	2.89
Diluted	5.00	2.89

Revenue

Our revenue from operations on a standalone basis increased to ₹ 277,750 lakh from ₹ 249,683 lakh in the previous year, at an increase of 11.24%.

Profits

Our gross profit amounted to ₹ 123,992 lakh (44.6% of revenue), as against ₹ 102,342 lakh (41% of revenue) in the previous year. Sales and marketing costs were 5.5% of our revenue for the year ended March 31, 2021 as compared to 7.9% for the year ended March 31, 2020. General and administration expenses were 7.1% of our revenues for the year ended March 31, 2021 as compared to 8.1% for the year ended March 31, 2020. The operating profit amounted to ₹ 88,748 lakh (32% of revenue), as against ₹ 62,497 lakh (25% of revenue), in the previous year. The profit before tax was ₹ 83,432 lakh (30% of revenue), as against ₹ 52,755 lakh (21.1% of revenue) in the previous year. Net profit was ₹ 65,610 lakh (23.6% of revenue), as against ₹ 37,919 lakh (15.2% of revenue) in the previous year.

Capital expenditure

This year we incurred capital expenditure of ₹ 2,675 lakh. This comprises ₹ 2,623 lakh for investment in computer equipment, ₹ 5 lakh in furniture & fixtures and the balance of ₹ 47 lakh in infrastructure. In the previous year, we incurred capital expenditure of ₹ 1,815 lakh. This comprises ₹ 1,768 lakh for investment in computer equipment ₹ 33 lakh in furniture & fixtures and the balance of ₹ 15 lakh in infrastructure.

Liquidity

Our principal sources of liquidity are cash and cash equivalents and the cash flow that we generate from our operation. We maintain sufficient cash to meet our strategic and operational requirements. We understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business requirements. Liquidity enables us to be agile and ready for meeting unforeseen business needs. We believe that our working capital is sufficient to meet our current requirements. As on March 31, 2021, we had liquid assets (includes cash and cash equivalents and investments) of ₹ 38,654 lakh, as against ₹ 3,173 lakh at the previous year-end. These funds comprise of balances with banks in current and deposits accounts and investment in liquid mutual funds. The details of these investments are disclosed under the 'non-current and current investments' section in the financial statements in this Annual Report.

Deposits from public

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

Transfer to reserves

As per the provisions of Section 71 of the Companies Act, 2013, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures. Further as per Rule 18 (7)(iii) of Chapter IV of The Companies (Share Capital and Debentures) Rules, 2014 the debenture redemption reserve for privately placed debentures issued by unlisted public companies, will be 10% of the value of outstanding debentures. For the year ended March 31, 2021, the Company has maintained ₹ 5,628 lakh in debenture redemption reserve account which constitutes 10.5% of the value of outstanding debentures. We do not propose to transfer any amount to general reserve.

Dividend

The directors do not recommend any dividend for the financial year ended March 31, 2021.

Particulars of loans, guarantees or investments

The Company has not made any loan directly or indirectly to any person or other body corporate nor guaranteed nor provided security in connection with the loan to any other body corporate during the year and the Company has not acquired by way of subscription, purchase or otherwise securities of any other body corporate, exceeding the limits prescribed in Section 186 of the Companies Act, 2013.

Particulars of contracts or arrangements with related parties

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

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

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report except for repayment of outstanding debentures of ₹ 53,600 lakh.

Share capital and debentures

In 2015, the Company had purchased the Finacle and Edge Services business from its holding company Infosys Limited for the total consideration of ₹ 339,900 lakh. The Company settled the payment towards purchase consideration by way of issue of fully-paid-up equity shares of the Company and debentures. The Company issued 8,500 lakh equity shares of ₹ 10 each amounting to ₹ 85,000 lakh and 2,549 lakh unsecured debentures of ₹ 100 each amounting to ₹ 254,900 lakh in full and final settlement to Infosys Limited. Necessary approval of the shareholders was obtained.

With the issue of the above shares, the authorized share capital of the Company as on March 31, 2021 stood at ₹ 410,000 lakh and paid-up capital of the Company stood at ₹ 131,184 lakh. There has been no fresh issue of capital during the year.

The Company has not issued any shares with differential rights, sweat equity shares or shares under employee stock option scheme. The Company has also not bought back any shares.

During the year the company has redeemed debentures worth ₹ 62,300 lakhs divided into 623 lakh debentures of ₹ 100 each in various tranches.

2. Products

EdgeVerve Systems Limited, a wholly owned subsidiary of Infosys, is a global leader in AI and Automation, assisting clients thrive in their digital transformation journey. Our mission is to create a world where our technology augments human intelligence and creates possibilities for enterprises to thrive.

Our comprehensive product portfolio across AI (Infosys Nia), Automation (AssistEdge) and Supply Chain (TradeEdge) helps businesses develop deeper connections with stakeholders, power continuous innovation and accelerate growth in the digital world.

AssistEdge offers a cohesive automation platform that enables enterprises to scale in their automation journey. It offers enterprises with a comprehensive suite of products enabling them to drive initiatives around process discovery, intelligent automation, and digital workforce orchestration. AssistEdge has helped enterprises unlock value in the form of reduced service time, faster sales cycles, better resource allocation, accelerated revenue recognition and improved efficiency among others.

TradeEdge provides insights across the demand value chain to accelerate profitable growth and get one-step closer to an autonomous supply chain. TradeEdge is a cloud-based solution that enables brands gain maximum channel visibility, add new channel partners, improve retail execution, and reach new markets faster.

Today EdgeVerve's products are used by global corporations across financial services, insurance, retail, consumer & packaged goods, life sciences, manufacturing telecom and utilities. The Edge products focus on realizing business outcomes for clients by driving revenue growth, cost effectiveness and profitability.

EdgeVerve also offers Finacle which is an industry leader in digital banking solutions. We partner with emerging and traditional financial institutions to help scale digital leadership. Our cloud-native solution suite and SaaS services help banks maximize digital engagement, enable innovation and growth with agility, drive operational excellence and scale digital transformation with confidence.

Finacle solutions address the core banking, lending, digital engagement, payments, cash management, wealth management, treasury, analytics, AI, and blockchain requirements of financial institutions globally. Finacle's componentized structure allows banks to deploy and upgrade solutions flexibly as per their business priorities. Our solutions run in a containerized environment orchestrated by Kubernetes and can be deployed on a private, public, or hybrid cloud.

Our comprehensive and versatile suite powers truly digital transformation for financial institutions of all types - traditional or emerging, global, or regional, omnichannel or digital-only. Today, banks in more than 100 countries rely on Finacle to serve more than a billion consumers, millions of businesses and 1.7 billion accounts.

3. Corporate Governance

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

Corporate governance is about maximizing shareholder value legally, ethically and sustainably. At EdgeVerve, the goal of corporate governance is to ensure fairness for every stakeholder. Sound corporate governance is critical to enhance and retain stakeholder trust. The Company always seeks to ensure that its performance is driven by integrity and values. The Board exercises its fiduciary responsibilities in the widest sense of the term.

At EdgeVerve, the Board of Directors ensure accountability, fairness and transparency, in company's relationship with the stakeholders such as clients, shareholders, employees, management, government and the community as a whole. The Company has complied with all norms of corporate governance applicable to unlisted public limited companies as envisaged under the Companies Act, 2013 and the Rules made thereunder.

Our Corporate governance report for fiscal 2021 forms part of this Annual Report.

Number of meetings of the Board

The Board met four times during the financial year. The meeting details are given in the corporate governance report that forms part of this Annual Report.

The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Policy on directors' nomination, appointment and remuneration

The current policy is to have an appropriate mix of executive and non-executive directors on the Board and separate its functions of governance and management. As on March 31, 2021, the Board comprised five members, two members were executive directors, three members were non-executive directors of whom one was a woman director. As such, the composition of the Board is in conformity with the provisions of Section 149 and other applicable provisions of the Companies Act 2013.

The Board periodically evaluates composition and size in order to ensure proper balance of executive and non-executive directors and to ensure Board diversity.

The Board affirms that the remuneration paid to the directors is in conformity with the Nomination and Remuneration Policy of the Company. There has been no change to the Nomination and Remuneration Policy adopted by the Company during the year.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes of a director and other matters, as required under sub section (3) of Section 178 of the Companies Act, 2013, is available on our website, at: <https://www.edgeverve.com/about/corporate-governance/>.

Risk management

The Company follows the risk management framework adopted by holding company Infosys Limited. Please refer page 130 from the following link: <https://www.infosys.com/investors/reports-filings/annual-report/annual/documents/infosys-ar-21.pdf>

Board evaluation

As required under Section 134(3) of the Companies Act, 2013 and the Rules made thereunder the evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The process of evaluation has been explained in the corporate governance report section of this Annual Report.

Board of Directors and Key managerial personnel Chairman of the Board

Mohit Joshi, was a non-executive Chairman of the Board for the financial year 2020-21.

Resignation/ Reappointment

There were no resignation/ reappointments during the year.

Pursuant to Section 152 (6) of the Companies Act, 2013, Mohit Joshi, who has served the longest on the Board, retires by rotation at the ensuing Annual General Meeting. Mohit Joshi, being eligible, offers himself for reappointment.

His appointment as director requires the approval of the members at the Annual General Meeting. The necessary resolution for obtaining the approval of members with regard to reappointment of Mohit Joshi as Director liable to retire by rotation is being placed before the members.

Committees of the Board

Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee. The composition of the committee and related compliances and disclosures, as required under applicable provisions of the Act and Rules, are furnished in the attached Corporate Governance Report.

Meeting of the independent directors

Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 exempts wholly owned subsidiary company from appointing an independent director. EdgeVerve is a wholly owned subsidiary company of Infosys Limited and therefore appointment of independent directors is not applicable. By virtue of exemption, there are no independent directors appointed.

Subsidiaries, associate companies, joint ventures etc

The Company does not have any subsidiaries, associate companies, or joint ventures.

Significant and material orders

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

Annual return

The annual return as required under Section 134(3) of the Companies Act, 2013, is made available for the members on <https://www.edgeverve.com/about/corporate-governance/>. The members may write to secretarial@edgeverve.com to get a copy of the same.

Directors' Responsibility statement

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values and the provisions of the Act (to the extent notified). The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with applicable transition guidance. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The directors confirm that:

- a. In the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures if any;
- b. They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They had prepared the annual accounts on a going concern basis; and
- e. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Particulars of employees

Following disclosures as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forming part of Annexure 2 to the Board's report;

- Statement containing the names of top 10 employees in terms of remuneration drawn.
- Details of employees posted in India throughout the fiscal and in receipt of a remuneration of ₹ 1.02 crore or more per annum.
- Details of employees posted in India for part of the year and in receipt of ₹8.5 lakh or more a month.

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

4. Audit Report and Auditors

Audit Reports

The Auditors have issued an unqualified opinion on the financial statements of the company for the year ended March 31, 2021. Their report for fiscal 2021 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Parameshwar G. Hegde of Hegde & Hegde, Practicing Company Secretaries (FCS: 1325, CP No. 640), was appointed to conduct the secretarial audit of the Company for the fiscal 2021, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for fiscal 2021 forms part of the Annual Report as Annexure 3 to the Board's report. The report does not contain any qualification, reservation or adverse remark.

Statutory Auditor

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the provisions of Companies Act, 2013. In line with the requirements of the Companies Act, 2013, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number 117366 W/W 100018 ("Deloitte") was appointed as the statutory auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 3rd AGM of the Company held on June 24, 2017, till the conclusion of the 8th AGM to be held in the year 2022. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment Act), 2017 notified on May 7, 2018.

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

Secretarial Auditor

As required under Section 204 of the Companies Act, 2013 and Rules thereunder, the Board appointed Parameshwar G. Hegde of Hegde & Hegde, Practicing Company Secretaries, as secretarial auditor of the Company for fiscal 2022.

Reporting of frauds by auditors

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

Cost records and cost audit

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

5. Others

Corporate Social Responsibility

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

The Board hence adopted the group CSR policy which is available for download from <https://www.edgeverve.com/about/corporate-governance/>.

The annual report on CSR activities is appended as Annexure 4 to the Board's report. The details about the corporate social responsibility committee forms part of corporate governance report.

Internal complaints committee

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

Our ASHI practices are managed at group level within Infosys. Infosys has constituted an Internal Committee (IC) to consider and resolve all sexual harassment complaints reported by women. The IC has been constituted as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the committee includes external members from NGOs or with relevant experience. Investigations are conducted and decisions made by the IC and a senior woman employee is the presiding officer over every case. Half of the total members of the IC are women. The role of the IC is not restricted to mere redressal of complaints but also encompasses prevention and prohibition of sexual harassment.

For the year ended March 31, 2021, there were no complaints raised under ASHI.

Bengaluru
April 12, 2021

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

The operations of our Company are not energy intensive. However, adequate measures have been taken to reduce energy consumption by using energy efficient computers and by the purchase of energy efficient equipment. The Company constantly evaluates new technologies and invests in them to make its infrastructure more energy efficient.

Foreign exchange earned and used for the year ended March 31, 2021; in ₹ lakh

Particulars	March 31, 2021	March 31, 2020
Foreign exchange earnings	202,370	191,712
Foreign exchange outgo (including capital goods and imported software packages)	58,166	47,161

Acknowledgments

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our sincere appreciation of the contribution made by employees at all levels. Our growth was made possible by their hard work, solidarity, cooperation and support.

We thank the governments of various countries where we have our operations. We also thank the Government of India, particularly the Ministry of Labour and employment, the Ministry of Communication and Information Technology, the Ministry of Commerce and Industry, the Ministry of Corporate Affairs, the Central Board of Direct Taxes, the Central Board of Indirect Taxes and Customs, GST authorities, the Reserve Bank of India, various departments under the state governments and union territories, the Software Technology Parks (STPs) / Special Economic Zones (SEZs) and other government agencies for their support and look forward to their continued support in the future.

for and on behalf of the Board of Directors

Sd/-
Mohit Joshi
Chairman of the Board

Annexure to the Board's Report

Annexure 1 – Particulars of contracts / arrangements made with related parties

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

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

According to Companies Act, 2013, whenever a company avails or renders any service directly or through agents amounting to 10% or more of the turnover of the company or ₹ 50 crore, whichever is lower, prior approval of the shareholders is required. Effective November 18, 2019, the threshold of ₹ 50 crore has been omitted in the Act.

However, shareholders' approval for such transactions need not be sought if the transactions are between the holding company and its wholly-owned subsidiaries whose accounts are consolidated with the holding company and placed for shareholders' approval.

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

There were no contracts or arrangements or transactions entered during the year ended March 31, 2021, which were not at arm's length basis.

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

The details of material contracts or arrangement or transactions at arm's length basis from April 1, 2020 to March 31, 2021 are as follows:

Name of the related party relationship	Nature of relationship	Duration of contract	Salient terms	Amount (in ₹ lakh)
Infosys Limited	Holding Company	Valid from July 1, 2014	Purchase of shared services	60,245
Infosys Limited	Holding Company	Valid from July 1, 2014	Purchase of services including facilities and personnel	10,494
Infosys Limited	Holding Company	Valid from July 1, 2014	Sale of services	Nil
Infosys Limited	Holding Company	Valid from July 1, 2014	Sale of services including facilities and personnel	Nil
			Total	70,739

for and on behalf of the Board of Directors

Bengaluru
April 12, 2021

Sd/-
Mohit Joshi
Chairman of the Board

Annexure 2 – Particulars of employees

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

Employees¹ drawing a remuneration of INR 1.02 crore or above per annum and posted in India

Employee Name	Designation	Educational Qualification	Age (in years)	Experience (in years)	Date of joining	Gross Remuneration paid (₹)	Previous employment and designation
Venkatramana Gosavi	Global Head Sales - Finacle	BE, MBA	56	31	1-Aug-15	29,816,093	Infosys Limited - Regional Head
Atul Soneja	Whole Time Director	B.Tech	48	25	17-Jul-19	20,235,021	Infosys Limited - SVP Global Head
Arun Kumar Krishnan	Head - Product Development	BE, M.Sc	57	31	1-Aug-15	19,638,024	Infosys Limited - Product Delivery Head
Gururaj B. Deshpande	Chief Operating Officer – Edge Products	BE	49	27	2-Jan-18	17,871,552	BPL LIMITED - Trainee
Sajit Vijayakumar	Chief Operating Officer - Finacle	B.Com, ICWA, CA	49	25	14-Nov-19	16,039,017	ICICI Securities/ICICI Infotech - Assistant VP - Financial Control
Sateesh Seetharamiah	Global Product Head – Assist Edge	BE, MS	52	26	1-Jul-14	14,444,128	Infosys Limited - Senior Principal - Business Consulting
Rajshekara V. Maiya	Head - Solution Consulting, Finacle	B.Com, M.Com, CA	48	25	1-Aug-15	13,552,507	Infosys Limited - Principal - Product Strategy
Praveen Gopalkrishna Kombial	Global Product Head - Business Apps	B.Tech, PGDMA	48	23	7-Nov-18	13,170,143	Infosys BPM Limited - VP and Business Head
Sagar Sarma	Senior Director and Head - Product Development	BE, PGDM	52	20	27-Mar-17	12,609,491	McAfee Software Solutions Pvt Ltd - Director of Engineering
Venkatraman Ramachandran Kalambur	Senior Product Line Manager	BE	50	26	24-Feb-16	11,283,319	I-Exceed Technology Solutions Pvt Ltd - VP
Suman Mukhopadhyay	Senior Director and Head - Technology Management	BE	52	24	23-Mar-16	11,226,299	WM Global Technology Services India Pvt Ltd - Senior Manager Operations
Rita Singh	Senior Director and Head - Total Rewards and Compliance	B.Sc, MA	48	20	9-Nov-15	10,388,960	Motorola Solutions India Pvt Ltd - Director HR
Savio Anthony Coutinho	Senior Director - Product Engineering	BE	49	27	1-Jul-14	10,347,378	Infosys Limited - Principal Technology Architect
Bhushan Gunwant Deshmukh	Senior Director and Head - Product Incubation Cell	BE	46	24	3-Apr-19	10,234,580	Infosys Limited - AVP Delivery Head

Employed for part of the year with an average salary above ₹ 8.5 lac per month and posted in India - Nil

Top 10 employees¹ in terms of remuneration drawn during the year

Employee Name	Full or Part Year	Designation	Educational Qualification	Age Experience (in years)	Date of Joining	Date of Leaving	Gross Previous employment and designation Remuneration paid (₹)
Sanat Rao	Full Year	Whole Time Director	B.Com, PGDBA	56	11-Apr-18	-	66,838,138 IBM - Application Innovation Consulting Leader
Venkatramana Gosavi	Full Year	Global Head Sales - Finacle	BE, MBA	56	1-Aug-15	-	29,816,093 Infosys Limited - Regional Head
Atul Soneja	Full Year	Whole Time Director	B.Tech	48	17-Jul-19	-	20,235,021 Infosys Limited - SVP Global Head
Arun Kumar Krishnan	Full Year	Head - Product Development	BE, M.Sc	57	1-Aug-15	-	19,638,024 Infosys Limited - Product Delivery Head
Gururaj B. Deshpande	Full Year	Chief Operating Officer – Edge Products	BE	49	2-Jan-18	-	17,871,552 BPL Limited - Trainee
Sajit Vijayakumar	Full Year	Chief Operating Officer – Finacle	B.Com, ICWA, CA	49	14-Nov-19	-	16,039,017 ICICI Securities/ICICI Infotech - Assistant VP - Financial Control
Sateesh Seetharamiah	Full Year	Global Product Head – Assist Edge	BE, MS	52	1-Jul-14	-	14,444,128 Infosys Limited – Senior Principal – Business Consulting
Rajashekara V. Maiya	Full Year	Head – Solution Consulting, Finacle	B.Com, M.Com, CA 48	48	1-Aug-15	-	13,552,507 Infosys Limited – Principal – Product Strategy
Praveen Gopalkrishna Kombial	Full Year	Global Product Head – Business Apps	B.Tech, PGDMA	48	7-Nov-18	-	13,170,143 Infosys BPM Limited – VP Business Head
Sagar Sarma	Full Year	Senior Director and Head – Product Development	BE, PGDM	52	27-Mar-17	-	12,609,491 McAfee Software Solutions Pvt Ltd – Director of Engineering

¹ The employees mentioned in the aforesaid exhibit have / had permanent employment contracts with the Company. The employees are neither relatives of any directors of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Annexure 3 – Secretarial audit report for the financial year ended March 31, 2021

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

To,
The Members,
EdgeVerve Systems Limited,
44, Electronics City, Hosur Road Bangaluru-560100
Karnataka, India

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 and made available to me, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment, if any, (there was no event/action during the year pursuant to this Act,);
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (there was no event/action during the year pursuant to this Act,) and
- iv. Other laws applicable specifically to the company namely:
 - a. Information Technology Act, 2000 and the rules made thereunder
 - b. Special Economic Zones Act, 2005 and the rules made thereunder
 - c. Software Technology Parks of India rules and regulations,
 - d. The Patents Act, 1970
 - e. The Trade Marks Act, 1999.

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

I report that, during the period under review the Company has complied with the provisions of the Acts, Rules, Regulations and Standards mentioned above.

I further report that, out of 25,49,00,000 Unsecured non-convertible debentures of Rs. 100 each aggregating Rs. 2,549 crore issued to Infosys Limited, its holding Company, towards payment of part consideration for transfer of business pursuant to Business Purchase Agreement dated September 30, 2015 entered into between the Company and Infosys Limited, the Company has redeemed 6,23,00,000 debentures aggregating Rs 623 crore during the year and 5,36,00,000 debentures aggregating Rs 536 crore are outstanding as on March 31, 2021 and the Company has represented that the said debentures do not fall within the purview of Section 73 & 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules 2014 and hence it was not required to comply with the requirements of the said rules except to the extent of sub rule (3) of rule 16A of the rules.

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

- i. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
- ii. The Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations and Guidelines made/ issued thereunder.

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

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

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

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

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

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

Bengaluru
April 12, 2021

Sd/-
P G HEGDE
Hegde & Hegde
Company Secretaries
FCS: 1325/ C.P.No: 640
UDIN: F001325C000031157

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

Annexure A

To,
The Members
EdgeVerve Systems Limited
Bengaluru

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to prevailing circumstance of COVID-19 pandemic, the audit was conducted based on the verification of the Company's books, papers, minutes books, forms and returns filed, documents and other records furnished by/ obtained from the company electronically and also the information provided by the Company and its officers by audio and visual means

Bengaluru
April 12, 2021

Sd/-
P G HEGDE
Hegde & Hegde
Company Secretaries
FCS: 1325/ C.P.No: 640
UDIN: F001325C000031157

Annexure 4 - Annual report on CSR activities

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

1. Brief outline on CSR Policy

Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. We focus on our social and environmental responsibilities to fulfill the needs and expectations of the communities around us. Our Corporate Social Responsibility ("CSR") is not limited to philanthropy, but encompasses holistic community development, institution-building and sustainability-related initiatives. Our CSR Policy aims to provide a dedicated approach to community development in the areas of improving healthcare infrastructure, supporting primary education, rehabilitating the destitute, abandoned women and children, preserving Indian art and culture, removing malnutrition, rural development, and contribute to the sustainable development of society and environment, and to make our planet a better place for future generations.

Objectives

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

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

Focus areas

- Promoting healthcare including preventive healthcare
- Eradicating hunger, poverty and sanitation programs
- Destitute care and rehabilitation
- Environmental sustainability and ecological balance
- Promoting education, enhancing vocational skills
- Rural development
- Protection of national heritage, restoration of historical sites, promotion of art and culture

2. Composition of CSR committee

Sl. no.	Name of the director	Designation / nature of directorship	Number of meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
1	Deepak Padaki	Chairperson. Non-Executive Director	1	1
2	Inderpreet Sawhney	Non-Executive Director	1	1
3	Mohit Joshi	Non-Executive Director	1	1

3. Web links where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://www.edgeverve.com/about/corporate-governance/>

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

- The Company has also adopted the CSR committee charter, which is available on our website, at: CSR charter is not applicable for unlisted company. The CSR policy is available at <https://www.edgeverve.com/about/corporate-governance/>
- The Board of Infosys Limited, based on the recommendation of the CSR committee, at its meeting held on April 14, 2021, has approved the annual action plan / projects for fiscal 2022, the details of which are available on our website, at <https://www.infosys.com/investors/reports-filings/annual-report/annual-reports.html>

4. **Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** The Company has been voluntarily conducting impact assessments through independent agencies to screen and evaluate select CSR programs. The Company takes cognizance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (“CSR Amendment Rules”). There are no projects undertaken or completed after the effective date of the afore mentioned rules for fiscal 2021.
5. **Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:** Nil
6. **Average net profit of the Company as per Sec 135(5):** ₹ 530.50 crore
7. a. **Two percent of average net profit of the Company as per Section 135(5):** ₹ 10.61 crore
- b. **Surplus arising out of the CSR projects or programs or activities of the previous financial years:** Nil
- c. **Amount required to be set-off for the financial year, if any:** Nil
- d. **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 10.61 crore
8. (a) **CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year (in ₹ crore)	Amount unspent (in ₹ crore)				
	Total amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (in ₹ cr)	Date of transfer	Name of the fund	Amount	Date of transfer
10.65	Nil	NA	NA	Nil	NA

- (b) **Details of CSR amount spent against ongoing projects for the financial year:** - Not applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year :

Sl. no.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (in ₹ crore)	Mode of implementation – Direct (Yes / No)	Mode of implementation – Through implementing agency	
				State	District			Name	⁽¹⁾ CSR registration number
1	Support to children from low-income communities by providing full-time teachers at schools located in Bengaluru, Chennai, and Hyderabad through Teach To Lead	(ii), (iii)	Yes	Karnataka Tamil Nadu Telangana	Bengaluru Chennai Hyderabad	5.00	No	Infosys Foundation	NA
2	Support the rehabilitation and welfare of army personnel and disbursal to next-of-kin of martyrs and those injured in the line of duty, across the country	(vi)	Yes	Delhi	New Delhi	3.00	No	Infosys Foundation	NA
3	Support the Infosys Foundation-PPBA Champions Nurturing Program to spot and train talented youngsters in badminton	(vii)	Yes	Karnataka	Bengaluru	1.50	No	Infosys Foundation	NA
4	Support rehabilitation of the devadasis and their children, farmers, and the disadvantaged through Khushi Trust's Nava Jeevana Mahila Okkoota program	(iii)	Yes	Karnataka	Raichur	0.53	No	Infosys Foundation	NA
5	Support research and set up of chair professorships in the area of Mathematical Science at International Centre	(ii)	Yes	Karnataka	Bengaluru	0.30	No	Infosys Foundation	NA

	for Theoretical Sciences								
6	Support the conservation of olive ridley turtles in Odisha and environment cleanliness campaign around wetlands of Ladakh through World Wide Fund For Nature-India	(iv)	Yes No	Odisha Ladakh	Ganjam Ladakh	0.15	No	Infosys Foundation	NA
7	Support to promote mental health education and training through MINDS Trust	(i)	Yes	Karnataka	Mysuru	0.10	No	Infosys Foundation	NA
8	Support the livelihood enhancement of artists through Abhinava Arts Centre	(ii)	Yes	Karnataka	Bengaluru	0.03	No	Infosys Foundation	NA
9	Support the publishing of books relating to the ancient history of Karnataka through Vijaya Prakashana	(v)	Yes	Karnataka	Bengaluru	0.02	No	Infosys Foundation	NA
10	Provide psychiatric medications in rural and tribal areas to those attending mental health camps through Chitta Sanjeevini Charitable Trust	(i)	Yes	Karnataka	Mysuru	0.02	No	Infosys Foundation	NA
	Total					10.65			

(1) CSR registration will be obtained within the prescribed timeline, wherever applicable, as per the CSR Amendment Rules. The requirement does not apply to CSR projects or programs approved prior to April 1, 2021.

(d) Amount spent in administrative overheads: Nil

(e) Amount spent on impact assessment, if applicable: Nil

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 10.65 crore

(g) Details of excess amount for set-off are as follows:

Sl.no.	Particulars	Amount (in ₹ crore)
(i)	2% of average net profit of the Company as per Section 135(5)	10.61
(ii)	Total amount spent for the financial year	10.65
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.04
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: No capital asset was created / acquired for fiscal 2021 through CSR spend.

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5): Not applicable

Sd / -

Sd / -

Bengaluru
April 12, 2021

Deepak Padaki
*Chairman of CSR Committee
and Non-Executive Director*

Sanat Rao
Whole-time Director

Corporate Governance Report

The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well informed Board is necessary to ensure the highest standards of corporate governance. It is well recognized that an effective Board is a prerequisite for strong and effective corporate governance. Our Board exercises its fiduciary responsibilities in the widest sense of the term.

Our corporate governance framework is guided by our core values – Client Value, Leadership by Example, Integrity and Transparency, Fairness and Excellence (C-LIFE).

A. Board Composition

Size and Composition of the Board

The current policy is to have an appropriate mix of executive and non-executive directors and separate its functions of governance and management. As on March 31, 2021, the Board consists of five members, two members

We have adopted the good corporate governance guidelines in line with governance policies of the holding company to the extent applicable and to help fulfil our corporate responsibility towards stakeholders. These guidelines ensure that the Board will have the necessary authority and processes to review and evaluate our operations when required. Further, these guidelines allow the Board to make decisions that are independent of the Management.

The Company has complied with all norms of corporate governance applicable to the unlisted public company as envisaged under the Companies Act, 2013 and the Rules made thereunder including Secretarial Standards on Board and general meetings issued by the Institute of Company Secretaries of India.

were executive directors and three directors were non-executive directors of whom one was woman director. The Board periodically evaluates the need for change in its composition and size.

Following is the composition of the Board of directors as on March 31, 2021

Name of director, designation, age and DIN	Category and Date of Appointment	Area of expertise	Highest qualification held	Directorship in Indian listed companies	Directorship held in all companies around the world
Mohit Joshi, Director and Age: 46 Years, DIN:08339247	Non-Executive. On Board since January 22, 2019	Financial services and technology	Master of Business Administration from the Faculty of Management Studies, Delhi University and a bachelor 's degree in history from St. Stephen's College, Delhi	Nil	<ul style="list-style-type: none"> Infosys Americas Inc., Infosys Technologies (Sweden) AB Stater N.V Aviva Plc
Sanat Rao, Whole-time Director, Age: 55 years, DIN:07657698	Whole-time director. On Board since November 16, 2016 and Whole-time director effective April 11, 2018.	Banking and Technology	MBA (IIM – Bangalore)	Nil	Nil
Atul Soneja ¹ Whole-time Director, Age: 48 years, DIN: 08184021	Executive and Non Independent. On Board since July 20, 2018	Client Relationship Management, Program & Delivery management and managing Global Development Centers	IIT	Nil	Nil
Deepak Padaki Director, Age: 50 years, DIN: 07873499	Non-Executive and Non Independent. On Board since July 10, 2017	Overall Strategy and Risk Management	Bachelor of Engineering degree in Computer Science	Nil	<ul style="list-style-type: none"> Panaya Inc. Panaya Ltd Hipus Co., Ltd Stater N.V Kaleidoscope Animations, Inc.
Inderpreet Sawhney Director, Age: 56 years, DIN: 07925783	Non-Executive and Non Independent. On Board since September 1, 2017	Product Architecture and Product Development	LL.B from Delhi University and LL.M from Queen's, University, Kingston, Canada	Nil	<ul style="list-style-type: none"> Infosys Americas Inc Infosys BPM Limited Infosys Nova Holdings LLC

¹Resigned as director effective July 16, 2021

Board committees

The Board has constituted corporate social responsibility committee as required under the Companies Act, 2013, to monitor the CSR funding and CSR activities.

Directors retiring by rotation and being eligible, offer himself for reappointment:

By virtue of provisions of the Companies Act, 2013, Mohit Joshi is retiring by rotation and being eligible offers himself for re-appointment. A resolution in this regard is being placed before the Annual General Meeting. The above director satisfies the requirement of Directors' Appointment / Reappointment criteria.

Selection and nomination of the directors

The Board is responsible for the selection of the directors (executive, non-executive, and independent / non-independent directors). The detailed policy adopted by the Board is available at our website at <https://www.edgeverve.com/wp-content/uploads/2017/03/nomination-remuneration-policy.pdf>.

The Board during FY 22 has recommended appointment of Martha King, Dennis Gada and Sateesh Seetharamiah as directors. The proposal seeking approval of the shareholders is mentioned in the AGM notice.

Board Evaluation

As per Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. At EdgeVerve, the Board lays down the evaluation criteria for the performance of executive/ non-executive directors through a peer evaluation method excluding the director being evaluated.

During the year a questionnaire based on board defined criteria was circulated to all the directors. The average of responses from each director was placed before the Board and Board took note of the suggestions made by the directors.

Retirement Policy

The age of retirement for all executive directors is 60 years. The Board may, at its discretion, determine their continuation as members of the Board upon superannuation / retirement. The age of retirement for non-executive independent directors is 70 years. The age relaxation may be provided with the approval of the shareholders by way of special resolution.

Board meetings

During the year, four Board meetings were held in accordance with Section 173 of Companies Act, 2013. The Board met on, April 16, 2020, July 13, 2020, October 12, 2020 and January 11, 2021. The gap between the Board meetings did not exceed 120 days.

Scheduling and selection of agenda items for the Board meetings:

The dates of Board meetings for the subsequent meetings are decided month in advance and published to the directors to enable them to block their calendar. The non-executive Chairman of the Board and the Company Secretary draft the agenda for each meeting, along with explanatory notes, in consultation with CFO, and distribute these in advance to the directors. Every Board member can suggest the inclusion of additional items in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held when necessary. Directors are expected to attend all Board meetings in a year. However, with the Board being represented by directors from various parts of the world, it may not be possible for each one of them to be physically present at all the meetings. Hence, we provide video / teleconferencing facilities to enable their participation. Committees of the Board usually meet before the formal Board meeting, or whenever the need arises for transacting business.

The Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their commitments do not materially interfere with their responsibilities at EdgeVerve.

The quarterly board and committee meetings of the company will be held in line with its holding company, Infosys Limited for consolidation purpose.

Remuneration to the directors:

During fiscal 2021 the remuneration was paid to the whole-time directors. Non-executive directors are not paid any remuneration, fees or commission.

The remuneration paid to the directors is within the limits prescribed under the Companies Act, 2013 and as approved by the shareholders.

Corporate Social Responsibility Committee

As per the requirements of the Companies Act 2013 the Board has constituted corporate social responsibility committee. The committee comprised of Deepak Padaki as Chairperson, Inderpreet Sawhney and Mohit Joshi as members. During the year Committee met on January 11, 2021 and all members of the Committee were present.

Secretarial Audit

The Board of Directors of the Company appointed Parameshwar G. Hegde of Hegde & Hegde, Practicing Company Secretary to conduct secretarial audit of procedures, records and documents of the Company with regard to governance related compliances. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act 2013. The report of the Secretarial Auditor forms part of Board's report as Annexure 3.

The Board of directors has appointed Parameshwar G. Hegde as Secretarial auditor of the company for the fiscal 2022.

Attendance of directors during fiscal 2021

SL No.	Name of the Director	6 th AGM held on October 12 2020	No. of Board meetings				Meetings held during director's tenure	Attended	% of Attendance
			1	2	3	4			
1	Mohit Joshi	P	P	P	P	P	4	4	100
2	Sanat Rao	P	P	P	P	LoA	4	3	75
3	Atul Soneja	P	P	P	P	P	4	4	100
5	Deepak Padaki	P	P	P	P	P	4	4	100
5	Inderpreet Sawhney	P	P	P	P	P	4	4	100

P - Present | LoA - Leave of Absence

Whistleblower Policy

The Company has adopted the Whistleblower Policy to ensure and promote ethics, transparency and accountability. The whistleblower offers a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Company's code of Conduct or Ethics policy. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the chairperson of the audit committee in exceptional cases. The policy has been posted on the website of the Company under the following link: <https://www.infosys.com/investors/corporate-governance/Documents/whistleblower-policy.pdf>.

General body meetings

The details of last three Annual and / or Extraordinary General Meetings are as follows :

Type of General Meeting	Date and Time	Venue	Special Resolutions Passed
Annual General Meeting	October 12, 2020 at 4.00 p.m.	EdgeVerve Systems Limited, Plot No 44, Electronics City, Hosur Road, Bengaluru – 560100	- approval of payment of remuneration to non-executive independent directors
Annual General Meeting	June 22, 2019 at 10.00 a.m.	EdgeVerve Systems Limited, Plot No 44, Electronics City, Hosur Road, Bengaluru - 560100	-
Annual General Meeting	June 23, 2018 at 10.00 a.m.	EdgeVerve Systems Limited, Plot No 44, Electronics City, Hosur Road, Bengaluru - 560100	-

Independent Auditor's Report

To The Members Of EdgeVerve Systems Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of EdgeVerve Systems Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

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

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Gurvinder Singh
Partner
Membership Number 110128
UDIN:21110128AAAABN4694

Place: Bengaluru
Date: April 12, 2021

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of EdgeVerve Systems Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of EdgeVerve Systems Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Gurvinder Singh
Partner
Membership Number 110128
UDIN:21110128AAAABN4694

Place: Bengaluru
Date: April 12, 2021

Annexure 'B' to the Independent Auditor's Report

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

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not have any immovable properties hence, clause 3 (i) (c) of the Order is not applicable.
- ii. The Company is in the business of sale of software licenses and providing related software services. The Company does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income Tax, Sales Tax, Service Tax, Goods and Services Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹ Lakhs
The Income Tax Act, 1961	Income Tax	Appellate Tribunal	A.Y. 2016-17	8
Central Excise Act, 1944	Excise Duty	Appellate Tribunal	AY 2017-18 and AY 2018-19	4,054

- viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to debenture holders. The Company does not have any outstanding dues from any financial institution banks.
- ix The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No.117366W/W-100018

Gurvinder Singh
Partner
Membership Number 110128
UDIN:21110128AAAABN4694

Place: Bengaluru
Date: April 12, 2021

Balance Sheet

in ₹ lakh

Particulars	Note no.	As at March 31,	
		2021	2020
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	4,807	4,357
Right-of-use assets	2.15	–	2,036
Capital work-in-progress		–	3
Financial assets			
Loans	2.3	3	6
Other financial assets	2.4	694	2,590
Deferred tax assets (net)	2.14	749	1,035
Other non-current assets	2.7	801	981
Cost of fulfillment		1,279	–
Income tax assets	2.14	18,676	31,636
Total non-current assets		27,009	42,644
Current assets			
Financial assets			
Investments	2.2	2,506	1,101
Trade receivables	2.5	13,620	14,624
Cash and cash equivalents	2.6	36,148	2,072
Loans	2.3	252	356
Other financial assets	2.4	31,874	26,457
Other current assets	2.7	10,123	13,099
Cost of fulfillment		200	–
Total current assets		94,723	57,709
Total assets		1,21,732	1,00,353
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.9	1,31,184	1,31,184
Other equity		(1,26,129)	(1,91,925)
Total equity		5,055	(60,741)
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	2.10	54,293	1,18,469
Lease liabilities	2.15	–	1,328
Total non-current liabilities		54,293	1,19,797
Current liabilities			
Financial liabilities			
Trade payables	2.11		
Total outstanding dues of micro enterprises and small enterprises		–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,901	3,627
Lease liability	2.15	–	1,028
Other financial liabilities	2.10	28,459	23,060
Other current liabilities	2.12	16,187	13,343
Income tax liabilities	2.14	15,656	–
Provisions	2.13	181	239
Total current liabilities		62,384	41,297
Total equity and liabilities		1,21,732	1,00,353

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number :
117366W/ W-100018

for and on behalf of the Board of Directors of EdgeVerve Systems Limited

Gurvinder Singh
Partner
Membership Number : 110128

Mohit Joshi
Chairman

Sanat Rao
Whole-time Director

Atul Soneja
Whole-time Director

Bengaluru
April 12, 2021

Rajesh Kini
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Statement of Profit and Loss

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

Particulars	Note no.	Years ended March 31,	
		2021	2020
Revenue from operations	2.16	2,77,750	2,49,683
Other income, net	2.17	804	1,113
Total Income		2,78,554	2,50,796
Expenses			
Employee benefit expenses	2.18	75,042	71,604
Cost of technical sub-contractors		70,564	59,722
Travel expenses	2.18	1,663	10,792
Cost of software packages and others	2.18	16,138	16,382
Consultancy and professional charges		9,362	9,817
Depreciation expense	2.1 and 2.15	2,339	2,644
Finance cost		6,120	10,855
Other expenses	2.18	13,893	16,225
Total expenses		1,95,121	1,98,041
Profit before tax		83,433	52,755
Tax expense :			
Current tax	2.14	17,536	14,725
Deferred tax	2.14	286	111
Profit for the year		65,611	37,919
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/net asset		185	124
Items that will be reclassified subsequently to profit or loss		-	-
Total other comprehensive income, net of tax		185	124
Total comprehensive income for the year		65,796	38,043
Earnings per equity share			
Equity shares of par value of ₹ 10 each			
Basic and diluted (₹)		5.00	2.89
Weighted average equity shares used in computing earnings per equity share			
Basic and diluted		1,31,18,40,000	1,31,18,40,000

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number :
117366W/ W-100018

for and on behalf of the Board of Directors of EdgeVerve Systems Limited

Gurvinder Singh
Partner
Membership Number : 110128

Mohit Joshi
Chairman

Sanat Rao
Whole-time Director

Atul Soneja
Whole-time Director

Bengaluru
April 12, 2021

Rajesh Kini
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Statement of Change in Equity

in ₹ lakh

Particulars	Equity share capital	Other equity				Total
		Reserve and surplus			Other comprehensive income	
		Retained earnings	Debenture redemption reserve ⁽¹⁾	Capital reserve		
Balance as of April 1, 2019	1,31,184	66,356	48,750	(3,44,760)	(390)	(98,860)
Impact on account of adoption of Ind AS 116 (Refer to Note 2.15)		76				76
Restated Balances as on April 1, 2019	1,31,184	66,432	48,750	(3,44,760)	(390)	(98,784)
Changes in equity for the period ended March 31, 2020						
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	124	124
Profit for the period	-	37,919	-	-	-	37,919
Total comprehensive income	1,31,184	1,04,351	48,750	(3,44,760)	(266)	(60,741)
Transfer from debenture redemption reserve to retained earnings	-	37,000	(37,000)	-	-	-
Balance as of March 31, 2020	1,31,184	1,41,351	11,750	(3,44,760)	(266)	(60,741)
Balance as of April 1, 2020	1,31,184	1,41,351	11,750	(3,44,760)	(266)	(60,741)
Changes in equity for the period ended March 31, 2021						
Remeasurement of the net defined benefit liability / asset, net of tax effect	-	-	-	-	185	185
Profit for the period	-	65,611	-	-	-	65,611
Total comprehensive income	1,31,184	2,06,962	11,750	(3,44,760)	(81)	5,055
Transfer from debenture redemption reserve to retained earnings	-	6,122	(6,122)	-	-	-
Balance as of March 31, 2021	1,31,184	2,13,084	5,628	(3,44,760)	(81)	5,055

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number :
117366W/ W-100018

for and on behalf of the Board of Directors of EdgeVerve Systems Limited

Gurvinder Singh
Partner
Membership Number : 110128

Mohit Joshi
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Whole-time Director

Atul Soneja
Whole-time Director

Bengaluru
April 12, 2021

Rajesh Kini
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Statement of Cash Flows

Accounting Policy

Cash flows are reported using the indirect method, where by 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 Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amount of cash to be cash equivalents.

in ₹ lakh

Particulars	Note no.	Years ended March 31,	
		2021	2020
Cash flow from operating activities:			
Profit for the year		65,611	37,919
Adjustments to reconcile net profit to net cash generated by operating activities:			
Depreciation	2.1 and 2.15	2,339	2,644
Income tax expense	2.14	17,822	14,836
Impairment loss recognized on financial assets	2.18	197	362
Provision / (reversal) for post-sales client support and others	2.18	(18)	(54)
Profit / loss on sale of fixed assets	2.17	–	(1)
Interest expenses		6,120	10,855
Interest income	2.17	(344)	(420)
(Gain) / loss on investments	2.17	(155)	(277)
Gain on termination of lease		(154)	
Exchange difference on translation of assets and liabilities		(790)	123
Changes in assets and liabilities			
Trade receivables and unbilled revenue		(1,245)	(114)
Other financial assets and other assets		204	1,158
Trade payables	2.11	(1,726)	1,303
Other financial liabilities, other liabilities and provisions		7,188	(8,978)
Cash generated from operations		95,049	59,356
Income taxes paid (net of refund)		11,080	(23,665)
Net cash generated by operating activities		1,06,129	35,691
Cash flow from investing activities :			
Expenditure on property, plant and equipment		(3,349)	(1,928)
Loans to employees	2.3	107	89
Payments to acquire investments			
Liquid mutual fund units		(95,996)	(1,32,246)
Proceeds on sale of investments			
Liquid mutual fund units		94,749	1,32,422
Interest and dividend received on investments		347	93
Net cash used in investing activities		(4,142)	(1,570)
Cash flow from financing activities :			
Payment of lease liability	2.15	(284)	(666)
Debentures repaid to holding company		(62,300)	(28,600)
Payment of interest on debentures		(6,116)	(10,730)
Net cash from financing activities		(68,700)	(39,996)
Effect of exchange differences on translation of foreign currency cash and cash equivalents			
		790	(123)
Net increase / (decrease) in cash and cash equivalents		34,076	(5,998)
Cash and cash equivalents at the beginning of the year	2.6	2,072	8,070
Cash and cash equivalents at the end of the year	2.6	36,148	2,072
Supplementary information :			
Restricted cash balance	2.6	–	19

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number :
117366W/ W-100018

for and on behalf of the Board of Directors of EdgeVerve Systems Limited

Gurvinder Singh
Partner
Membership Number : 110128

Mohit Joshi
Chairman

Sanat Rao
Whole-time Director

Atul Soneja
Whole-time Director

Bengaluru
April 12, 2021

Rajesh Kini
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Notes to the Financial Statements

1. Company overview and significant accounting policies

1.1 Company overview

EdgeVerve Systems Limited (“the Company”) is a limited company incorporated in India. It is a wholly-owned subsidiary of Infosys Limited. The address of its registered office is Plot No. 44, Electronic City, Hosur Main Road, Bengaluru 560100, Karnataka, India. The Company defines, develops and operates innovative cloud-hosted business platforms and software products as part of the Edge Suite of products or Finacle® product which can be deployed either on premises or on cloud environments depending on its products. The Company provides implementation, integration and support services to help its customers realize benefits from software solutions.

With effect from August 01, 2015, ‘Finacle’ and ‘Edge services’ business of Infosys Limited was transferred to the Company. The purchase consideration for the transfer was discharged by way of issue and allotment of equity shares and non-convertible unsecured debentures.

The financial statements are approved by the Company’s Board of Directors on April 12, 2021.

1.2 Basis of preparation of financial statements

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

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the yearend figures are taken from the source and rounded to the nearest digit, the figures reported for the previous quarters might not always add up to the year figures reported in these statements.

1.3 Use of estimates and judgments

The preparation of the standalone financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change

from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

1.4 Critical accounting estimates and judgments

a. Revenue recognition

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

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

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date. Also, refer to Note 2.16.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to the customer.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Company expects to recover them. Certain eligible, non-recurring costs (e.g. set-up or transition or transformation costs) that do not represent a separate performance obligation are recognized

as an asset when such costs (a) relate directly to the contract; (b) generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future; and (c) are expected to be recovered. Such capitalized contract costs are amortized over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

b. Income tax

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. Also, refer to Note 2.14.

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

c. Property, plant and equipment

Property, plant and equipment represents a significant proportion of asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Also, refer to Note 2.1.

d. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

After considering current and future economic conditions, the Company has concluded that no material changes are required to lease period relating to the existing lease contracts. Also, refer to Note 2.15.

e. Allowance for credit losses on receivables and unbilled revenue

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

1.5 Earnings per equity share

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 year. 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. 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.

2.1 Property, plant and equipment

Accounting policy

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

Plant and machinery ⁽¹⁾	5 years
Computer equipment ⁽¹⁾	3-5 years
Furniture and fixtures ⁽¹⁾	5 years
Office equipment ⁽¹⁾	5 years
Leasehold improvements	Lower of useful life of the asset or lease term

⁽¹⁾ Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell 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 Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows :

Particulars	in ₹ lakh					
	Leasehold improvements	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as of April 1, 2020	26	20	194	12,797	193	13,230
Additions	–	–	47	2,623	5	2,675
Deletions	–	–	(1)	(22)	–	(23)
Gross carrying value as of March 31, 2021	26	20	240	15,398	198	15,882
Accumulated depreciation as of April 1, 2020	(8)	(12)	(147)	(8,583)	(123)	(8,873)
Depreciation	(5)	(3)	(34)	(2,158)	(25)	(2,225)
Accumulated depreciation on deletions	–	–	1	22	–	23
Accumulated depreciation as of March 31, 2021	(13)	(15)	(180)	(10,719)	(148)	(11,075)
Carrying value as of March 31, 2021	13	5	60	4,679	50	4,807

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2020 were as follows :

Particulars	in ₹ lakh					
	Leasehold improvements	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Gross carrying value as of April 1, 2019	26	18	181	11,076	159	11,461
Additions	–	2	13	1,768	33	1,815
Deletions	–	–	–	(47)	–	(47)
Gross carrying value as of March 31, 2020	26	20	194	12,797	192	13,229
Accumulated depreciation as of April 1, 2019	(3)	(8)	(112)	(6,655)	(83)	(6,861)
Depreciation	(5)	(4)	(35)	(1,974)	(40)	(2,057)
Accumulated depreciation on deletions	–	–	–	46	–	46

Particulars	Leasehold improvements	Plant and machinery	Office equipment	Computer equipment	Furniture and fixtures	Total
Accumulated depreciation as of March 31, 2020	(8)	(12)	(147)	(8,582)	(123)	(8,872)
Carrying value as of March 31, 2020	18	8	47	4,215	69	4,357

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

2.2 Investments

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Unquoted current investments		
Investments carried at fair value through profit or loss		
Liquid mutual fund units	2,506	1,101
Total investments	2,506	1,101

The fair value of liquid mutual fund units as on March 31, 2021 and March 31, 2020 is ₹ 2,506 lakh and ₹1,101 lakh respectively.

Method of fair valuation

in ₹ lakh

Class of investment	Method	As at March 31,	
		2021	2020
Mutual fund – Liquid mutual fund units	Quoted price	2,506	1,101

Details of investments in liquid mutual fund units

The balances held in liquid mutual fund units as at March 31, 2021 and March 31, 2020 are as follows :

in ₹ lakh

Particulars	As at March 31,			
	2021		2020	
	Units	Amount	Units	Amount
Aditya Birla Sun Life Liquid Fund – Growth – Direct Plan	90,290	1,005	1,56,530	500
HDFC Overnight Fund Direct Plan – Growth Option	49,104	1,502	2,04,349	601
Total investments in liquid mutual fund units	1,39,394	2,506	3,60,879	1,101

2.3 Loans

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Non-current		
Other loans		
Loans to employees	3	6
Total non-current loans	3	6
Current		
Unsecured, considered doubtful		

Particulars	As at March 31,	
	2021	2020
Loans to employees	10	9
Less : Allowances for doubtful loans to employees	10	9
	–	–
Other loans		
Loans to employees	252	356
Total current loans	252	356
Total loans	255	362

2.4 Other financial assets

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Non-current		
Other customer receivables	693	2,589
Security deposits	1	1
Total non-current other financial assets	694	2,590
Current		
Restricted deposits*	5,250	4,436
Unbilled revenues ⁽¹⁾ #	25,858	21,395
Interest accrued but not due	334	337
Others ⁽²⁾	432	289
Total current other financial assets	31,874	26,457
Total other financial assets	32,568	29,047
Financial assets carried at amortized cost	32,568	29,047
⁽¹⁾ Includes dues from fellow subsidiaries (Refer to Note 2.21)	190	1,668
⁽²⁾ Includes dues from fellow subsidiaries (Refer to Note 2.21)	5	2

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

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

2.5 Trade receivables

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Unsecured		
Considered good ⁽¹⁾	13,620	14,624
Considered doubtful	540	597
	14,160	15,221

Particulars	As at March 31,	
	2021	2020
Less : Allowances for credit losses	540	597
Total trade receivables	13,620	14,624
⁽¹⁾ Includes dues from fellow subsidiaries (Refer to Note 2.21)	3,393	285

2.6 Cash and cash equivalents

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Balances with banks		
In current and deposit accounts	36,148	2,072
Total cash and cash equivalents	36,148	2,072
Deposit accounts with more than 12 months maturity	–	19
Balances with banks held as margin money deposits against guarantees	–	19

Cash and cash equivalents as of March 31, 2021 and March 31, 2020 include restricted cash and bank balances of nil and ₹ 19 lakh, respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

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

2.7 Other assets

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Non-current		
Prepaid expenses	203	54
Advance other than capital advances		
Prepaid gratuity (Refer to Note 2.19)	598	927
Total non-current other assets	801	981
Current		
Advance other than capital advances		
Payment to vendors for supply of goods / services	221	249
Balance with government authorities	–	5
Others		
Unbilled revenues ⁽¹⁾	3,490	5,901
Prepaid expenses	2,718	2,712
Withholding taxes and others ⁽²⁾	3,694	4,232

Particulars	As at March 31,	
	2021	2020
Total current other assets	10,123	13,099
Total other assets	10,924	14,080

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

⁽²⁾ Withholding taxes and others primarily consist of input tax credits

2.8 Financial instruments

2.8.1 Accounting policy

Financial statements

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

2.8.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

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

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. 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 Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

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

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

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

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

2.8.3 Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer

qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.8.4 Fair value of financial instruments

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

Refer to table 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.

2.8.5 Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL 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 ECL (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 the Statement of Profit or Loss.

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2021 are as follows :

in ₹ lakh

Particulars	Note no.	Amortized cost	Financial assets / liabilities at fair value through profit or loss		Financial assets / liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets :								
Cash and cash equivalents	2.6	36,148	–	–	–	–	36,148	36,148
Investments – Liquid mutual funds units	2.2	–	–	2,506	–	–	2,506	2,506
Trade receivables	2.5	13,620	–	–	–	–	13,620	13,620
Loans	2.3	255	–	–	–	–	255	255
Other financial assets ⁽¹⁾	2.4	32,568	–	–	–	–	32,568	32,568
Total		82,591	–	2,506	–	–	85,097	85,097
Liabilities :								
Trade payables	2.11	1,901	–	–	–	–	1,901	1,901
Non-convertible debentures ⁽²⁾	2.10	53,600	–	–	–	–	53,600	53,600

Particulars	Note no.	Amortized cost	Financial assets / liabilities at fair value through profit or loss		Financial assets / liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Other financial liabilities	2.10	29,152	–	–	–	–	29,152	29,152
Total		84,653	–	–	–	–	84,653	84,653

⁽¹⁾ Excludes unbilled revenue on contracts where the right to consideration is dependent on completion of contractual milestones

⁽²⁾ The carrying value of debentures approximates fair value as the instruments are at prevailing market rates

The carrying value and fair value of financial instruments by categories as of March 31, 2020 are as follows :

in ₹ lakh

Particulars	Note no.	Amortized cost	Financial assets / liabilities at fair value through profit or loss		Financial assets / liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
Assets :								
Cash and cash equivalents	2.6	2,072	–	–	–	–	2,072	2,072
Investments – Liquid mutual funds units	2.2	–	–	1,101	–	–	1,101	1,101
Trade receivables	2.5	14,624	–	–	–	–	14,624	14,624
Loans	2.3	362	–	–	–	–	362	362
Other financial assets	2.4	29,047	–	–	–	–	29,047	29,047
Total		46,105	–	1,101	–	–	47,206	47,206
Liabilities :								
Trade payables	2.11	3,627	–	–	–	–	3,627	3,627
Non-convertible debentures ⁽¹⁾	2.10	1,15,900	–	–	–	–	1,15,900	1,15,900
Other financial liabilities	2.10	25,629	–	–	–	–	25,629	25,629
Total		1,45,156	–	–	–	–	1,45,156	1,45,156

Fair value hierarchy

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

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

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

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2021 is as follows:

in ₹ lakh

Particulars	As on March 31, 2021	Fair value measurement at end of the reporting period / year using		
		Level 1	Level 2	Level 3
Assets				
Investment in liquid mutual fund units (Refer to Note 2.2)	2,506	2,506	–	–
Liabilities				
Derivative financial instruments – loss on outstanding foreign currency forward contracts (Refer to Note 2.10)	17	–	17	–

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2020 was as follows :
in ₹ lakh

Particulars	As on March 31, 2020	Fair value measurement at end of the reporting period / year using		
		Level 1	Level 2	Level 3
Assets				
Investment in liquid mutual fund units (Refer to Note 2.2)	1,101	1,101	–	–
Liabilities				
Derivative financial instruments – loss on outstanding foreign currency forward contracts (Refer to Note 2.10)	510	–	510	–

The following table analyzes foreign currency risk from financial instruments as of March 31, 2021 :

in ₹ lakh

Particulars	US dollar	Euro	United Kingdom Pound Sterling	Australian dollar	Other currencies	Total
Net financials assets (including loans)	11,932	1,067	672	1,071	2,029	16,771
Net financial liabilities	(8,401)	(243)	(41)	(12)	(307)	(9,003)
Net assets / (liabilities)	3,531	824	631	1,059	1,723	7,768

The following table analyzes foreign currency risk from financial instruments as of March 31, 2020 :

in ₹ lakh

Particulars	US dollar	Euro	United Kingdom Pound Sterling	Australian dollar	Other currencies	Total
Net financials assets (including loans)	10,151	531	470	(480)	3,943	14,615
Net financial liabilities	(5,559)	(22)	(10)	(10)	(283)	(5,884)
Net assets / (liabilities)	4,592	509	460	(490)	3,660	8,731

Derivative financial instruments

The Company holds the derivative financial instruments such as foreign currency forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active market or inputs that are directly or indirectly observable in the marketplace.

Particulars	As at March 31, 2021		As at March 31, 2020	
	in million	in ₹ lakh	in million	in ₹ lakh
Forward contracts				
In US dollar	10	7,345	13	9,837

The foreign exchange forward and options contracts mature within 12 months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Not later than one month	–	6,053
Later than one month and not later than three months	7,345	3,784
Total	7,345	9,837

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 ₹ 13,620 lakh and ₹ 14,624 lakh as of March 31, 2021 and March 31, 2020 respectively and unbilled revenue amounting to ₹ 29,348 lakh and ₹ 27,296 lakh as of

March 31, 2021 and March 31, 2020, respectively. Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses a provision matrix to compute the expected credit losses on the customer balances based on internal and external factors.

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Balance at the beginning	697	319
Provisions recognized	196	357
Write-offs	(276)	(34)
Translation differences	(21)	55
Balance at the end	597	697

Credit risk on cash and cash equivalent is limited as the Company generally invest in deposits with banks and in liquid mutual fund units.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of March 31, 2021, the Company had a working capital of ₹ 32,335 lakh including cash and cash equivalents of ₹ 36,148 lakh and current investments of ₹ 2,506 lakh. As of March 31, 2020, the Company had a working capital of ₹ 16,412 lakh including cash and cash equivalents of ₹ 2,072 lakh and current investments of ₹ 1,101 lakh.

As of March 31, 2021 and March 31, 2020, the outstanding compensated absences were ₹ 2,053 lakh and ₹ 3,027 lakh, respectively, which have been substantially funded. Accordingly, no liquidity risk is perceived.

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2021 are as follows :

in ₹ lakh

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	1,901	–	–	–	1,901
Other liabilities excluding non-convertible debentures *	26,406	693	–	–	27,099
	28,307	693	–	–	29,000

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 are as follows :

in ₹ lakh

Particulars	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Trade payables	3,627	–	–	–	3,627
Other liabilities excluding non-convertible debentures ⁽¹⁾	20,033	1,876	693	–	22,602
	23,660	1,876	693	–	26,229

⁽¹⁾ The term of redemption of the debentures would be any date as may be decided mutually between the parties but will not exceed 10 years from the date of issue.

2.9 Equity

Share capital

Accounting policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares, net of any tax effects.

Description of reserves

Retained earnings

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

Debenture redemption reserve

Other components of equity

Other components of equity include remeasurement of net defined benefit liability / asset, net of taxes.

in ₹ lakh, except as otherwise stated

Particulars	As at March 31,	
	2021	2020
Authorized		
Equity shares, ₹10/- par value		
4,10,00,00,000 (4,10,00,00,000) equity shares	4,10,000	4,10,000
Issued, subscribed and paid-up		
Equity shares, ₹10/- par value		
1,31,18,40,000 (1,31,18,40,000) equity shares	1,31,184	1,31,184
	1,31,184	1,31,184

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

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

The details of shareholder holding more than 5% shares as at March 31, 2021 and March 31, 2020 are as follows :

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% held	Number of shares	% held
Infosys Limited, holding company	1,31,18,40,000	100%	1,31,18,40,000	100%

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2021 and March 31, 2020 is as follows :

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Number of shares at the beginning and end of the year	1,31,18,40,000	13,11,84,00,000	1,31,18,40,000	13,11,84,00,000

2.10 Other financial liabilities

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Non-current		
Non-convertible debentures * ⁽¹⁾	53,600	1,15,900
Other payables	693	2,569
Total non-current other financial liabilities	54,293	1,18,469
Current		
Accrued compensation to employees	6,225	3,617
Capital creditors	87	764
Foreign currency forward contracts	17	510
Compensated absences	2,053	3,027
Accrued expenses ⁽²⁾	19,693	14,420
Other payables ⁽³⁾	385	722
Total current other financial liabilities	28,459	23,060
Total other financial liabilities	82,752	1,41,529
Financial liability carried at amortized cost	82,752	1,41,529

* The interest rate for the debentures as of March 31, 2021 is 10 years Government Bond rate plus 1% premium to be reset annually. Currently the interest rate is 7.138%. The interest payment term would be as may be decided mutually between the parties. The term of redemption of the

debentures would be any date as may be decided mutually between the parties but will not exceed 10 years.

⁽¹⁾ includes dues to holding company (Refer to Note 2.21)	53,600	1,15,900
⁽²⁾ includes dues to holding company (Refer to Note 2.21)	7,737	4,450
⁽³⁾ includes dues to fellow subsidiaries (Refer to Note 2.21)	26	4

2.11 Trade payables

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Trade payables ⁽¹⁾	1,901	3,627
Total trade payables	1,901	3,627
⁽¹⁾ includes dues to holding company / fellow subsidiaries (Refer to Note 2.21)	419	1,805

As at March 31, 2021 and March 31, 2020, there are no outstanding dues to micro, small and medium enterprises. There is no interest due or outstanding on the same. During the year ended March 31, 2021, an amount of ₹ 83 lakh was paid beyond the appointed day as defined in the Micro, Small

and Medium Enterprises Development Act 2006, which has been paid as of March 31, 2021.

2.12 Other liabilities

Particulars	in ₹ lakh	
	As at March 31,	
	2021	2020
Current		
Unearned revenue	9,979	8,815
Withholding taxes and other taxes	6,208	4,528
Total current other liabilities	16,187	13,343
Total other liabilities	16,187	13,343

2.13 Provisions

Accounting policy

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

a. Post-sales client support and others

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

b. Onerous contracts

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

Provision for post-sales client support and others

Particulars	in ₹ lakh	
	As at March 31,	
	2021	2020
Current		
Others		
Post-sales client support and others	181	239
Total provisions	181	239

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

Particulars	in ₹ lakh	
	As at March 31,	
	2021	2020
Balance at the beginning	239	351
Provisions recognized / (reversal)	(58)	(112)
Provision utilized	–	–
Translation differences	–	–
Balance at the end	181	239

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

2.14 Income taxes

Accounting policy

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

Particulars	in ₹ lakh	
	As at March 31,	
	2021	2020
Current taxes	17,536	14,725
Deferred taxes	286	111
Income tax expense	17,822	14,836

The applicable Indian corporate statutory tax rate for the years ended March 31, 2021 and March 31, 2020 is 25.168%

each. New income tax regime as per The Taxation Laws (Amendment) Act, 2019 is opted by the Company from financial year 2019-20 onwards.

Income tax expense for the years ended March 31, 2021 and March 31, 2020 includes reversals (net of provision) of ₹ 3,390 lakh and provision (net of reversals) of ₹ 463 lakh respectively pertaining to prior periods on adjudication of certain matters in favor of the Company and upon filing of returns.

Deferred income tax for the years ended March 31, 2021 and March 31, 2020, relates to origination and reversal of temporary differences. Deferred income taxes 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. 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 as follows :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Profit before income taxes	83,433	52,755
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	20,998	13,277
Overseas taxes, net of foreign tax credit	(5)	638
Prior year taxes	(3,391)	463
Effect of non-deductible expenses	252	134
Others	(33)	324
Income tax expense	17,821	14,836

The applicable Indian statutory tax rates for fiscal year 2021 is 25.168% and fiscal year 2020 is 25.168%.

The details of income tax assets and income tax liabilities as of March 31, 2021 and March 31, 2020 are as follows :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Income tax assets	18,676	91,619
Current income tax liabilities	15,656	59,983
Net current income tax assets at the end	3,020	31,636

The gross movement in the current income tax asset for the years ended March 31, 2021 and March 31, 2020 are as follows :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Net current income tax assets at the beginning	31,636	22,696
Income tax paid	(11,142)	23,707
Tax on other comprehensive income	62	(42)
Current income tax expense (Refer to Note 2.14)	(17,536)	(14,725)
Net current income tax assets at the end	3,020	31,636

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Deferred income tax assets		
Trade receivables	189	179
Compensated absences	517	763
Others	123	184
Total deferred income tax assets	829	1,126
Deferred income tax liabilities		
Property, plant and equipment	80	91
Total deferred income tax liabilities	80	91
Deferred income tax assets after set-off	749	1,035
Deferred income tax liabilities after set-off	-	-

The gross movement in the deferred income tax account for the years ended March 31, 2021 and March 31, 2020 is as follows :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Net deferred income tax asset at the beginning	1,035	1,191
Credits relating to temporary differences (Refer to Note 2.14)	(286)	(156)
Temporary differences on other comprehensive income	-	-
Net deferred income tax asset at the end	749	1,035

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

2.15 Leases

Accounting policy

The Company as a lessee

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

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

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

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

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

The lease liability is initially measured at amortized cost using the effective interest rate method at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, incremental borrowing rates in the countries of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of ROU asset of ₹ 867 lakh and a lease liability of

₹ 1,141 lakh. The cumulative effect of applying the standard of ₹ 76 lakh was adjusted in retained earnings, net of taxes. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application :

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The changes in the carrying value of ROU assets for the years ended March 31, 2021 and March 31, 2020 are as follows :
in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Balance at the beginning	2,036	867
Additions	–	1,756
Deletions	(1,922)	–
Depreciation	(114)	(587)
Translation difference	–	–
Balance as of March 31, 2021	–	2,036

The aggregate depreciation expense on ROU assets is included under depreciation expense in the Statement of Profit and Loss. The break-up of current and non-current lease liability as of March 31, 2021 and March 31, 2020 is as follows :
in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Non-current lease liability	–	1,328
Current lease liability	–	1,028
Total	–	2,356

The movement in lease liability during the years ended March 31, 2021 and March 31, 2020 is as follows :
in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Balance at the beginning	2,356	1,141
Additions	–	1,756
Deletions	(2,076)	–
Interest accrued during the period	4	125
Lease payments	(284)	(666)
Translation difference	–	–
Balance as of March 31, 2021	–	2,356

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

Rental expense recorded for short-term leases was ₹ 3,002 lakh for the year ended March 31, 2021.

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

Particulars	in ₹ lakh	
	As at March 31,	
	2021	2020
Not later than 1 year	–	1,160
Later than 1 year and not later than 5 years	–	1,498
Later than 5 years	–	–
Balance as of March 31, 2021	–	2,658

2.16 Revenue from operations

Accounting policy

The Company 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).

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 contract asset (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. Revenues in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liability (unearned revenues). Fixed time frame revenue is recognized ratably over the term of the underlying time frame arrangement.

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, 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 Company 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 Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

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 whether 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 Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the same 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.

Advances received for services and products are reported as contract liabilities until all conditions for revenue recognition are met.

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

The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts;(ii) onerous obligations;(iii) penalties relating to breaches of service level agreements, and (iv) termination or deferment

of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

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

Revenue from operations for the years ended March 31, 2021 and March 31, 2020 are as follows :

Particulars	Years ended March 31,	
	2021	2020
Revenue from operations	2,77,750	2,49,683
Total revenue from operations	2,77,750	2,49,683

in ₹ lakh

Trade receivables and contract balances

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

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

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

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

Invoicing in excess of earnings are classified as unearned revenue.

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

During the years ended March 31, 2021 and March 31, 2020, the Company recognized revenue of ₹ 7,784 lakh and ₹ 9,407 lakh arising from opening unearned revenue as of April 1, 2020 and April 1, 2019, respectively.

During the years ended March 31, 2021 and March 31, 2020, the Company recognized revenue of ₹ 4,810 lakh and ₹ 6,395 lakh of unbilled revenue pertaining to fixed price development contracts as of April 1, 2020 and April 1, 2019, respectively has been classified to trade receivable upon billing to customers on completion of milestones.

Performance obligations and remaining performance obligations

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

The aggregate value of performance obligations that are completely or partially unsatisfied as of March, 2021, other than those meeting the exclusion criteria mentioned above is ₹ 50,495 lakh. Out of this, the Group expects to recognize revenue of around 54.8% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote

The impact on account of applying the erstwhile Ind AS 18, Revenue instead of Ind AS 115, Revenue from Contract with Customers on the financial results of the Company for the year ended is insignificant. On account of adoption of Ind AS 115, unbilled revenue of ₹ 3,490 lakh as at March 31, 2021 has been considered as a non-financial asset.

2.17 Other income, net

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.

Foreign currency - Accounting Policy

Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupee (rounded off to lakh).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and 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 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.

Other income for the years ended March 31, 2021 and March 31, 2020 are as follows :

Particulars	in ₹ lakh	
	Years ended March 31,	
	2021	2020
Interest received on financial assets – carried at amortized cost :		
Deposits with banks and others	344	420
Profit on sale of fixed assets	–	1
Exchange gain / (loss) on translation of assets and liabilities	(790)	858
Gain / (loss) on investment carried at fair value through profit or loss	155	277
Exchange gains / (losses) on foreign currency forward and options contracts	942	(503)
Miscellaneous income	153	60
Total other income	804	1,113

2.18 Expenses

Particulars	in ₹ lakh	
	Years ended March 31,	
	2021	2020
Employee benefit expenses		
Salaries including bonus	70,733	67,688
Contribution to provident and other funds	3,682	3,133
Staff welfare	627	783
	75,042	71,604
Travel expenses		

Particulars	Years ended March 31,	
	2021	2020
Overseas travel expenses	1,526	9,697
Travelling and conveyance	137	1,095
	1,663	10,792
Cost of software packages and others		
For own use	5,714	4,506
Third-party items bought for service delivery to clients	10,424	11,876
	16,138	16,382
Other expenses		
Repairs and maintenance	1,884	2,217
Brand and marketing	3,437	4,292
Communication expenses	1,275	685
Operating lease payments	3,002	3,474
Rates and taxes	103	88
Commission charge	2,180	2,808
Fuel and power	390	642
Consumables	6	208
Provision / (reversal) for post-sales client support and others	(18)	(54)
Commission to non-whole-time directors	–	1
Impairment loss recognized on financial assets	197	362
Contributions towards corporate social responsibility	1,065	960
Auditor's remuneration		
Statutory audit fees	35	30
Others	337	512
	13,893	16,225

2.19 Employee benefits

Accounting policy

2.19.1 Gratuity

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

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

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains

and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income, net of taxes. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. The effect of any plan amendments is recognized in net profits in the Statement of Profit and Loss.

2.19.2 Superannuation

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

2.19.3 Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution 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. Amounts collected under the provident fund plan are deposited in a Government administered provident fund. The Company has no further obligations under the provident fund plan beyond its monthly contributions.

2.19.4 Compensated absences

The employees of the Company are entitled to 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 using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expenses on non-accumulating compensated absences is recognized in the period in which the absences occur.

a. Gratuity

The following tables set out the funded status of the gratuity plans and the amounts recognized in the Company's financial statements as of March 31, 2021 and March 31, 2020 :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Change in benefit obligations		
Benefit obligations at the beginning	7,209	6,744
Service cost	772	608
Interest expense	438	461
Transfer of obligation	42	53
Remeasurements – Actuarial (gains) / losses	(186)	(111)
Benefits paid	(323)	(547)
Benefit obligations at the end	7,952	7,209
Change in plan assets		
Fair value of plan assets at the beginning	8,136	8,070
Interest income	497	554
Transfer of assets	28	4

Particulars	As at March 31,	
	2021	2020
Remeasurements – Return on plan assets excluding amounts included in interest income	62	55
Contributions	150	–
Benefits paid	(323)	(547)
Fair value of plan assets at the end	8,550	8,136
Funded status	598	927
Prepaid gratuity benefit	598	927

The amount for the years ended March 31, 2021 and March 31, 2020 recognized in the Statement of Profit and Loss under employee benefit expenses are as follows :

in ₹ lakh

Particulars	Years ended March 31,	
	2021	2020
Service cost	772	608
Net interest on the net defined benefit liability / asset	(59)	(93)
Net gratuity cost	713	516

The amount for the years ended March 31, 2021 and March 31, 2020 recognized in statement of other comprehensive income are as follows :

in ₹ lakh

Particulars	Years ended March 31,	
	2021	2020
Remeasurements of the net defined benefit liability / (asset)		
Actuarial (gains) / losses (Return) / loss on plan assets excluding amounts included in the net interest on the net defined benefit liability / (asset)	(186)	(111)
	(62)	(55)
	(248)	(165)

in ₹ lakh

Particulars	Years ended March 31,	
	2021	2020
(Gain) / loss from change in financial assumptions	50	389
(Gain) / loss from change in experience	(236)	(500)
(Gain) / loss from change in demographic assumptions	–	–
	(186)	(111)

The weighted-average assumptions used to determine benefit obligations as at March 31, 2021 and March 31, 2020 are as follows :

Particulars	As at March 31,	
	2021	2020
Discount rate	6.1	6.2
Weighted average rate of increase in compensation levels	10.0	10.0

The weighted-average assumptions used to determine net periodic benefit cost for the years ended March 31, 2021 and March 31, 2020 are as follows :

Particulars	As at March 31,	
	2021	2020
Discount rate (%)	6.1	6.2
Weighted average rate of increase in compensation levels (%)	10.0	10.0
Weighted average duration of defined benefit obligation	5.9 years	5.9 years

Sensitivity of significant assumptions used for valuation of defined benefit obligations is as follows :

Impact from percentage point increase / decrease in	As at March 31, 2021	
	in ₹ lakh	
Discount rate	505	
Weighted average rate of increase in compensation level	441	

Sensitivity to 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. The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is not probable, and changes in some of the assumptions may be correlated.

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

The Company contributes all ascertained liabilities towards gratuity to the EdgeVerve Systems Limited Employees' Gratuity Fund Trust. Trustees administer contributions made to the trust. As of March 31, 2021 and March 31, 2020, the plan assets have been primarily invested in insurer managed funds.

Actual return on assets for the years ended March 31, 2021 and March 31, 2020 were ₹ 559 lakh and ₹ 608 lakh, respectively.

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

Maturity profile of defined benefit obligation

	in ₹ lakh
Within 1 year	1,001
1-2 year	1,015
2-3 year	1,039
3-4 year	1,148
4-5 year	1,145
5-10 years	5,752

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

b. Provident Fund

The Company contributed ₹2,029 lakh during the year ended March 31, 2021 (₹1,846 lakh for the year ended March 31, 2020).

c. Superannuation

The Company contributed ₹740 lakh during the year ended March 31, 2021 (₹662 lakh for the year ended March 31, 2020).

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

Particulars	As at March 31,	
	2021	2020
Contingent liabilities :		
Claims against the Company, not acknowledged as debts ⁽¹⁾	7,343	4,653
Commitments :		
Estimated amount of unexecuted capital contracts (net of advances and deposits)	717	626

⁽¹⁾ As at March 31, 2021, claims against the Company not acknowledged as debts in respect of income tax matters amounted to ₹ 574 lakh and in respect of Central Excise matters amounted to ₹ 6,769 lakh. The claims against the Company in respect of income tax majorly represent demands arising on completion of assessment proceedings under the Income Tax Act, 1961. These claims are on account of multiple issues of disallowances such as disallowance of expenditure towards software being held as capital in nature, disallowance of depreciation claimed on intangible assets amongst others. The claims against the Company in respect of Central Excise matters represent demands arising on account of treating Finacle Software as excisable goods under Central Excise Act, 1944.

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 Company's financial position and results of operations.

Amount paid to statutory authorities against the above tax claims amounted to ₹ 21,664 lakh.

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.

2.21 Related party transactions

List of related parties :

Name of the holding company	Country	Holding as at March 31,	
		2021	2020
Infosys Limited	India	100%	100%
Name of fellow subsidiaries		Country	
Infosys Technologies (China) Co. Limited (Infosys China)	China		
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)	Mexico		
Infosys Technologies (Sweden) AB (Infosys Sweden)	Sweden		
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)	China		
Infosys Tecnologia do Brasil Ltda (Infosys Brasil) ⁽¹⁸⁾	Brazil		
Infosys Nova Holdings LLC. (Infosys Nova)	US		
Infosys Austria GmbH	Austria		
Skava Systems Pvt. Ltd. (Skava Systems) ⁽⁴⁴⁾	India		
Kallidus Inc. (Kallidus) ⁽⁴⁵⁾	US		
Infosys Chile SpA	Chile		
Infosys Arabia Limited ⁽²⁾	Saudi Arabia		
Infosys Consulting Ltda. ⁽¹⁾	Brazil		
Infosys CIS LLC ^{(1) (19)}	Russia		
Infosys Luxembourg S.à.r.l	Luxembourg		
Infosys Americas Inc., (Infosys Americas)	US		
Infosys Technologies (Australia) Pty. Limited (Infosys Australia) ⁽³⁾	Australia		
Infosys Public Services, Inc. USA (Infosys Public Services)	US		
Infosys Canada Public Services Inc ⁽⁴⁸⁾	Canada		
Infosys BPM Limited	India		
Infosys (Czech Republic) Limited s.r.o. ⁽⁴⁾	Czech Republic		
Infosys Poland, Sp z.o.o ⁽⁴⁾	Poland		
Infosys McCamish Systems LLC ⁽⁴⁾	US		
Portland Group Pty Ltd ⁽⁴⁾	Australia		
Infosys BPO Americas LLC. ⁽⁴⁾	US		
Infosys Consulting Holding AG (Infosys Lodestone)	Switzerland		
Infosys Management Consulting Pty Limited ⁽⁵⁾	Australia		
Infosys Consulting AG ⁽⁵⁾	Switzerland		
Infosys Consulting GmbH ⁽⁵⁾	Germany		
Infosys Consulting S.R.L. ⁽¹⁾	Romania		
Infosys Consulting SAS ⁽⁵⁾	France		
Infosys Consulting s.r.o. v likvidaci (formerly Infosys Consulting s.r.o.) ^{(5) (44)}	Czech Republic		
Infosys Consulting (Shanghai) Co., Ltd. ⁽⁵⁾⁽⁴⁴⁾	China		
Infy Consulting Company Ltd ⁽⁵⁾	UK		
Infy Consulting B.V. ⁽⁵⁾	The Netherlands		
Infosys Consulting Sp. z.o.o ^{(24) (32)}	Poland		
Lodestone Management Consultants Portugal, Unipessoal, Lda. ⁽⁵⁾⁽³⁷⁾	Portugal		
Infosys Consulting S.R.L. ⁽⁵⁾	Argentina		
Infosys Consulting (Belgium) NV ⁽⁶⁾	Belgium		
Panaya Inc. (Panaya)	US		
Panaya Ltd. ⁽⁷⁾	Israel		
Panaya GmbH ⁽⁷⁾	Germany		
Panaya Japan Co. Ltd ^{(7) (23)}	Japan		
Brilliant Basics Holdings Limited (Brilliant Basics)	UK		
Brilliant Basics Limited ⁽⁸⁾	UK		
Brilliant Basics (MENA) DMCC ^{(8) (25)}	UAE		
Infosys Consulting Pte Limited (Infosys Singapore) ⁽¹⁾	Singapore		
Infosys Middle East FZ LLC ⁽⁹⁾	UAE		
Fluido Oy ⁽⁹⁾	Finland		
Fluido Sweden AB (Extero) ⁽¹²⁾	Sweden		
Fluido Norway A/S ⁽¹²⁾	Norway		
Fluido Denmark A/S ⁽¹²⁾	Denmark		
Fluido Slovakia s.r.o ⁽¹²⁾	Slovakia		

Name of fellow subsidiaries	Country
Fluido Newco AB ⁽¹²⁾ ⁽³⁹⁾	Sweden
Infosys Compaz Pte. Ltd ⁽¹⁰⁾	Singapore
Infosys South Africa (Pty) Ltd ⁽⁹⁾	South Africa
WongDoody Holding Company Inc. (WongDoody) ⁽¹⁾	US
WDW Communications, Inc ⁽¹¹⁾	US
WongDoody, Inc ⁽¹¹⁾	US
HIPUS Co., Ltd (formerly Hitachi procurement Service Co. Ltd) ⁽¹⁰⁾ ⁽¹³⁾	Japan
Stater N.V. ⁽¹⁰⁾ ⁽¹⁴⁾	The Netherlands
Stater Nederland B.V. ⁽¹⁵⁾	The Netherlands
Stater Duitsland B.V. ⁽¹⁵⁾ ⁽⁴¹⁾	The Netherlands
Stater XXL B.V. ⁽¹⁵⁾	The Netherlands
HypoCasso B.V. ⁽¹⁵⁾	The Netherlands
Stater Participations B.V. ⁽¹⁵⁾	The Netherlands
Stater Deutschland Verwaltungs-GmbH ⁽¹⁶⁾ ⁽⁴⁰⁾	Germany
Stater Deutschland GmbH & Co. KG ⁽¹⁶⁾ ⁽⁴⁰⁾	Germany
Stater Belgium N.V./S.A. ⁽¹⁷⁾ ⁽⁴²⁾	Belgium
Outbox systems Inc. dba Simplus (US) ⁽²⁰⁾	US
Simplus North America Inc. ⁽²¹⁾	Canada
Simplus ANZ Pty Ltd. ⁽²¹⁾	Australia
Simplus Australia Pty Ltd ⁽²²⁾	Australia
Square Peg Digital Pty Ltd ⁽²²⁾	Australia
Simplus Philippines, Inc. ⁽²¹⁾	Philippines
Simplus Europe, Ltd. ⁽²¹⁾	UK
Infosys Fluido UK, Ltd. (formerly Simplus UK, Ltd) ⁽¹²⁾ ⁽²⁶⁾	UK
Infosys Fluido Ireland, Ltd. (formerly Simplus Ireland, Ltd) ⁽¹²⁾ ⁽²⁶⁾	Ireland
Infosys Limited Bulgaria EOOD	Bulgaria
Kaleidoscope Prototyping LLC	US
Kaleidoscope Animations, Inc.	US
GuideVision s.r.o. ⁽²⁸⁾	UK
GuideVision Deutschland GmbH ⁽²⁹⁾	Germany
GuideVision Suomi Oy ⁽²⁹⁾	Finland
GuideVision Magyarország Kft ⁽²⁹⁾	Hungary
GuideVision Polska SPZ.O.O ⁽²⁹⁾	Poland
GuideVision UK Ltd ⁽²⁹⁾	UK
Beringer Commerce Inc ⁽³³⁾	US
Beringer Capital Digital Group Inc ⁽³³⁾	US
Mediotype LLC ⁽³⁴⁾	US
Beringer Commerce Holdings LLC ⁽³⁴⁾	US
SureSource LLC ⁽³⁵⁾	US
Blue Acorn LLC ⁽³⁵⁾	US
Simply Commerce LLC ⁽³⁵⁾	US
iCiDIGITAL LLC ⁽³⁶⁾	US
Infosys BPM UK Limited ⁽⁴⁾ ⁽³⁸⁾	UK
Infosys Turkey Bilgi Teknolojikeri Limited Sirketi ⁽¹⁾ ⁽⁴³⁾	Turkey
Infosys Germany Holding GmbH ⁽¹⁾ ⁽⁴⁶⁾ ⁽⁴⁷⁾	Germany

⁽¹⁾ Wholly-owned subsidiary of Infosys Limited

⁽²⁾ Majority-owned and controlled subsidiary of Infosys Limited

⁽³⁾ Liquidated effective November 17, 2019

⁽⁴⁾ Wholly-owned subsidiary of Infosys BPM Limited

⁽⁵⁾ Wholly-owned subsidiary of Infosys Consulting Holding AG

⁽⁶⁾ Majority-owned and controlled subsidiary of Infosys Consulting Holding AG

⁽⁷⁾ Wholly-owned subsidiary of Panaya Inc.

⁽⁸⁾ Wholly-owned subsidiary of Brilliant Basics Holding Limited.

⁽⁹⁾ Wholly-owned subsidiary of Infosys Consulting Pte Ltd

⁽¹⁰⁾ Majority-owned and controlled subsidiary of Infosys Consulting Pte. Ltd

⁽¹¹⁾ Wholly-owned subsidiary of WongDoody

⁽¹²⁾ Wholly-owned subsidiary of Fluido Oy

⁽¹³⁾ On April 1, 2019, Infosys Consulting Pte. Ltd, acquired 81% of the voting interests in HIPUS Co., Ltd (formerly Hitachi Procurement Service Co. Ltd)

- (14) On May 23, 2019, Infosys Consulting Pte. Ltd, acquired 75% of the voting interests in Stater N.V
- (15) Wholly-owned subsidiary of Stater N.V
- (16) Wholly-owned subsidiary of Stater Duitsland B.V.
- (17) Majority-owned and controlled subsidiary of Stater Participations B.V.
- (18) Effective October 1, 2019, merged into Infosys Consulting Ltda, a wholly-owned subsidiary of Infosys Limited.
- (19) Liquidated effective January 28, 2021
- (20) On March 13, 2020, Infosys Nova Holdings LLC, acquired 100% of the voting interests in Outbox Systems Inc.
- (21) Wholly-owned subsidiary of Outbox Systems Inc.
- (22) Wholly-owned subsidiary of Simplus ANZ Pty Ltd
- (23) Liquidated effective October 31, 2019
- (24) On February 20, 2020, Infosys Poland, Sp z.o.o, acquired 100% of the voting interests in Infosys Consulting Sp. z.o.o from Infosys Consulting Holding AG
- (25) Liquidated effective July 17, 2020
- (26) On June 1, 2020, Fluido Oy, acquired 100% of the voting interests in Infosys Fluido U.K,Ltd (formerly Simplus U.K, Ltd) and Infosys Fluido Ireland, Ltd.(formerly Simplus Ireland, Ltd) from Simplus Europe, Ltd
- (27) Incorporated effective September 11, 2020.
- (28) On October 1, 2020, Infy Consulting Company Limited acquired 100% of voting interests in GuideVision s.r.o
- (29) Wholly-owned subsidiary of GuideVision s.r.o.
- (30) On October 9, 2020, Infosys Nova Holdings LLC, acquired 100% voting interest in Kaleidoscope Animations, Inc.
- (31) Wholly-owned subsidiary of Kaleidoscope Animations, Inc.
- (32) Merged with Infosys Poland Sp. z.o.o, effective October 21, 2020
- (33) On October 27, 2020, Infosys Nova Holding LLC, a wholly-owned subsidiary of Infosys Limited, acquired 100% voting interest in Beringer Commerce Inc and Beringer Capital Digital Group Inc
- (34) Wholly-owned subsidiary of Beringer Commerce Inc
- (35) Wholly-owned subsidiary of Beringer Commerce Holdings LLC
- (36) Wholly-owned subsidiary of Beringer Capital Digital Group Inc.
- (37) Liquidated effective November 19,2020
- (38) Incorporated, effective December 9, 2020
- (39) Merged into Fluido Sweden AB (Extero), effective December 18, 2020
- (40) Merged into Stater Duitsland B.V., effective December 18, 2020
- (41) Merged with Stater N.V., effective December 23, 2020
- (42) On December 29, 2020, Stater Participation B.V acquired non-controlling interest of 28.01% of the voting interests in Stater Belgium NV/SA
- (43) Incorporated on December 30, 2020.
- (44) Under liquidation
- (45) Liquidated effective March 9,2021
- (46) Incorporated on March 23, 2021
- (47) On March 28, 2021 Infosys Limited and Infosys Germany Holding GmbH registered Infosys Automotive and Mobility GmbH & Co. KG, a partnership firm.
- (48) Wholly owned subsidiary of Infosys Public Services, Inc

Infosys has provided guarantee for performance of certain contracts entered into by its subsidiaries.

List of other related party

Particulars	Country	Nature of relationship
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

List of key Management personnel

Directors

- Mohit Joshi, Chairman of the Board
- Sanat Rao, Whole-time Director
- Atul Soneja, Whole-time Director
- Deepak Raghunath Padaki, Director
- Inderpreet Sawhney, Director

Executive officers

- Rajesh Kini, Chief Financial Officer
- Sudhir Shridhar Gaonkar, Company Secretary

The details of amounts due to or due from related parties as at March 31, 2021 and March 31, 2020 are as follows :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Trade receivables		
Infosys Public Services	1	–
Infosys BPM Limited	53	3
Infosys Mexico	153	–
Infosys Limited	132	–
Infosys Sweden	3,054	–
Infosys China	–	282
	3,393	285
Other financial assets		
Infosys BPM Limited	5	2
	5	2
Non-convertible debentures		
Infosys Limited	53,600	1,15,900
	53,600	1,15,900
Trade payables		
Infosys Limited	299	1,605
Infosys Consulting	–	98
Infosys Mexico	13	34
Infosys BPM Limited	108	68
	419	1,805
Other current financial liabilities		
WDW Communications	3	–
Brilliant Basics Limited	–	4
Infosys BPM Limited	23	2
	26	6
Unbilled revenue		
Infosys Limited		
Infosys Public Services	–	7
Infosys Mexico	–	1,562
Infosys BPM Limited	190	99
	190	1,668
Accrued expenses		
Infosys Public Services	16	–
Infosys BPM Limited	–	–
Infosys Limited	7,721	4,450
	7,737	4,450

Note : Excludes certain balances due to/from Infosys, which are pertaining to contracts pending novation upon business transfer and held in trust by Infosys.

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Capital transactions :		
Financing transactions		
Debentures		
Infosys Limited	(62,300)	(28,600)
Revenue transactions :		

Particulars	As at March 31,	
	2021	2020
Sale of services		
Infosys Public Services	73	213
Infosys Sweden	3,180	–
Infosys China	1	1
Infosys Mexico	2,055	1,562
Infosys BPM Limited	504	320
	5,812	2,096
Purchase of shared services including facilities and personnel		
Infosys Limited	70,739	62,979
Infosys Mexico	122	173
Brilliant Basics	137	15
Infosys WDW	16	–
Infosys Lodestone	645	–
Infosys Consulting	–	308
Infosys BPM Limited	444	488
Panaya Ltd.	–	33
	72,104	63,996
Finance cost		
Infosys Limited	6,116	10,730

Note : Excludes certain transactions with Infosys, which are pertaining to contracts pending novation upon business transfer and held in trust by Infosys.

Transaction with key managerial personnel

The compensation to key managerial personnel which comprise directors and executive officers is as follows :

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Salaries and other employee benefits to whole-time directors and executive officers	1,185	862
Commission and other benefits to non-executive / independent directors	–	1
Total	1,185	863

2.22 Corporate social responsibility

As per Section 135 of the Companies Act 2013, a Corporate Social Responsibility (CSR) committee was formed by the Company. The proposed areas for CSR activities are eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development projects. The funds will be allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the Company during the year is ₹ 1,061 lakh.

b) The details of the amount spent during the year on CSR activities are as follows :

in ₹ lakh

Sl. No	Particulars	In Cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	–	–	–
(ii)	On purposes other than (i) above	1,065	–	1,065

2.23 Research and development (R&D) expenditure

in ₹ lakh

Particulars	As at March 31,	
	2021	2020
Expenditure at Department of Scientific and Industrial Research (DSIR) approved R&D centers (eligible for weighted deduction) ⁽¹⁾		
Capital expenditure	–	–
Revenue expenditure	–	12,048
Other R&D expenditure		
Capital expenditure	–	–
Revenue expenditure	37,397	19,362
Total R&D expenditure		
Capital expenditure	–	–
Revenue expenditure	37,397	31,410

⁽¹⁾ With effect from April 1, 2020, deduction under Section 35(2AB) of the Income Tax Act 1961 has been withdrawn vide Finance Act 2016. New Income tax regime of 22% corporate tax (plus applicable surcharge and cess) as per The Taxation Laws (Amendment) Act, 2019 is opted by the Company from financial year 2019-20 onwards wherein weighted deduction under Section 35(2AB) are not allowable. Thus, weighted income tax deduction on eligible research and development expenditure under Section 35(2AB) was not claimed during the relevant period.

2.24 Segment reporting

The Company's business activity, falls within a single primary business segment, i.e. providing Products and platforms and related services. Accordingly, disclosures as required under Ind AS 108, Segment Reporting, has not been separately presented in the financial statements since the information is available directly from the Statement of Profit and Loss.

2.25 Function-wise classification of Statement of Profit and Loss

in ₹ lakh

Particulars	Years ended March 31,	
	2021	2020
Revenue from operations	2,77,750	2,49,683
Cost of sales	1,53,758	1,47,341
Gross profit	1,23,992	1,02,342
Operating expenses		
Selling and marketing expenses	15,391	19,609
General and administration expenses	19,853	20,236
Total operating expenses	35,244	39,845
Operating profit	88,748	62,497
Other income, net	804	1,113
Profit before interest and tax	89,552	63,610
Finance cost	6,120	10,855
Profit before tax	83,432	52,755
Tax expense :		
Current tax	17,536	14,725
Deferred tax	286	111
Profit for the year	65,610	37,919
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of the net defined benefit liability / asset	185	124
Items that will be reclassified subsequently to profit or loss	–	–
Total other comprehensive income, net of tax	185	124
Total comprehensive income for the year	65,795	38,043

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number :
117366W/ W-100018

for and on behalf of the Board of Directors of EdgeVerve Systems Limited

Gurvinder Singh
Partner
Membership Number : 110128

Mohit Joshi
Chairman

Sanat Rao
Whole-time Director

Atul Soneja
Whole-time Director

Bengaluru
April 12, 2021

Rajesh Kini
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

September 27, 2021

Dear member,

You are cordially invited to attend the seventh Annual General Meeting of the members of EdgeVerve Systems Limited ('the Company') on Thursday, September 30, 2021 at 3.30 p.m. IST through video conference and other audio-visual means (VC).

The Notice of the meeting containing the proposed resolutions is enclosed herewith.

Very truly yours,

Sd/-

Sudhir Gaonkar

Company Secretary

Enclosures:

1. Notice to the seventh Annual General Meeting (AGM)
2. Instructions to participate through VC

EdgeVerve Systems Limited
Plot No. 47,
Electronics City
Hosur Road
Bengaluru 560 100, India
T 91 80 3952 2222
F 91 80 2852 1300

Registered Office:
CIN : U72200KA2014PLC073660
Plot No. 44, Electronics City
Hosur Road
Bengaluru 560 100, India
secretarial@edgeverve.com
www.edgeverve.com

Notice to the 7th Annual General Meeting

NOTICE is hereby given that the seventh Annual General Meeting (AGM) of the Members of EdgeVerve Systems Limited ('the Company') will be held on Thursday, September 30, 2021 at 3.30 p.m. IST through video conference and other audio-visual means (VC), to transact the following business:

Ordinary Business

Item no. 1 – Adoption of financial statements

To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors ('the Board') and auditors thereon.

Item no. 2 – Appointment of Mohit Joshi as a director liable to retire by rotation

To consider and if thought fit, to pass the following resolution as an ordinary resolution.

To appoint a director in place of Mohit Joshi (DIN: 08339247), who retires by rotation and being eligible, seeks re-appointment.

RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mohit Joshi (DIN: 08339247), who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation.

Special Business

Item no. 3 – Appointment of Martha King as a Director

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

RESOLVED THAT pursuant to the provisions of Sections 152 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, Martha King (DIN: 09166670) who was appointed as an additional director of the Company effective May 10, 2021 and who holds office up to the date of the annual general meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature, be and is hereby appointed as Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things and also to execute such documents, writings, etc., as may be necessary in this regard.

Item no. 4 – Appointment of Dennis Gada as a Director

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

RESOLVED THAT pursuant to the provisions of Sections 152 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, Dennis Gada (DIN: 09310292) who was appointed as an additional director of the Company effective September 13, 2021 and who holds office up to the date of the annual general meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature, be and is hereby appointed as Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things and also to execute such documents, writings, etc., as may be necessary in this regard.

Item no. 5 - Appointment of Sateesh Seetharamiah as Whole-time Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Sateesh Seetharamiah (bearing DIN: 09328904) who was appointed as an additional director of the Company by the Board of Directors with effect from September 27, 2021, and who holds office until the date of the AGM in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying an intention to propose Sateesh Seetharamiah as a candidate for the office of a director of the Company, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT, pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or reenactments thereof, for the time being in force) approval of the members of the Company be and is hereby accorded to the appointment of Sateesh Seetharamiah (DIN: 09328904) as a Whole-time Director of the Company for a period of five years with effect from September 27, 2021 on terms and conditions as specified in the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice and on the below remuneration;

1. **Fixed Pay:** An annual salary of Rupees Ninety-Two lakh Thirty-One thousand Twenty-Four only (₹ 92,31,024) (in the range of ₹ 90 lakh to ₹ 200 lakh) as compensation for his services (the "Fixed Pay"). The Fixed Pay will be paid monthly in accordance with the Company's normal payroll practices and be subject to the usual, required withholdings.
2. **Variable Pay:** Annual variable pay at a target level of Rupees Thirty-Nine lakh Fifty-Six thousand One hundred and Forty-Eight only (₹ 39,56,148) (in the range of ₹ 35 lakh to ₹ 100 lakh) (or such other sum that may be decided by the board subject to maximum of 150%) each fiscal year, reduced by applicable withholdings and subject to the terms and conditions contained in the applicable Bonus Plan.
3. **Stock compensation:** Subject to the approval of the Board of the Company, Sateesh Seetharamiah may, from time to time be granted equity-based compensation awards in respect of the shares of the common stock of parent company, Infosys Limited pursuant to the parent company's stock incentive compensation plans. Such equity-based awards will be subject to the terms and conditions of the Plans in force from time to time and the applicable award agreement.
4. **Employee Benefits:** During the term of his employment, Sateesh Seetharamiah will be entitled to all the employee benefit plans as may be applicable to other senior executives of the Company and as per the rules of the Company.
5. **Minimum Remuneration:** Notwithstanding anything herein above contained, should the Company incur a loss or its profits are inadequate in any financial year closing on and after March 31, 2021, during the tenure of Sateesh Seetharamiah as Whole-time Director, the Company shall pay him the above remuneration by way of fixed pay, variable pay, bonus and other allowances as a minimum remuneration subject to the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Government from time to time as minimum remuneration.
6. **Compensation Review:** Sateesh Seetharamiah's compensation, including Fixed Pay, Variable Pay, Stock Compensation and any other components, will be subject to review and adjustments by the Board from time to time in its sole and exclusive discretion, and subject to any limits and necessary approvals under applicable laws including the Companies Act, 2013.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of appointment and / or components of remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) there-of, for the time being in force).

By order of the Board of Directors
for EdgeVerve Systems Limited

September 27, 2021
Bengaluru

Sd/-
Sudhir Gaonkar
Company Secretary

Notes

- 1 Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020 and 02/2021 issued by the Ministry of Corporate Affairs (MCA) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
- 2 A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
- 3 Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified true copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
- 4 The Register of Directors and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be made available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2021. Members seeking to inspect such documents can send an email to secretarial@edgeverve.com.
- 5 In compliance with Section 108 of the Act, the Company will provide the voting through show of hands at the meeting for each of the resolutions.
- 6 Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this notice.
- 7 VC Details



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Explanatory statement

Item no. 3 – Appointment of Martha King as a Director

Martha King was appointed as an additional director of the Company with effect from May 10, 2021 by the Board of Directors of the Company. In terms of Section 161(1) of the Act, Martha King holds office only up to the date of the forthcoming Annual General Meeting. The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, proposing Martha King's candidature for the office of a Director in the Company.

The Company has received all statutory disclosures / declarations from Martha King (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules") and (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act.

In compliance with the general circular number 20/2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

No director, key managerial personnel or their relatives except Martha King, to whom the resolution relates, is interested in or concerned with the resolution in Item no. 3. The Board recommends the resolution set forth in Item no. 3 for the approval of members.

Item no. 4 – Appointment of Dennis Gada as a Director

The Board on September 13, 2021 appointed Dennis Gada as an additional director of the Company. In terms of Section 161(1) of the Act, Dennis Gada holds office only up to the date of the forthcoming Annual General Meeting. The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, proposing Dennis Gada's candidature for the office of a Director in the Company.

The Company has received all statutory disclosures / declarations from Dennis Gada (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules") and (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act.

In compliance with the general circular number 20/2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

No director, key managerial personnel or their relatives except Dennis Gada, to whom the resolution relates, is interested in or concerned with the resolution in Item no. 4. The Board recommends the resolution set forth in Item no. 4 for the approval of members.

Item no. 5 - Appointment of Sateesh Seetharamiah as Whole-time Director

The Board, at its meeting held on September 27, 2021, appointed Sateesh Seetharamiah as an additional director and Whole-time Director with effect from September 27, 2021. The Company has received a notice in writing from a member proposing the candidature of Sateesh Seetharamiah for the office of the director under the provisions of Section 160 of the Companies Act, 2013.

The Company has received from Sateesh Seetharamiah (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The terms and conditions of his appointment are as follows:

1. Date of Appointment: September 27, 2021
2. Tenure of Appointment: 5 Years
3. Details of Remuneration: Subject to periodical review at the sole and exclusive discretion of the Board.
 - Fixed Pay per annum: ₹ 92,31,024 (in the range of ₹ 90 lakh to ₹ 200 lakh)
 - Variable Pay: ₹ 39,56,148 (in the range of ₹ 35 lakh to ₹ 100 lakh) (subject to maximum of 150% each financial year)

4. Perquisites and allowances: Sateesh Seetharamiah shall be entitled to perquisites and allowances including Medical reimbursement / allowance leave travel concession / allowance, Personal accident insurance, Earned / privilege leave, Company's contribution to provident fund and superannuation fund, Gratuity, Leave encashment etc. as per the rules of the Company.
5. The agreement executed between the company and Sateesh Seetharamiah, may be terminated by either party by giving of three calendar months' notice or three months' salary in lieu thereof.
6. Sateesh Seetharamiah shall perform such duties as shall from time-to-time be entrusted to him, subject to the superintendence, guidance and control of the board of directors.

The resolution seeks the approval of the members in terms of Section 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) for the appointment of Sateesh Seetharamiah as the whole-time director with effect from September 27, 2021.

No director, key managerial personnel or their relatives, except Sateesh Seetharamiah to whom the resolution relates, is interested in or concerned with the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the Members.

The copies of relevant resolutions of the Board and agreement with respect to the appointment is available for inspection by the members at the registered office of the company during working hours on any working day till the date of this Annual General Meeting. The Board accordingly recommends the resolution as set out in item No. 5 of the notice for the approval of the members.

[Additional information on director recommended for appointment / re-appointment/ revision of remuneration as required under the applicable Secretarial Standards](#)



[Mohit Joshi](#)

Mohit Joshi is the Chairman of the Board at EdgeVerve and President of Infosys. He is Head of Banking, Financial Services & Insurance (BFSI), 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. Mohit has over 18 years of professional experience working across the US, India, Mexico, and Europe. His area of expertise lies in the intersection of financial services and technology. Mohit was also selected as a Young Global Leader (YGL) by the World Economic Forum, Davos earlier this year.

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, Mohit was appointed as CEO of Infosys Mexico and was instrumental in setting up the first subsidiary in Latin America.

Mohit has previously worked in India with ABN AMRO and ANZ Grindlays in their Corporate and Investment banks.

Mohit holds a Master of Business Administration from the Faculty of Management Studies, Delhi University and a bachelor's degree in history from St. Stephen's College, Delhi.

[Age:](#) 46 years

[Nature of expertise in specific functional areas:](#) Financial services and technology

[Disclosure of inter-se relationships between directors and key managerial personnel:](#) Nil

[Companies \(other than Infosys Group\) in which Mohit Joshi holds directorship and committee membership:](#) Infosys Americas Inc, Infosys Technologies (Sweden) AB, Stater N.V. and Aviva Plc

[Shareholding in the Company:](#) Nil

[Remuneration proposed to be paid:](#) Nil

[Date of first appointment on Board, last drawn remuneration and number of Board meetings attended:](#) Mohit Joshi was first appointed as non-executive director effective January 22, 2019. He does not draw any remuneration from EdgeVerve. The meeting attendance details are provided in corporate governance report section of this annual report.



Martha King

Martha King is the Chief Client Officer at Infosys, as well as the Executive Vice President and head of Infosys' Retirement Services Center of Excellence. She is responsible for navigating the next client-centric technology frontier in the financial services industry in order to enable better outcomes for millions of retirement savers. At the Retirement Services Center of Excellence, the current focus is on revolutionizing the retirement plan experience by developing the industry's first cloud-native recordkeeping system, delivering greater insights and unprecedented personalization to plan sponsors and retirement savers, and maintaining an unwavering commitment to world-class client service.

Core to the Retirement Services Center of Excellence is a strategic relationship between Infosys and Vanguard, where Ms. King most recently served as Managing Director of the firm's Institutional Investor Group, which serves nearly five million participants and 1,500 sponsors – all of whom will benefit from this relationship. Prior to that, she served as Managing Director and founder of Vanguard's Financial Advisor Services division, which now oversees more than \$2 trillion in assets.

Ms. King joined Vanguard in 1985 and earned a B.S. from Bloomsburg University of Pennsylvania. She has completed the Advanced Management Program at the Wharton School of the University of Pennsylvania.

Age: 57 years

Nature of expertise in specific functional areas: Information Technology Services

Disclosure of inter-se relationships between directors and key managerial personnel: Nil

Companies (other than Infosys Group) in which Martha King holds directorship and committee membership: Nil

Shareholding in the Company: Nil

Remuneration proposed to be paid: Nil

Key terms and conditions of appointment: As per the resolution at Item no. 3 of this Notice, read with the explanatory statement thereto.



Dennis Gada

Dennis is the Head of Financial Services for North America at Infosys, and part of the Global Financial Services, Healthcare & Life Sciences Executive Leadership team.

Dennis' area of expertise is in Digital Transformation, where he brings significant experience in driving innovation at the intersection of business and technology. He brings experience across many business competencies, including sales, strategy, consulting, marketing and local leadership. He is a strong advocate for diversity and inclusion.

Dennis specializes in leveraging power of technology to address challenges facing the financial services industry in areas such as experience transformation, core modernization, product innovation, AI & automation and efficient operations. His personal network includes a wide ecosystem of experts, start-ups and established industry players and he collaborates with this community to bring cutting-edge technology to enterprises to drive new products, services, and experiences.

Dennis is a truly global citizen, having lived and worked in APAC, Europe and USA where he currently resides in Charlotte, NC. He has a natural interest in culture, change and collaboration and has played an active role in the local communities in which he has lived. Prior to joining Infosys, Dennis has worked at Accenture and PWC.

Age: 42 years

Nature of expertise in specific functional areas: Digital Transformation and Information Technology Services

Disclosure of inter-se relationships between directors and key managerial personnel: Nil

Companies (other than Infosys Group) in which Dennis Gada holds directorship and committee membership: Nil

Shareholding in the Company: Nil

Remuneration proposed to be paid: Nil

Key terms and conditions of appointment: As per the resolution at Item no. 4 of this Notice, read with the explanatory statement thereto.



Sateesh Seetharamiah

Sateesh Seetharamiah is the Chief Business Officer and Global Head, Edge Products. A leader with entrepreneurial, management consulting, operational and IT leadership experience spanning over 25 years. He is a strong believer in the immense potential AI and Automation have in transforming enterprises of the future. Sateesh is one of the founding members of EdgeVerve and comes with rich experience in the product and platforms domain. Being a passionate technologist, Sateesh has been instrumental in establishing many foundational technology capabilities that drive today's EdgeVerve strategy.

With deep roots in supply chain, he was one of the pioneers of Internet of Things (IoT) in its early days, went on to establish a lab at MIT focused on defining communication standards and use cases that eventually became household applications. A well-regarded thought leader in the intelligent automation space, Sateesh was instrumental in championing 'Process Discovery', a novel concept that uncovers efficiency opportunities for enterprises and humans alike.

Before joining Infosys, Sateesh held various senior management positions consulting for fortune 500 CPG, HealthCare, Retail, Automotive and Logistics companies in North America and Europe. Sateesh has also been active in the start-up community with a few of his own start-up stints in the software and RFID arena.

Sateesh holds a master's degree in Biomedicine from New Jersey Institute of Technology, research credentials from Robert Wood Johnson Medical School (New Jersey) and a bachelor in Instrumentation Technology from University of Mysore. Sateesh is a classical Violinist passionately working for the cause of fine arts and is also a marathoner.

Age: 52 years

Nature of expertise in specific functional areas: Information Technology Services

Disclosure of inter-se relationships between directors and key managerial personnel: Nil

Companies (other than Infosys Group) in which Sateesh Seetharamiah holds directorship and committee membership: Nil

Shareholding in the Company: Nil

Remuneration proposed to be paid: As mentioned in the explanatory statement

Key terms and conditions of appointment: As per the resolution at Item no. 5 of this Notice, read with the explanatory statement thereto.

Safe Harbor

This Annual Report contains 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and are based on our current expectations, assumptions, estimates and projections about the Company, our industry, economic conditions in the markets in which we operate, and certain other matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'project', 'seek', 'should' and similar expressions. Those statements include, among other things, risks and uncertainties regarding COVID-19 and the effects of government and other measures seeking to contain its spread, the discussions of our business strategy, including the localization of our workforce and investments to reskill our employees and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, wage increases in India, change in the Indian regulations governing wages, restrictions on immigration in the US, and corporate actions including timely completion of the proposed buyback of our equity shares.

These statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements include, but are not limited to, those discussed in the "Outlook, risks and concerns" section in this Annual Report. In the light of these and other uncertainties, you should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this Annual Report are based on information and estimates available to us on the date hereof, and we do not undertake any obligation to update these forward-looking statements unless required to do so by law.

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