# Independent Auditor's Report

**To The Members of LTIMindtree Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of LTIMindtree Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| 1 | **Revenue recognition - Fixed price contracts using the percentage-of-completion method**<br>Revenue from fixed price contracts including software development and system integration contracts is recognized using a percentage-of-completion method. Use of the percentage-of-completion method requires the Company to determine the costs expended to date as a proportion of the estimated total costs to be incurred. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.<br>We identified revenue recognition of fixed price contracts where the percentage-of-completion is used as a Key Audit Matter since –<br>• High inherent risk around accuracy of revenue, given the customized and complex nature of these contracts.<br>• High inherent uncertainty and requires consideration of progress of the contract, costs incurred to-date and estimates of costs required to complete the remaining contract performance obligations over the term of the contract.<br>• At year-end, significant amount of work in progress (Unbilled revenue), related to these contracts is recognised on the balance sheet. | Principal audit procedures performed included the following:<br>Our audit procedures included the following, among others:<br>• We tested the effectiveness of controls relating to<br>(1) recording of costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations and<br>(2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred.<br>• We selected a sample of fixed price contracts with customers measured using the percentage-of-completion method and performed the following:<br>– Read the contract and based on the terms and conditions evaluated whether recognizing revenue over time using percentage-of-completion method was appropriate, and the contract was included in management's calculation of revenue over time. |

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit effort to evaluate the reasonableness of the total estimated amount of revenue and unbilled revenue recognized on these fixed-price contracts.<br>(Refer Note 27 to the standalone financial statements) | – Compared costs incurred with Company's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract.<br>– Tested the estimate for consistency with the status of delivery of milestones, customer acceptances or other related information to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations. |

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. 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 standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 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, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 26 to the standalone financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in note 49 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells Chartered Accountants LLP**
Chartered Accountants
(Firm's Registration No. 117364W/W-100739)

**Gurvinder Singh**
(Partner)
(Membership No. 110128)
UDIN: 25110128BMHZTI6151

Place: Mumbai
Date: April 23, 2025

# 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 of even date)**

**Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to standalone financial statements of LTIMindtree Limited (the "Company") as at March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

## Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

## Meaning of Internal Financial Controls with reference to standalone financial statements

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

## Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements 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.

For **Deloitte Haskins & Sells Chartered Accountants LLP**
Chartered Accountants
(Firm's Registration No. 117364W/W-100739)

**Gurvinder Singh**
(Partner)
(Membership No. 110128)
UDIN: 25110128BMHZTI6151

Place: Mumbai
Date: April 23, 2025

# 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 of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, (capital work-in-progress and relevant details of right-of-use assets).

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed/ transfer deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. According to the information and explanations given to us and pursuant to the terms of the sanction letters, the Company is not required to file any quarterly return or statement with such banks or financial.

(iii) (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) During the year loans aggregating to ₹ 456 million (AED 20 million) fell due for repayment from a subsidiary on March 31, 2025 and the due date was extended. The details of such loans that fell due and whose extension was granted during the year are stated below:

| Party name | Aggregate amount of loans or advances in the nature of loans that fell due during the year | Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans | Extended Due Date | Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year |
|---|---|---|---|---|
| LTIMindtree Middle East FZ-LLC | ₹ 456 million (AED 20 million) | ₹ 351 million (AED 15.07 million) | March 31, 2026 | 100% |

(f) According to information and explanations given to us and based on the audit procedure performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans or provided guarantees or securities that are covered under the provisions of sections 185 of the Companies Act, 2013. Also, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

(₹ Millions)

| Name of the statute | Nature of the dues | Amount involved | Amount unpaid | Period to which the Amount Relates | Forum where Dispute is Pending |
|---|---|---|---|---|---|
| Maharashtra Value Added Tax (MVAT) | Demand raised for MVAT Input credit utilized against outward liability | 15 | 15 | FY 2016-17 and 2017-18 | Commissioner Appeals |
| Central/State Goods & Services Tax Act, 2017 | Tamil Nadu SEZ ITC mismatch and GST on employee reimbursements | 14 | 11 | FY 2017-18, 2018-19, 2019-20 | Commissioner Appeals |
| | Karnataka - GST - ITC is considered as ineligible | 50 | 46 | FY 2017-18 to FY 21-22 | Karnataka High Court |
| | Delhi - ITC mismatch | 31 | 30 | FY 2017-18, FY 2018-19 | Commissioner Appeals |
| | MHSTPI-IGST demand on zero rated supply and ITC disallowance | 2,642 | 2,541 | FY 2018-19 to 2020-21 | Commissioner Appeals |
| | UP - GST ITC mismatch | 1 | 1 | FY 2020-21 | Commissioner Appeals |
| | UP GST ITC refund demand | 4 | 4 | Oct'2020 | Commissioner Appeals |
| | Telangana – Ruletronics – ITC reversals | 0* | 0* | FY 2017-18 | Commissioner Appeals |
| | Karnataka Tran-1 audit – Cess reversal | 3 | 3 | FY 2017-18 and 2018-19 | GSTAT Appeal |

(₹ Millions)

| Name of the statute | Nature of the dues | Amount involved | Amount unpaid | Period to which the Amount Relates | Forum where Dispute is Pending |
|---|---|---|---|---|---|
| The Finance Act, 1994 | Service tax demand on Manpower supply services, sales and marketing service and Onsite software services | 84 | 81 | July' 2003 to March' 2007 | Customs, Excise and Service Tax Appellate Tribunal |
| | Service tax - ITC disallowance | 1 | 1 | March 01, 2008 to May 16, 2008 | Commissioner (Appeals)-LTU |
| The Karnataka Sales Tax Act, 1957 | VAT demand on Computer purchase | 1 | 0* | Upto July'2004 | Assistant Commissioner of Commercial Taxes (Recovery) |
| Employees Provident Fund and Miscellaneous Provisions Act, 1952 | Provident Fund | 250 | 250 | November'2008 to June'2016 | Regional Provident Fund Commissioner |
| Income Tax Act, 1961 | Income Tax | 338 | 19 | AY 2008-09 & AY 2009-10 | Honorable High Court |
| | | 33 | 28 | AY 2007-08 | Income Tax Appellate Tribunal |
| | | 325 | 90 | AY 2002-03 to AY 2004-05 | Commissioner of Income Tax (Appeals) |
| | | 10 | 3 | AY 2008-09 | |
| | | 4 | 2 | AY 2017-18 and AY 2018-19 | |
| | | 2 | 2 | AY 2019-20 | |
| | | 324 | 324 | AY 2020-21 | |
| | | 1,578 | 1,578 | AY 2021-22 | |
| | | 4,399 | 4,399 | AY 2022-23 | |
| | | 68 | - | AY 2006-07 and AY 2007-08 | Assessing Officer |
| | Penalty u/s 271 (1) (c) | 131 | 131 | AY 2007-08 (Penalty Order) | Commissioner (Appeals) |
| | Disallowance of exemption under section 10A | - | 84 | AY 2009-10 | High Court |
| | | 577 | 0* | AY 2011-12 | ITAT |
| | Disputes regarding non deduction of WHT u/s 195 | 1 | 1 | AY 2018-19 | Commissioner (Appeals) |
| | Disallowance of expense under section 40(a)(i) | 5 | 5 | AY 2018-19 | Commissioner (Appeals) |
| | Disallowance of exemption under section 10AA | 304 | 304 | AY 2020-21 | Commissioner (Appeals) |
| | TP Disallowance and Dispute regarding wrong calculation of interest | 4 | - | AY 2021-22 | Assessing Officer |
| | Disputes regarding exclusion of interest income from section 10A calculation, addition of notional interest and disallowance of FTC (ISRC) | 2 | 2 | AY 2009-10 | Assessing Officer (Asst. Commissioner of Income Tax) |
| | Disputes regarding calculation of notional interest on transactions with related party and disallowance of FTC (ISRC) | 1 | 1 | AY 2011-12 | Commissioner (Appeals) |

*Denotes amount less than ₹ 1 Million

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the Internal Audit reports issued till date for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses (xvi)(a), (b) and (c) of the Order is not applicable

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to Section 135 (5) of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects as at the end of the previous financial year, the Company has transferred unspent CSR amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Companies Act, 2013.

In respect of ongoing projects as at the end of the current financial year, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year, to a Special Account, within a period of 30 days from the end of the current financial year, in compliance with the provision of section 135 (6) of the Companies Act, 2013.

For **Deloitte Haskins & Sells Chartered Accountants LLP**
Chartered Accountants
(Firm's Registration No. 117364W/W-100739)

**Gurvinder Singh**
(Partner)
(Membership No. 110128)
UDIN: 25110128BMHZTI6151

Place: Mumbai
Date: April 23, 2025

# Standalone Balance Sheet

As at March 31, 2025

(₹ in Million unless otherwise stated)

| Particulars | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (a) Property, plant and equipment | 3 | 19,084 | 16,248 |
| (b) Right-of-use assets | 40 | 19,372 | 18,199 |
| (c) Capital work-in-progress | 3 | 5,632 | 4,642 |
| (d) Goodwill | 4 | 6,286 | 6,286 |
| (e) Other Intangible assets | 3 | 866 | 1,463 |
| (f) Intangible assets under development | 3 | - | 127 |
| (g) Financial Assets | | | |
| (i) Investments | 5 | 29,827 | 24,499 |
| (ii) Trade Receivables | 6 | - | 66 |
| (iii) Other financial assets | 7 | 4,202 | 4,528 |
| (h) Deferred tax assets (net) | 8 | 2,018 | 2,014 |
| (i) Income tax assets (net) | | 2,886 | 2,881 |
| (j) Other non-current assets | 9 | 2,781 | 1,808 |
| **Total Non-Current Assets** | | **92,954** | **82,761** |
| **Current assets** | | | |
| (a) Inventories | 10 | 28 | 30 |
| (b) Financial assets | | | |
| (i) Investments | 11 | 73,740 | 67,534 |
| (ii) Trade receivables | 12 | 56,718 | 53,721 |
| (iii) Unbilled revenue | 13 | 17,329 | 12,902 |
| (iv) Cash and cash equivalents | 14 | 14,451 | 15,947 |
| (v) Other bank balances | 15 | 15,196 | 9,960 |
| (vi) Loans | 16 | 351 | 456 |
| (vii) Other financial assets | 17 | 2,710 | 2,628 |
| (c) Income tax assets (net) | | 74 | 249 |
| (d) Other current assets | 18 | 18,616 | 18,389 |
| **Total Current Assets** | | **199,213** | **181,816** |
| **TOTAL ASSETS** | | **292,167** | **264,577** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity share capital | 19 | 296 | 296 |
| (b) Other equity | 20 | 218,045 | 192,689 |
| **Total Equity** | | **218,341** | **192,985** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Lease liabilities | 40 | 17,700 | 16,425 |
| (ii) Other financial liabilities | 21 | 554 | 318 |
| (b) Provisions | 22 | 197 | 157 |
| **Total Non-Current Liabilities** | | **18,451** | **16,900** |
| **Current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Lease liabilities | 40 | 3,244 | 2,894 |
| (ii) Trade payables | | | |
| Due to micro & small enterprises | 23 | 295 | 118 |
| Due to creditors other than micro & small enterprises | 23 | 14,858 | 14,927 |
| (iii) Other financial liabilities | 24 | 12,570 | 14,371 |
| (b) Other current liabilities | 25 | 14,676 | 13,105 |
| (c) Provisions | 26 | 9,066 | 7,954 |
| (d) Income tax liabilities (net) | | 666 | 1,323 |
| **Total Current Liabilities** | | **55,375** | **54,692** |
| **TOTAL LIABILITIES** | | **73,826** | **71,592** |
| **TOTAL EQUITY AND LIABILITIES** | | **292,167** | **264,577** |
| **Material accounting policies** | 2.2 | | |
| **Other notes to accounts** | 35 - 53 | | |

As per our report attached

For **Deloitte Haskins & Sells Chartered Accountants LLP**
Chartered Accountants
Firm's Registration No.: 117364W/W-100739

**Gurvinder Singh**
Partner
Membership No.: 110128
Mumbai
April 23, 2025

**For and on behalf of the Board of Directors of LTIMindtree Limited**

**Debashis Chatterjee**
Chief Executive Officer
& Managing Director
(DIN: 00823966)
Mumbai

**Nachiket Deshpande**
Whole-time Director

(DIN: 08385028)
Mumbai

**Vipul Chandra**
Chief Financial Officer

Mumbai
April 23, 2025

**Angna Arora**
Company Secretary
& Compliance Officer
Mumbai

# Standalone Statement of Profit and Loss

For the year ended March 31, 2025

(₹ in Million)

| Particulars | Note No. | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| Revenue from operations | 27 | 366,825 | 342,534 |
| Other income | 28 | 9,738 | 7,099 |
| **Total income** | | **376,563** | **349,633** |
| **Expenses** | | | |
| Employee benefits expense | 29 | 225,961 | 210,490 |
| Sub-contracting expenses | | 36,271 | 32,349 |
| Finance costs | 30 | 2,707 | 2,071 |
| Depreciation and amortization expense | 31 | 9,043 | 7,604 |
| Other expenses | 32 | 42,894 | 38,325 |
| **Total Expenses** | | **316,876** | **290,839** |
| **Profit before tax** | | **59,687** | **58,794** |
| Tax expense | | | |
| Current tax | 33 (I) | 15,057 | 13,917 |
| Deferred tax | 33 (II) | 165 | 18 |
| | | **15,222** | **13,935** |
| **NET PROFIT AFTER TAX** | | **44,465** | **44,859** |
| **OTHER COMPREHENSIVE INCOME/(LOSS)** | 34 | | |
| Items that will not be reclassified to Profit or Loss (net of tax) | | 16 | 223 |
| Items that will be reclassified to Profit or Loss (net of tax) | | (502) | 4,626 |
| **Total Other Comprehensive Income/(Loss)** | | **(486)** | **4,849** |
| **TOTAL COMPREHENSIVE INCOME** | | **43,979** | **49,708** |
| Basic earning per equity share (₹) | 42 | 150.15 | 151.60 |
| Diluted earning per equity share (₹) | 42 | 149.87 | 151.24 |
| **Material accounting policies** | 2.2 | | |
| **Other notes to accounts** | 35 - 53 | | |

As per our report attached

For **Deloitte Haskins & Sells Chartered Accountants LLP**
Chartered Accountants
Firm's Registration No.: 117364W/W-100739

**Gurvinder Singh**
Partner
Membership No.: 110128
Mumbai
April 23, 2025

**For and on behalf of the Board of Directors of LTIMindtree Limited**

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Chief Executive Officer
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(DIN: 00823966)
Mumbai

**Nachiket Deshpande**
Whole-time Director
(DIN: 08385028)
Mumbai

**Vipul Chandra**
Chief Financial Officer
Mumbai
April 23, 2025

**Angna Arora**
Company Secretary
& Compliance Officer
Mumbai

# Standalone Statement of Cash Flows

For the year ended March 31, 2025

(₹ in Million)

| | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | **Net profit after tax** | **44,465** | **44,859** |
| | **Adjustments to reconcile net profit to net cash provided by operating activities:** | | |
| | Depreciation and amortization expense | 9,043 | 7,604 |
| | Income tax expense | 15,222 | 13,935 |
| | Expense recognized in respect of equity settled stock option | 588 | 1,244 |
| | Income from investments | (4,918) | (3,140) |
| | Interest income | (3,383) | (2,964) |
| | Finance costs | 2,707 | 2,071 |
| | Allowance for expected credit loss | 78 | 726 |
| | Unrealized foreign exchange (gain)/loss (net) | (283) | 191 |
| | Gain on liquidation of Subsidiaries | (65) | (9) |
| | Gain from modifications in leases | (56) | (513) |
| | Net gain on sale of property, plant and equipment | (91) | (71) |
| | **Operating profit before working capital changes** | **63,307** | **63,933** |
| | **Changes in working capital** | | |
| | Decrease in inventories | 2 | 3 |
| | (Increase)/decrease in trade receivables and unbilled revenue | (5,228) | 5,252 |
| | Increase in other assets | (3,735) | (3,285) |
| | Increase in trade payables and other liabilities | 1,600 | 4,530 |
| | **(Increase)/decrease in working capital** | **(7,361)** | **6,500** |
| | **Cash generated from operations** | **55,946** | **70,433** |
| | Income taxes paid (net) | (15,549) | (15,137) |
| | **Net cash generated from operating activities** | **40,397** | **55,296** |
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Purchase of property, plant and equipment | (8,685) | (7,961) |
| | Sale of property, plant and equipment | 169 | 102 |
| | Purchase of investments | (280,374) | (319,970) |
| | Sale of investments | 269,399 | 286,665 |
| | Loan repaid by subsidiary | 118 | 350 |
| | Liquidation proceeds from subsidiaries | 65 | 26 |
| | Investment in subsidiaries and joint venture | (1,039) | - |
| | Payment towards contingent consideration pertaining to acquisition of business | (75) | (59) |
| | Interest received | 3,542 | 2,522 |
| | **Net cash used in investing activities** | **(16,880)** | **(38,325)** |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Proceeds from issue of Share Capital | 35 | 12 |
| | Deposit under credit support agreement (paid)/received | (345) | 586 |
| | Payment towards lease liabilities (net) | (2,969) | (2,427) |
| | Interest paid on lease liabilities | (1,653) | (1,235) |
| | Interest paid | (970) | (809) |
| | Dividends paid | (19,246) | (17,753) |
| | **Net cash used in financing activities** | **(25,148)** | **(21,626)** |
| **D.** | **Net decrease in cash and cash equivalents (A+B+C)** | **(1,631)** | **(4,655)** |
| **E.** | **Cash and cash equivalents at the beginning of the year** | **15,947** | **20,618** |
| F. | Effect of exchange differences on translation of foreign currency cash and cash equivalents | 135 | (16) |
| **G.** | **Cash and cash equivalents at the end of the year (D+E+F)** | **14,451** | **15,947** |
| H. | Book overdraft used for cash management purpose | - | 0 |
| **I.** | **Cash and cash equivalents as per Standalone Balance Sheet (G+H) (Refer Note 14)** | **14,451** | **15,947** |

As per our report attached

For **Deloitte Haskins & Sells Chartered Accountants LLP**
Chartered Accountants
Firm's Registration No.: 117364W/W-100739

**Gurvinder Singh**
Partner
Membership No.: 110128
Mumbai
April 23, 2025

**For and on behalf of the Board of Directors of LTIMindtree Limited**

**Debashis Chatterjee**
Chief Executive Officer
& Managing Director
(DIN: 00823966)
Mumbai

**Nachiket Deshpande**
Whole-time Director
(DIN: 08385028)
Mumbai

**Vipul Chandra**
Chief Financial Officer
Mumbai
April 23, 2025

**Angna Arora**
Company Secretary
& Compliance Officer
Mumbai

# Statement of Changes in Equity
For the year ended March 31, 2025

## A. EQUITY SHARE CAPITAL

(₹ in Million)

| Balance as on April 1, 2024 | Shares issued on exercise of stock options and restricted shares during the year | Balance as on March 31, 2025 |
|---|---|---|
| 296 | 0 | 296 |

(₹ in Million)

| Balance as on April 1, 2023 | Shares issued on exercise of stock options and restricted shares during the year | Balance as on March 31, 2024 |
|---|---|---|
| 296 | 0 | 296 |

## B. OTHER EQUITY

(₹ in Million)

| Particulars | Share application money pending allotment | Reserves and Surplus | | | | | | | Other Components of Equity | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Capital Reserve | Capital redemption reserve | Securities Premium | General Reserve | Employee Stock option outstanding | Deferred Employee Compensation Expense | Retained Earnings | Effective portion of Cash Flow Hedges | Foreign Currency Translation Reserve (FCTR) | Other items of Other Comprehensive Income (OCI) | |
| **Balance as on April 1, 2024** | 1 | 1,469 | 42 | 4,610 | 3,740 | 3,433 | (1,285) | 178,422 | 2,739 | (416) | (66) | 192,689 |
| Net Profit for the year | - | - | - | - | - | - | - | 44,465 | - | - | - | 44,465 |
| Other Comprehensive Income | - | - | - | - | - | - | - | - | (502) | - | 16 | (486) |
| Dividends | - | - | - | - | - | - | - | (19,246) | - | - | - | (19,246) |
| Issue of new grants | - | - | - | - | - | 460 | (460) | - | - | - | - | - |
| Transfer on account of exercise of stock options | - | - | - | 1,118 | - | (1,118) | - | - | - | - | - | - |
| Transfer on account of vested stock options lapsed during the year | - | - | - | - | 11 | (11) | - | - | - | - | - | - |
| Transfer on account of unvested stock options lapsed during the year | - | - | - | - | - | (427) | 427 | - | - | - | - | - |
| Employee stock compensation expense | - | - | - | - | - | - | 588 | - | - | - | - | 588 |
| Proceeds from exercise of stock options | - | - | - | 35 | - | - | - | - | - | - | - | 35 |
| Others | 0 | - | - | - | - | - | - | - | - | - | - | 0 |
| **Balance as on March 31, 2025** | **1** | **1,469** | **42** | **5,763** | **3,751** | **2,337** | **(730)** | **203,641** | **2,237** | **(416)** | **(50)** | **218,045** |

# Statement of Changes in Equity

For the year ended March 31, 2025

(₹ in Million)

| Particulars | Share application on money pending allotment | Reserves and Surplus | | | | | | | Other Components of Equity | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Capital Reserve | Capital redemption reserve | Securities Premium | General Reserve | Employee Stock option outstanding | Deferred Employee Compensation Expense | Retained Earnings | Effective portion of Cash Flow Hedges | Foreign Currency Translation Reserve (FCTR) | Other items of Other Comprehensive Income (OCI) | |
| **Balance as on April 1, 2023** | 0 | 1,469 | 42 | 3,991 | 3,715 | 4,839 | (3,306) | 150,966 | (1,887) | (416) | 61 | 159,474 |
| Net Profit for the year | - | - | - | - | - | - | - | 44,859 | - | - | - | 44,859 |
| Other Comprehensive Income | - | - | - | - | - | - | - | - | 4,626 | - | 223 | 4,849 |
| Dividends | - | - | - | - | - | - | - | (17,753) | - | - | - | (17,753) |
| Issue of new grants | - | - | - | - | - | 153 | (153) | - | - | - | - | - |
| Transfer on account of exercise of stock options | - | - | - | 607 | - | (607) | - | - | - | - | - | - |
| Transfer on account of vested stock options lapsed during the year | - | - | - | - | 25 | (25) | - | - | - | - | - | - |
| Transfer on account of unvested stock options lapsed during the year | - | - | - | - | - | (930) | 930 | - | - | - | - | - |
| Employee stock compensation expense | - | - | - | - | - | - | 1,244 | - | - | - | - | 1,244 |
| Proceeds from exercise of stock options | - | - | - | 12 | - | - | - | - | - | - | - | 12 |
| Others | 1 | - | - | - | - | 3 | - | 350 | - | - | (350) | 4 |
| **Balance as on March 31, 2024** | **1** | **1,469** | **42** | **4,610** | **3,740** | **3,433** | **(1,285)** | **178,422** | **2,739** | **(416)** | **(66)** | **192,689** |

As per our report attached

For **Deloitte Haskins & Sells Chartered Accountants LLP**
Chartered Accountants
Firm's Registration No.: 117364W/W-100739

**Gurvinder Singh**
Partner
Membership No.: 110128
Mumbai
April 23, 2025

**For and on behalf of the Board of Directors of LTIMindtree Limited**

**Debashis Chatterjee**
Chief Executive Officer
& Managing Director
(DIN: 00823966)
Mumbai

**Nachiket Deshpande**
Whole-time Director

(DIN: 08385028)
Mumbai

**Vipul Chandra**
Chief Financial Officer

Mumbai
April 23, 2025

**Angna Arora**
Company Secretary
& Compliance Officer
Mumbai

# Notes forming part of Standalone Financial Statements

## 1. Company overview

LTIMindtree Limited ('the Company') offers extensive range of IT services like agile, analytics and information management, application development, maintenance and outsourcing, enterprise solutions, infrastructure management services, testing, digital solutions, and platform-based solutions to the clients in diverse industries.

The Company is a public limited company incorporated and domiciled in India and has its registered office at L&T House, Ballard Estate, Mumbai – 400 001, Maharashtra, India. The Company's equity shares are listed on the National Stock Exchange of India Limited and BSE Limited in India.

## 2.1 Preparation and Presentation of Financial Statements

### a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act"). The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

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.

Amounts in the financial statements are presented in Indian Rupees in millions [10 lakhs = 1 million] as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

### b) Presentation of financial statements

The financial statements (including balance sheet, statement of profit and loss and the statement of changes in equity) are prepared and presented in the accordance with the format prescribed in Division II of Schedule III to the Companies Act, 2013, as amended from time to time. The statement of cash flows has been prepared using the indirect method. The disclosure requirements with respect to items in the balance sheet and statement of profit and loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

### c) Operating cycle for current and non-current classification

The Company identifies asset/liabilities as current if the same are receivable/payable within twelve months else the same are considered as non-current

### d) Use of Estimates and Judgments

Preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management of the Company to make estimates and assumptions that affect the income and expense reported for the period and assets, liabilities and disclosures reported as of the date of the financial statements. Examples of such estimates include useful lives of tangible and intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, considering the extension period for determination of lease term, etc. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and by giving prospective impact in the standalone financial statements.

## 2.2 Material Accounting Policies

### a) Revenue from Contracts with Customers

Revenue from customer contracts are considered for recognition and measurement when the contract is legally enforceable. Revenue is recognized upon transfer of control of promised services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). Revenue is measured based on the transaction price as per the contract with a customer net of variable consideration on account of volume discounts, rebates and other similar allowances. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation.

The Company allocates the transaction price (net of variable consideration) to separately identifiable performance obligations based on their relative standalone selling price or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

Revenue from contracts priced on time and material basis is recognized when services are rendered, and the related costs are incurred.

Revenue related to fixed price maintenance and support services contracts where the Company provides services is recognised based on time elapsed mode and revenue is pro rated over the period for which service is performed or milestone defined.

Revenue from services performed on fixed-price basis is recognized using the input method as defined in Ind AS-115 - Revenue from Contracts with customers. The Company uses cost expended to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable.

When total cost estimates exceed revenue in arrangement, the estimated losses are recognized in the statement of profit and loss in the year in which such losses become probable based on the current contract estimates.

Revenue from sale of licenses/hardware, where the customer obtains a "right-to-use" the licenses/hardware is recognized at the point in time when the related license / hardware is made available to the customer. Revenue from licenses/hardware where the customer obtains a "right to access" is recognized over the access period. For allocating the transaction price to sale of licenses/hardware and related implementation and maintenance services, the Company measures the revenue in respect of each performance obligation of a contract as its relative standalone selling price. In case, where the licenses are required to be substantially customized as part of implementation service, the entire arrangement fee is considered as single performance obligation and revenue is recognized as per input method.

Revenue for supply of third party products or services are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

The Company accounts for variable considerations like, volume discounts, rebates, pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The Company accrues the estimated cost of post contract support services at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. Contract modifications involving services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively as a separate contract.

Unbilled revenues' (contract asset) represent revenue earned in excess of billings as at the end of the reporting year. Where right to consideration is unconditional upon passage of time is classified as a financial asset however, for fixed price development contracts, where milestone is not due as per contract terms as on date of reporting, the same is classified as non-financial asset.

Unearned & deferred revenue' (contract liabilities) represent billing in excess of revenue recognized.

### Deferred contract costs of:

**i)** Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.

**ii)** Fulfillment cost specifically relating 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 customer to which the asset relates.

### Use of significant Judgments in 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 costs expended to date as a proportion of the total costs to be expended. 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 to be allocated to performance obligations.

Provision for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become probable based on the expected contract estimates at the reporting date.

## b) Other income

Other Income comprises primarily of interest income, dividend income, gain/loss on investment and foreign exchange gain/loss.

I) Interest income is recognized using effective interest method.

II) Dividend income is accounted in the year in which the right to receive the same is established.

## c) Employee benefits

### I) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, and short-term compensated absences and performance incentives are recognized in the year in which the employee renders the related service.

## d) Post-employment benefits

### i) Defined contribution plan:

The Company's superannuation fund and pension scheme are classified as defined contribution plans. The contribution paid payable under the schemes is recognized during the year in which the employee renders the related service.

### ii) Defined benefit plans:

The provident fund scheme managed by trust, employee's gratuity fund scheme managed by insurers and post-retirement medical benefit scheme are the Company's defined benefit plans. Wherever applicable, the present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash-flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses through re-measurement of the defined benefit liability/ (asset) are recognized in other comprehensive income. The actual return of portfolio of plan assets, in excess of yields computed by applying the discount rate used to measure the defined benefit obligation are recognized in Other Comprehensive Income. Remeasurements comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to statement of profit and loss in subsequent years.

The effect of any plan amendment is recognized in statement of profit and loss.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost resulting from a plan amendment or curtailment are recognized immediately in the statement of profit and loss.

#### iii) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

#### iv) Long-term employee benefits

The obligation for long-term employee benefits like long-term compensation absences is recognized as determined by actuarial valuation performed by independent actuary at each balance sheet date using Projected Unit Credit Method on the additional amount expected to be paid/ availed as a result of unused entitlement that has accumulated at balance sheet date. Actuarial gains and losses are recognized immediately in statement of profit and loss.

#### v) Social security plans

Employer's contribution payable with respect to the social security plans, which are defined contribution plans, is charged to the statement of profit and loss in the year in which employee renders the services.

The Code on Social Security, 2020 has been enacted by the Indian Parliament, which would impact the contributions by the Company towards Provident Fund and Gratuity. The Code has been published in the Gazette of India. The effective date from which the changes will be applicable and the corresponding Rules, are yet to be notified. The effective date from which the changes will be applicable and the corresponding Rules, are yet to be notified. The Company will complete its evaluation and will give appropriate impact in the year in which, the Code and the corresponding Rules become effective.

### e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost includes expenditure directly attributable to the acquisition or construction of the asset and cost incurred for bringing the asset to its present location and condition.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure 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 disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP) respectively.

### f) Intangible assets

Intangible assets are stated at cost, less accumulated, amortization and impairment. Goodwill represents the cost of acquired businesses in excess of the fair value of net identifiable assets acquired.

## g) Impairment

### I) Impairment of trade receivables, unbilled receivables and lease receivables

The Company assesses at each date of balance sheet whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company’s historically observed default rates over the expected life of trade receivables and unbilled receivables. ECL impairment loss allowance or reversal is recognized during the year as expense or income respectively in the statement of profit and loss.

### II) Impairment of intangible assets

#### i) Goodwill

Goodwill represents the cost of acquired businesses in excess of the fair value of net identifiable assets acquired. Goodwill is not amortized but is tested for impairment annually or immediately when events or changes in circumstances indicate that an impairment loss would have occurred. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU) or group of CGU’s expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.The carrying amount of the cash generating unit, including goodwill, is compared with its fair value. When the carrying amount of the cash generating unit exceeds its fair value, a goodwill impairment loss is recognized. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU prorata on the basis of the carrying amount of each asset in the CGU. Goodwill impairment losses are not reversed.

#### ii) Other intangible assets

At the end of each reporting year, the Company reviews the carrying amounts of intangible assets to determine if there is any indication of loss suffered. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. Recoverable amount is the higher of the value in use or fair value less cost to sell. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### III) Impairment of investments in subsidiaries

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal and its value-in-use (VIU). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

## h) Leases

### The Company as a lessee

The Company’s lease asset classes primarily consist of leases for land, office premises and furniture & fixtures. 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 throughout the period of the lease and (3) the company has the right to direct the use of the asset throughout the period of use.

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

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

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

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

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise the option.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates and a country-specific risk adjustment.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.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

### The Company as a lessor

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

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

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

## i) Depreciation

### I) Property plant and equipment

Depreciation on assets have been provided on straight-line basis as mentioned in below table except for the leasehold improvements which is depreciated over the lease period or life of asset, whichever is lower. Depreciation on additions and disposals are calculated on pro-rata basis from and to the month of additions and disposals.

| Particulars | Useful life |
|---|---|
| Buildings | Up to 30 years |
| Plant and machinery | Up to 10 years |
| Computers and IT peripherals | Up to 6 years |
| Office equipment | Up to 5 years |
| Furniture and fixtures | Up to 5 years |
| Vehicles | Up to 8 years |

### II) Intangible assets and amortization

The estimated useful life of an intangible asset is based on number of factors including the effects of obsolescence, demand, competition and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The basis of amortization of intangible assets on straight-line basis is as follows:

| Particulars | Useful life |
|---|---|
| Software | Up to 5 years |
| Technology | Up to 6 years |
| Intellectual property | Up to 5 years |
| Business alliance relationships | Up to 4 years |
| Customer relationships | Up to 10 Years |
| Non-compete agreement | Up to 5 years |
| Vendor relationships | Up to 6 years |
| Tradename | Up to 6 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

## j) Share based payments

In respect of stock options granted pursuant to the Company's stock options scheme, the excess of fair value of the share over the exercise price of the option is treated as discount and accounted as employee compensation cost over the vesting period. The amount recognized as expense each year is arrived at based on the number of grants expected to vest. If options granted lapse after the vesting period, the cumulative discount recognized as expense in respect of such options is transferred to the general reserve. If options granted lapse before the vesting period, the cumulative discount recognized as expense in respect of such options is transferred to the profit and loss.

## k) Functional and presentation currency

The functional and presentation currency of the Company is the Indian Rupee as it is the currency of the primary economic environment in which the Company operates.

## l) Foreign currency transactions and balances

Foreign currency transactions related to the Company and its branches are initially recorded at the rates prevailing on the date of the transaction. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Exchange gains and losses arising on settlement and restatement are recognized in the Statement of profit and loss. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

## m) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

### I) Initial measurement

Financial assets (excluding trade receivables) and liabilities are initially measured at fair value, i.e. transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Trade receivables that do not contain a significant financing component are measured at transaction price.

### II) Subsequent classification and measurement

#### i) Non-derivative financial assets

##### *A) Financial assets at amortized cost*

Financial assets are subsequently measured at amortized cost if:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

b) the contractual terms of financial assets give rise on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using effective interest method less impairment loss if any.

##### *B) Debt instruments at fair value through Other Comprehensive Income (FVTOCI)*

Debt instruments are subsequently measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling the financial asset. Company recognizes interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss. Interest earned is recognized under the effective interest rate (EIR) method.

##### *C) Equity instruments at FVTOCI*

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognized in OCI. On derecognition of the instrument the cumulative gain or loss is not reclassified to the statement of profit and loss, but will be transferred to retained earnings.

##### *D) Financial assets at fair value through profit and loss (FVTPL)*

Financial assets are measured at fair value through profit or loss unless they are measured at amortized cost or at fair value through Other Comprehensive Income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

#### ii) Non-derivative financial liability

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

**iii) Investment in subsidiaries and joint ventures**

Investment in Subsidiaries and joint ventures are carried at cost less impairment, if any in the Standalone Financial Statements. Dividend income from subsidiaries is recognized when its right to receive the dividend is established.

**iv) Derivative financial instrument**

The Company holds derivative financial instrument such as foreign exchange forward contracts and options contracts including a combination of purchased and written options to mitigate the risk of changes in exchange rates on foreign currency exposures and forecast transactions. The counterparty for these contracts is generally a bank.

The Company uses hedging instruments that are governed by the risk management policy which is approved by the board of directors. The policy provides written principles on the use of such derivative financial instruments. The Company designates such instruments as hedges and performs assessment of hedge effectiveness based on consideration of terms of the hedging instrument, the economic relationship between the hedging instrument and hedged item and the objective of the hedging.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in the statement of profit and loss.

***A) Cash flow hedges***

The Company designates certain derivative instruments as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.

When a derivative is designated as a Cash flow hedge instrument, the effective portion of changes in fair value of the derivative is recognized in Other Comprehensive Income and presented within equity as hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in Cash flow hedge reserve is transferred to the Statement of Profit and Loss upon the occurrence of related forecasted transaction.

***B) Fair value hedges***

Changes in the fair value of the derivative instruments designated as fair value hedges are recognized in statement of profit and loss.

### III) Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized from the Company's balance sheet where the obligation specified in the contract is discharged or cancelled or expired.

### IV) Offsetting

Financial assets and financial liabilities are offset and the net amounts are presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

## n) Taxes on income

Income tax expense comprises current and deferred income tax. Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Indian Income tax Act, 1961. Foreign branches recognize current tax /deferred tax liabilities and assets in accordance with the applicable local laws.

Income tax and deferred tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income, in which case income tax expense is recognized in Other Comprehensive Income. Current income tax for current and prior years is recognized at the amount expected to be paid to or recovered from the tax authorities.

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. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. 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 as on 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. Deferred income taxes are not provided on the undistributed earnings of branches where it is expected that the earnings of the branch will not be distributed in the foreseeable future.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is a right and an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### o) Borrowing costs

Borrowing costs include finance costs, commitment charges, interest expense on lease liabilities. Borrowing costs are recognized in the statement of profit and loss using the effective interest rate method.

### p) Cash & Cash Equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### q) Provisions, contingent liabilities, and contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if:

I) the Company has a present obligation as a result of a past event;

II) a probable outflow of resources is expected to settle the obligation; and

III) the amount of the obligation can be reliably estimated.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flow. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received and a reliable estimate can be made of the amount of the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent liability is disclosed in case of,

I) a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability; or

II) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are neither recognized nor disclosed.

Provisions, contingent liabilities, and contingent assets are reviewed at each balance sheet date.

### r) Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year, adjusted for treasury shares held and bonus elements in equity shares issued during the year.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### s) Statement of Cash flows

Statement of Cash flows is prepared segregating the cash flows from operating, investing and financing activities. Statement of Cash flows is reported using indirect method, whereby profit for the year is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

### t) Business Combination

Business combinations other than the common control transactions are accounted for applying the acquisition method. The purchase price is measured as the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of obtaining control. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. The contingent consideration is measured at fair value at each reporting date.

Transaction costs incurred in connection with a business acquisition are expensed as incurred. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognized in the statement of profit and loss.

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable tangible and intangible net assets purchased.

Business combinations through common control transactions are accounted on a pooling of interest method. No adjustments are made to reflect the fair values, or recognize any new assets or liabilities, except to harmonize accounting policies. The identity of the reserves are preserved and the reserves of the transferor becomes the reserves of the transferee. The difference between consideration paid and the net assets acquired, if any, is recorded under capital reserve / retained earnings, as applicable.

### u) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

## 3A. (I) PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Million)

| Particulars | Gross Carrying Value | | | | Accumulated depreciation/amortization | | | | Net Carrying Value |
|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2024 | Additions | Disposals | As at March 31, 2025 | As at April 1, 2024 | Charge for the year | Disposals | As at March 31, 2025 | As at March 31, 2025 |
| **Property, Plant and Equipment** | | | | | | | | | |
| Freehold Land | 33 | - | - | 33 | - | - | - | - | 33 |
| Buildings | 8,771 | 40 | (217) | 8,594 | 2,022 | 358 | (217) | 2,163 | 6,431 |
| Leasehold improvements | 4,126 | 1,208 | (653) | 4,681 | 3,118 | 455 | (645) | 2,928 | 1,753 |
| Plant and machinery | 4,248 | 1,602 | (436) | 5,414 | 2,196 | 608 | (420) | 2,384 | 3,030 |
| Computers and IT peripherals | 13,467 | 2,467 | (1,137) | 14,797 | 8,768 | 2,101 | (1,107) | 9,762 | 5,035 |
| Office equipments | 2,590 | 873 | (353) | 3,110 | 1,936 | 301 | (348) | 1,889 | 1,221 |
| Furniture and fixtures | 2,672 | 956 | (420) | 3,208 | 1,681 | 406 | (411) | 1,676 | 1,532 |
| Vehicles | 173 | 12 | (38) | 147 | 111 | 15 | (28) | 98 | 49 |
| **Total Property, Plant and Equipment** | **36,080** | **7,158** | **(3,254)** | **39,984** | **19,832** | **4,244** | **(3,176)** | **20,900** | **19,084** |
| **Capital work-in-progress** | | | | | | | | | **5,632** |
| **Intangible assets** | | | | | | | | | |
| Software | 6,474 | 458 | (555) | 6,377 | 5,059 | 1,030 | (555) | 5,534 | 843 |
| Technology | 325 | - | - | 325 | 291 | 11 | - | 302 | 23 |
| Intellectual Property | 67 | - | - | 67 | 67 | - | - | 67 | - |
| Business alliance relationship | 72 | - | - | 72 | 72 | - | - | 72 | - |
| Customer relationships | 1,495 | - | - | 1,495 | 1,481 | 14 | - | 1,495 | - |
| Non Compete agreement | 57 | - | - | 57 | 57 | - | - | 57 | - |
| Vendor relationships | 746 | - | - | 746 | 746 | - | - | 746 | - |
| Tradename | 305 | - | - | 305 | 305 | - | - | 305 | - |
| **Total intangible assets** | **9,541** | **458** | **(555)** | **9,444** | **8,078** | **1,055** | **(555)** | **8,578** | **866** |

The aggregate amount of research and development expense recognized in the statement of profit and loss for the year ended March 31, 2025 is ₹ 631.

### (II) Capital Work-in-progress (CWIP) ageing schedule as at March 31, 2025

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in Progress | 3,550 | 2,066 | 16 | - | 5,632 |
| | 3,550 | 2,066 | 16 | - | 5,632 |

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on latest approved plan.

### (III) The balance useful life of intangible assets as at March 31, 2025 is as follows:

| Particulars | Estimated useful life (in years) | Estimated remaining useful life (in years) |
|---|---|---|
| Software | Up to 5 | 0.03 - 3.63 |
| Technology | Up to 6 | 2.25 |

## 3B. (I) PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Million)

| Particulars | Gross Carrying Value | | | | Accumulated depreciation/amortization | | | | Net Carrying Value |
|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2023 | Additions | Disposals | As at March 31, 2024 | As at April 1, 2023 | Charge for the year | Disposals | As at March 31, 2024 | As at March 31, 2024 |
| **Property, Plant and Equipment** | | | | | | | | | |
| Freehold land | 33 | - | - | 33 | - | - | - | - | 33 |
| Buildings | 3,039 | 5,732 | - | 8,771 | 1,689 | 333 | - | 2,022 | 6,749 |
| Leasehold improvements | 3,953 | 449 | (276) | 4,126 | 2,968 | 423 | (273) | 3,118 | 1,008 |
| Plant and machinery | 2,624 | 1,746 | (122) | 4,248 | 1,923 | 391 | (118) | 2,196 | 2,052 |
| Computers and IT peripherals | 13,215 | 1,226 | (974) | 13,467 | 7,843 | 1,890 | (965) | 8,768 | 4,699 |
| Office equipments | 2,387 | 386 | (183) | 2,590 | 1,898 | 217 | (179) | 1,936 | 654 |
| Furniture and fixtures | 1,778 | 927 | (33) | 2,672 | 1,359 | 353 | (31) | 1,681 | 991 |
| Vehicles | 205 | 17 | (49) | 173 | 132 | 19 | (40) | 111 | 62 |
| **Total Property, Plant and Equipment** | **27,234** | **10,483** | **(1,637)** | **36,080** | **17,812** | **3,626** | **(1,606)** | **19,832** | **16,248** |
| **Capital work-in-progress** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **4,642** |
| **Intangible assets** | | | | | | | | | |
| Software | 5,338 | 1,136 | (0) | 6,474 | 3,916 | 1,143 | (0) | 5,059 | 1,415 |
| Technology | 325 | - | - | 325 | 280 | 11 | - | 291 | 34 |
| Intellectual property | 67 | - | - | 67 | 67 | - | - | 67 | - |
| Business alliance relationship | 72 | - | - | 72 | 72 | - | - | 72 | - |
| Customer relationships | 1,495 | - | - | 1,495 | 1,426 | 55 | - | 1,481 | 14 |
| Non-compete agreement | 57 | - | - | 57 | 57 | - | - | 57 | - |
| Vendor relationships | 746 | - | - | 746 | 746 | - | - | 746 | - |
| Tradename | 305 | - | - | 305 | 305 | - | - | 305 | - |
| **Total intangible assets** | **8,405** | **1,136** | **(0)** | **9,541** | **6,869** | **1,209** | **(0)** | **8,078** | **1,463** |
| **Intangible assets under development** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **127** |

The aggregate amount of research and development expense recognized in the statement of profit and loss for the year ended March 31, 2024 is ₹ 158.

### (II) Capital Work-in-progress (CWIP) ageing schedule as at March 31, 2024

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in Progress | 4,626 | 16 | - | - | 4,642 |
| | **4,626** | **16** | **-** | **-** | **4,642** |

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on latest approved plan.

### (III) Intangible assets under development (IAUD) ageing schedule as at March 31, 2024

| Particulars | Amount in IAUD for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in Progress | 121 | 1 | 4 | 1 | 127 |
| | **121** | **1** | **4** | **1** | **127** |

### (IV) The balance useful life of intangible assets as on the respective balance sheet dates is as follows:

| Particulars | Estimated useful life (in years) | Estimated remaining useful life (in years) |
|---|---|---|
| Software | Up to 5 | 0.13 - 2.97 |
| Technology | Up to 6 | 3 |
| Customer relationships | Up to 10 | 0.25 |

## 4. GOODWILL

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Carrying value at the beginning of the year | **6,286** | 6,290 |
| Less: Adjustments on account of liquidation of Cuelogic Technologies Inc. | **-** | (4) |
| **Carrying value at the end of the year** | **6,286** | **6,286** |

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

The recoverable amount of a CGU is determined based on value-in-use. Value-in-use is present value of future cash flows expected to be derived from the CGU. The growth rate for forecast period of 5 years is based on historical trend and an appropriate annual growth rate of 2% is considered for periods subsequent to the forecast period. The pre-tax discount rate ranges from 16.7% to 17.7% based on Weighted Average Cost of Capital for the Company.

The Company does its impairment evaluation on an annual basis and based on such evaluation the estimated recoverable amount of the CGU exceeded its carrying amount, hence impairment is not triggered as at reporting date. The Company has performed sensitivity analysis for all key assumptions, including the cash flow projections and is unlikely to cause the carrying amount of the CGU exceed its estimated recoverable amount. These estimates are likely to differ from future actual results of operations and cash flows.

## 5. NON-CURRENT INVESTMENTS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **Investment in subsidiaries:** | | |
| **Equity Shares (Unquoted):** | | |
| 5 (As at March 31, 2024: 5) fully paid equity shares of EUR 25,000 each in LTIMindtree GmbH[1] | 4,409 | 3,404 |
| 100 (As at March 31, 2024: 100) fully paid equity shares of CAD 1 each in LTIMindtree Canada Ltd. | 7 | 7 |
| 400,000 (As at March 31, 2024: 400,000) equity shares at no par value in LTIMindtree Financial Services Technologies Inc. | 1,126 | 1,126 |
| 254,750 (As at March 31, 2024: 254,750) equity shares at no par value in LTIMindtree South Africa (Pty) Ltd. | 2 | 2 |
| 175,000 (As at March 31, 2024: 175,000) fully paid equity shares of USD 1 each in LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | 11 | 11 |
| 50,000 (As at March 31, 2024: 50,000) fully paid equity shares of EUR 1 each in LTIMindtree Spain SL. | 4 | 4 |
| 30,000 (As at March 31, 2024: 30,000) fully paid shares of NOK 1 each in LTIMindtree Norge AS | 0 | 0 |
| 92,893 (As at March 31, 2024: 92,893) equity shares at USD 1 each in LTIMindtree USA Inc. | 6 | 6 |
| 1,000 (As at March 31, 2024: 1,000) fully paid equity shares of GBP 1 each in LTIMindtree UK Limited | 0 | 0 |
| 1,860 (As at March 31, 2024: 1,860) shares of AED 1,000 each in LTIMindtree Middle East FZ-LLC | 37 | 37 |
| 1,950,000 (As at March 31, 2024: Nil) shares of BRL 1 each in LTIMindtree Consulting Brazil Ltda[2] | 28 | - |
| **Investment in Joint Venture:** | | |
| **Equity Shares (Unquoted):** | | |
| Investment in LTIM Aramco Digital Solutions for Information Technology Company[3] | 6 | - |
| **Other:** | | |
| Membership interest of MXN 2,970 (As at March 31, 2024: MXN 2,970) in LTIMindtree S.De. RL.De. C.V. | 0 | 0 |
| **Investments measured at Amortized Cost:** | | |
| **Quoted:** | | |
| Corporate Bonds/Debentures | 13,804 | 12,282 |
| Government Securities | 7,205 | 5,128 |
| **Unquoted:** | | |
| Treasury Notes Philippines Govt.[4] | 1 | - |
| Corporate Deposits | 2,624 | 1,935 |
| **Investments measured at FVTPL:** | | |
| **Quoted:** | | |
| Perpetual Bonds | 206 | 206 |
| **Investments measured at FVTOCI:** | | |
| **Unquoted** | | |
| Equity Instruments: | | |
| – 950,000 (As at March 31, 2024: 950,000) Equity shares of ₹ 1 each in NuvePro Technologies Private Limited | 1 | 1 |
| Preference Shares: | | |
| – 643,790 (As at March 31, 2024: 643,790) Series A Convertible Preferred Stock at US$ 0.0001 each fully paid at premium of US $ 0.2557 each in 30 Second Software Inc. | 7 | 7 |
| – 18,880 (As at March 31, 2024: 18,880) Series A Preferred stock at US$ 0.0001 each fully paid at premium of US $ 238.3474 each in COPE Healthcare Consulting Inc. | 343 | 343 |
| | **29,827** | **24,499** |

(₹ in Million)

| Particulars | | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **Other Disclosures:** | | | |
| (i) | Aggregate amount of quoted investments | **21,215** | 17,616 |
| | Market Value of quoted investments | **21,938** | 18,012 |
| (ii) | Aggregate amount of unquoted investments | **8,612** | 6,883 |

1. During the year ended March 31, 2025, the Company has made further capital infusion of ₹ 1,005
2. Incorporated w.e.f September 26, 2024.
3. During the year ended March 31, 2025, the Company has invested in LTIM Aramco Digital Solutions for Information Technology Company which was incorporated on November 22, 2024. Based on the shareholders agreement entered into on March 05, 2024, the Company invested the above amount towards 25,500 shares which are yet to be alloted as at March 31, 2025.
4. The Company has invested in Philippines Govt. Treasury notes and has deposited same with local Securities and Exchange Commission, as per Corporation Code of Philippines-126.
5. Impairment upto March 31, 2025 is ₹ Nil (Previous Year: ₹ Nil).

## 6. NON-CURRENT TRADE RECEIVABLES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Unsecured, undisputed & considered good and not due | **-** | 66 |
| Less: Allowance for expected credit loss | **-** | (0) |
| | **-** | **66** |

## 7. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Derivative financial instruments | **2,759** | 3,148 |
| Security deposits | **1,442** | 1,380 |
| Bank deposits with more than 12 months maturity | **1** | - |
| Lease receivables | **-** | 0 |
| | **4,202** | **4,528** |

## 8. DEFERRED TAX ASSETS/DEFERRED TAX LIABILITIES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Deferred tax asset (net) | **2,018** | 2,014 |
| | **2,018** | **2,014** |

## (I) Deferred tax assets/(liabilities)

(₹ in Million)

| Particulars | Deferred tax asset/(liability) as at April 1, 2024 | (Charge)/credit to statement of Profit & Loss | (Charge)/ credit to Other Comprehensive Income | Deferred Tax asset/(liability) as at March 31, 2025 |
|---|---|---|---|---|
| Deferred taxes on derivative instruments | (928) | (5) | 169 | (764) |
| Branch profit tax | (573) | - | - | (573) |
| Unrealized (gains) / losses on investments | (917) | (496) | - | (1,413) |
| Allowance for expected credit loss | 653 | (44) | - | 609 |
| Provision for employee benefits | 2,282 | 357 | - | 2,639 |
| Depreciation / amortization | 610 | (54) | - | 556 |
| Lease liabilities | 4,861 | 398 | - | 5,259 |
| Right-of-use assets | (4,354) | (261) | - | (4,615) |
| Others | 380 | (60) | - | 320 |
| **Deferred tax assets (net)** | **2,014** | **(165)** | **169** | **2,018** |

## (II) Deferred tax assets/(liabilities)

### (i) Deferred tax assets

(₹ in Million)

| Particulars | Deferred tax asset/(liability) as at April 1, 2023 | (Charge)/credit to statement of Profit & Loss | (Charge)/ credit to Other Comprehensive Income | Deferred Tax asset/(liability) as at March 31, 2024 |
|---|---|---|---|---|
| **Deferred tax assets/ (liabilities)** | | | | |
| Deferred taxes on derivative instruments | 629 | (1) | (1,556) | (928) |
| Branch profit tax | (404) | (169) | - | (573) |
| Unrealized (gains) / losses on investments | (536) | (381) | - | (917) |
| Allowance for expected credit loss | 470 | 183 | - | 653 |
| Provision for employee benefits | 1,638 | 644 | - | 2,282 |
| Depreciation / amortization | 789 | (179) | - | 610 |
| Lease liabilities | 3,321 | 1,540 | - | 4,861 |
| Right-of-use assets | (2,811) | (1,543) | - | (4,354) |
| Others | 518 | (138) | - | 380 |
| **Deferred tax assets (net) (A)** | **3,614** | **(44)** | **(1,556)** | **2,014** |

### (ii) Deferred tax liabilities

(₹ in Million)

| Particulars | Deferred tax asset/(liability) as at April 1, 2023 | (Charge)/credit to statement of Profit & Loss | (Charge)/ credit to Other Comprehensive Income | Deferred Tax asset/(liability) as at March 31, 2024 |
|---|---|---|---|---|
| Depreciation / amortization | (26) | 26 | - | - |
| **Deferred tax liabilities (B)** | **(26)** | **26** | **-** | **-** |
| **Net deferred tax assets/(liabilities) (A+B)** | **3,588** | **(18)** | **(1,556)** | **2,014** |

There are no accumulated losses as on March 31, 2025 and March 31, 2024.

## 9. OTHER NON-CURRENT ASSETS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Balances receivable from government authorities | 1,310 | 1,109 |
| Prepaid expenses | 581 | 177 |
| Capital advances | 350 | 210 |
| Deferred contract costs* | 540 | 312 |
| | **2,781** | **1,808** |

*Includes unamortized cost to obtain the contract ₹ Nil (As at march 31, 2024: ₹ Nil ) and unamortized cost to fulfil the contract ₹ 540 (As at March 31, 2024: ₹ 312)

## 10. INVENTORIES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Project-related inventories | 28 | 30 |
| | **28** | **30** |

## 11. CURRENT INVESTMENTS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **Investments measured at Amortized Cost:** | | |
| **Quoted:** | | |
| Corporate Bonds | 7,361 | 2,487 |
| Commercial Papers | 1,229 | 5,213 |
| Certificate of Deposits | 250 | 4,055 |
| Government Securities | 125 | 95 |
| **Unquoted:** | | |
| Corporate deposits | 5,167 | 4,210 |
| **Investments measured at FVTPL:** | | |
| **Quoted** | | |
| Mutual funds | 57,622 | 51,474 |
| InvITs | 1,986 | - |
| | **73,740** | **67,534** |
| **Other Disclosures:** | | |
| (i) Aggregate amount of quoted investments | 68,573 | 63,324 |
| Market Value of quoted investments | 68,151 | 62,951 |
| (ii) Aggregate amount of unquoted investments | 5,167 | 4,210 |

## 12. (i) CURRENT TRADE RECEIVABLES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Unsecured, considered good | 58,780 | 55,948 |
| Less: Allowance for expected credit loss | (2,062) | (2,227) |
| | **56,718** | **53,721** |

## (II) Allowance for expected credit loss movement:

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 2,227 | 1,561 |
| Additions during the year (net) | 87 | 768 |
| Uncollectable receivables charged against allowances (refer note 32) | (244) | (138) |
| Translation differences | (8) | 36 |
| **Balance at the end of the year** | **2,062** | **2,227** |

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.

## (III) Trade Receivables ageing schedule as at March 31, 2025

(₹ in Million)

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Undisputed Trade receivables — considered good | 41,467 | 9,356 | 3,690 | 2,635 | 105 | 853 | 58,106 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | 182 | - | - | 182 |
| (iv) Disputed Trade Receivables — considered good | - | - | - | - | 397 | 95 | 492 |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables — credit impaired | - | - | - | - | - | - | - |
| | **41,467** | **9,356** | **3,690** | **2,817** | **502** | **948** | **58,780** |
| Less: Allowance for expected credit loss | | | | | | | (2,062) |
| | | | | | | | **56,718** |

### (IV) Trade Receivables ageing schedule as at March 31, 2024

(₹ in Million)

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Undisputed Trade receivables — considered good | 37,982 | 12,651 | 2,453 | 1,148 | 645 | 333 | 55,212 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | 98 | 104 | - | - | - | 202 |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables — considered good | - | - | - | 439 | - | 95 | 534 |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables — credit impaired | - | - | - | - | - | - | - |
| | **37,982** | **12,749** | **2,557** | **1,587** | **645** | **428** | **55,948** |
| Less: Allowance for expected credit loss | | | | | | | (2,227) |
| | | | | | | | **53,721** |

## 13. UNBILLED REVENUE

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Unbilled revenue* | 17,329 | 12,902 |
| | **17,329** | **12,902** |

*Unbilled revenue has been classified as financial asset where the contractual right to consideration is unconditional upon passage of time.

## 14. CASH AND CASH EQUIVALENTS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Cash on hand | 0 | 0 |
| Balances with bank | | |
| - in current accounts | 14,265 | 15,505 |
| Remittance in transit | 186 | 367 |
| Other bank balances | - | 75 |
| | **14,451** | **15,947** |

## 15. OTHER BANK BALANCES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Bank deposits* | 15,117 | 9,960 |
| Earmarked balances with banks (unclaimed dividend) | 59 | - |
| Cash and bank balance not available for immediate use | 20 | - |
| | **15,196** | **9,960** |

*Bank deposits under lien ₹ 2,510 (As at March 31, 2024: ₹ Nil)

## 16. CURRENT LOANS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Advance to subsidiary* (refer note 43) | | |
| Unsecured, considered good | 351 | 456 |
| | **351** | **456** |

*Loans to subsidiary LTIMindtree Middle East FZ-LLC towards their working capital requirements

## 17. OTHER CURRENT FINANCIAL ASSETS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Derivative financial instruments | 1,173 | 1,038 |
| Advances to employees | 239 | 411 |
| Security deposits | 957 | 962 |
| Lease receivable | 0 | 19 |
| Others | 341 | 198 |
| | **2,710** | **2,628** |

## 18. OTHER CURRENT ASSETS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Unbilled revenue* (Refer Note 27) | 6,305 | 8,703 |
| Prepaid expenses | 7,050 | 6,530 |
| Balances receivable from government authorities | 3,975 | 1,727 |
| Advances recoverable other than in cash | 753 | 1,048 |
| Deferred contract costs# | 533 | 381 |
| | **18,616** | **18,389** |

*Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

#Includes unamortized cost to obtain the contract ₹ Nil (As at March 31, 2024: ₹ 2) and unamortized cost to fulfil the contract ₹ 533 (As at March 31, 2024: ₹ 379)

## 19. EQUITY SHARE CAPITAL

### I) Share capital authorised, issued, subscribed and fully paid up

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **Authorized:** | | |
| 8,290,000,000 equity shares of ₹ 1 each | 8,290 | 8,290 |
| (As at March 31, 2024: 8,290,000,000 of ₹ 1 each) | | |
| | **8,290** | **8,290** |
| **Issued, subscribed and fully paid-up:** | | |
| 296,272,921 equity shares for ₹ 1 each* | 296 | 296 |
| (As at March 31, 2024: 296,009,074 of ₹ 1 each)* | | |
| **Equity share capital** | **296** | **296** |

*Net of 12,621 (As at March 31, 2024: 154,295) treasury shares held by LTIMindtree Employee Welfare Trust (formerly Mindtree Employee Welfare Trust).

## II) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

## III) Shareholders holding more than 5% of equity shares at the end of the year

| Name of Shareholder | Number of Shares | Shareholding % |
|---|---|---|
| | As at March 31, 2025 | |
| Larsen & Toubro Limited (Promoter) | 203,169,279 | 68.58% |
| Life Insurance Corporation of India | 23,051,231 | 7.78% |
| | As at March 31, 2024 | |
| Larsen & Toubro Limited (Promoter) | 203,169,279 | 68.64% |
| Life Insurance Corporation of India | 14,906,665 | 5.04% |

## IV) Shareholding of promoters

| Name of Promoter | Number of Shares | Shareholding % | % Change during the year |
|---|---|---|---|
| | As at March 31, 2025 | | |
| Larsen & Toubro Limited | 203,169,279 | 68.58% | (-0.06%) |
| | As at March 31, 2024 | | |
| Larsen & Toubro Limited | 203,169,279 | 68.64% | (-0.04%) |

## V) Reconciliation of the number of equity shares and share capital outstanding at the beginning and at the end of the reporting year

(₹ in Million)

| Particulars | Number of shares | | Amount | |
|---|---|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2025 | As at March 31, 2024 |
| **Number of shares outstanding at the beginning of the year** | 296,009,074 | 295,806,721 | 296 | 296 |
| Add: Shares issued on exercise of employee stock options | 263,847 | 202,353 | 0 | 0 |
| **Number of shares outstanding at the end of the year** | **296,272,921** | **296,009,074** | **296** | **296** |

## VI) Stock option plans:

The Nomination and Remuneration Committee ('NRC') administers all stock option plans through a trust established specifically for this purpose, called the LTIMindtree Employee Welfare Trust (formerly Mindtree Employee Welfare Trust) ('ESOP Trust').

### (a) Employee Stock Option Scheme 2015 ('ESOP Scheme - 2015')

Shares under this program are granted to employees at an exercise price of not less than ₹ 1 per equity share or such higher price as determined by the Board but shall not exceed the market price as defined in the Regulations. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding five years from the date of the grant. These options are exercisable within 7 years from the date of grant.

Details of the outstanding options/units as at March 31, 2025 and March 31, 2024 are given below:

| Sr. No. | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| i. | Grant price | ₹ 1 | ₹ 1 |
| ii. | Grant dates | June 10, 2016 onwards | |
| iii. | Vesting commences on | June 10, 2017 onwards | |
| iv. | Options granted and outstanding at the beginning of the year | 641,976 | 927,942 |
| v. | Options granted during the year | 86,392 | 30,872 |
| vi. | Options allotted/exercised during the year | 216,630 | 156,666 |
| vii. | Options lapsed/cancelled during the year | 85,390 | 160,172 |
| viii. | Options granted & outstanding at the end of the year | 426,348 | 641,976 |
| ix. | Options vested at the end of the year out of (viii) | 88,956 | 132,537 |
| x. | Options unvested at the end of the year out of (viii) | 337,392 | 509,439 |
| xi. | Weighted average remaining contractual life of options (in years) | 4.9 | 5.3 |

## (b) Employee Restricted Stock Purchase Plan 2012 ('ERSP 2012')

Employee Restricted Stock Purchase Plan ('ERSP 2012') was instituted with effect from July 16, 2012 to issue equity shares of nominal value of ₹ 1 each. Shares under this program are granted to employees at an exercise price of not less than ₹ 10 per equity share or such higher price as determined by the Nomination and Remuneration Committee. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment. During the year ended March 31, 2024, the term of ERSP 2012 ended and there were no outstanding options under the said scheme.

| Sr. No. | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| i. | Grant price | ₹ 10 | ₹ 10 |
| ii. | Grant dates | July 24, 2019 onwards | |
| iii. | Vesting commences on | July 24, 2020 onwards | |
| iv. | Options granted under letter of intent and outstanding at the beginning of the year | - | 7,409 |
| v. | Options granted during the year | - | - |
| vi. | Options allotted/exercised during the year | - | 7,409 |
| vii. | Options lapsed/cancelled during the year | - | - |
| viii. | Options granted & outstanding at the end of the year | - | - |
| ix. | Options vested at the end of the year out of (viii) | - | - |
| x. | Options unvested at the end of the year out of (viii) | - | - |
| xi. | Weighted average remaining contractual life of options (in years) | - | - |

## (c) Employee Stock Option Plan 2021 ('ESOP 2021')

On May 22, 2021, the shareholders of the Company have approved the Employee Stock Option Plan 2021 ('ESOP 2021') for the issue of Up to 2,000,000 options (including the unutilized options under ERSP 2012) to employees of the Company.

The Nomination and Remuneration Committee ('NRC') shall determine the exercise price which will not be less than the face value of the shares. Options under this program are granted to employees at an exercise price periodically determined by the NRC. All stock options have a four-year vesting term. These options are exercisable within 6 years from the date of vesting.

Details of the outstanding options/units as at March 31, 2025 and March 31, 2024 are given below:

### (i) ESOP 2021 - Series A

| Sr. No. | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| i. | Grant price | ₹ 10 | ₹ 10 |
| ii. | Grant dates | August 9, 2021 onwards | |
| iii. | Vesting commences on | August 9, 2022 onwards | |
| iv. | Options granted & outstanding at the beginning of the year | 91,948 | 171,624 |
| v. | Options granted during the year | - | - |
| vi. | Options allotted/exercised during the year | 35,848 | 33,264 |
| vii. | Options lapsed/cancelled during the year | 9,587 | 46,412 |
| viii. | Options granted & outstanding at the end of the year | 46,513 | 91,948 |
| ix. | Options vested at the end of the year out of (viii) | 18,768 | 23,707 |
| x. | Options unvested at the end of the year out of (viii) | 27,745 | 68,241 |
| xi. | Weighted average remaining contractual life of options (in years) | 5.8 | 6.0 |

### (ii) ESOP 2021 - Series B

| Sr. No. | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| i. | Weighted average grant price | ₹ 3,268 | ₹ 3,268 |
| ii. | Grant Dates | August 9, 2021 onwards | |
| iii. | Vesting commences on | August 9, 2022 onwards | |
| iv. | Options granted & outstanding at the beginning of the year | 86,959 | 101,141 |
| v. | Options granted during the year | - | - |
| vi. | Options allotted/exercised during the year | 11,369 | 5,014 |
| vii. | Options lapsed/cancelled during the year | 7,380 | 9,168 |
| viii. | Options granted & outstanding at the end of the year | 68,210 | 86,959 |
| ix. | Options vested at the end of the year out of (viii) | 48,389 | 41,128 |
| x. | Options unvested at the end of the year out of (viii) | 19,821 | 45,831 |
| xi. | Weighted average remaining contractual life of options (in years) | 5.2 | 6.0 |

**VII)** Weighted average share price at the date of exercise for stock options exercised during the year ended March 31, 2025 is ₹ 5,549 per share (For the year ended March 31, 2024 ₹ 5,298 per share).

**VIII)** The fair value has been calculated using the Black-Scholes Option Pricing model and significant assumptions and inputs to estimate the fair value options granted during the year are as follows:

### (a) Employee Stock Option Scheme 2015 ('ESOP Scheme - 2015')

| Sr. No. | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| i. | Weighted average risk-free interest rate | 6.74% | 7.12% |
| ii. | Weighted average expected life of options | 2.5 Years | 2.5 Years |
| iii. | Weighted average expected volatility | 29.15% | 32.98% |
| iv. | Weighted average expected dividends over the life of option | ₹ 213.40 | ₹ 205.59 |
| v. | Weighted average share price | ₹ 5,321 | ₹ 4,970 |
| vi. | Weighted average exercise price | ₹ 1 | ₹ 1 |
| vii. | Weighted average fair value of options | ₹ 5,319 | ₹ 4,969 |
| viii. | Method used to determine expected volatility | The expected volatility has been calculated based on historic company share price. | |

**(b) Employee Stock Option Plan 2021 ('ESOP 2021') - Series A and Series B**

During the year ended March 31, 2025 and March 31, 2024, no new grants have been issued.

**IX)** The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2025 is Nil.

**X)** An aggregate of 120,397,266 equity shares of ₹ 1 each were issued on November 25, 2022 pursuant to amalgamation with erstwhile Mindtree Limited, without payment being received in cash in immediately preceding five years ended March 31, 2025.

## 20. OTHER EQUITY

(₹ in Million)

| Particulars | | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **A. Other Reserves** | | | |
| **I) Capital reserve on business combination[1]** | | | |
| Opening balance | | 1,469 | 1,469 |
| Add: Additions during the year | | - | - |
| Less: Deductions during the year | | - | - |
| | | **1,469** | **1,469** |
| **II) Capital Redemption Reserve[2]** | | | |
| Opening balance | | 42 | 42 |
| Add: Additions during the year | | - | - |
| Less: Deductions during the year | | - | - |
| | | **42** | **42** |
| **III) Securities premium[3]** | | | |
| Opening balance | | 4,610 | 3,991 |
| Add: Transfer on account of exercise of stock options during the year | | 1,118 | 607 |
| Add: Proceeds from exercise of stock options during the year | | 35 | 12 |
| Less: Deductions during the year | | - | - |
| | | **5,763** | **4,610** |
| **IV) General reserve [4]** | | | |
| Opening balance | | 3,740 | 3,715 |
| Add: Transfer on account of vested stock options lapsed during the year | | 11 | 25 |
| | | **3,751** | **3,740** |
| **V) Employee stock option outstanding[5]** | | | |
| Opening balance | | 3,433 | 4,839 |
| Add: Issue of new grants during the year | | 460 | 153 |
| Less: Transfer on account of exercise of stock options during the year | | (1,118) | (607) |
| Less: Transfer on account of unvested stock options lapsed during the year | | (427) | (930) |
| Less: Transfer on account of vested stock options lapsed during the year | | (11) | (25) |
| Add: Others | | - | 3 |
| | (a) | **2,337** | **3,433** |
| **VI) Deferred employee compensation expense[5]** | | | |
| Opening balance | | (1,285) | (3,306) |
| Add: Issue of new grants during the year | | (460) | (153) |
| Less: Employee stock compensation expense | | 588 | 1,244 |
| Less: Transfer on account of unvested stock options lapsed during the year | | 427 | 930 |
| | (b) | **(730)** | **(1,285)** |
| **Balance to be carried forward** | **(a)+ (b)** | **1,607** | **2,148** |

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **VII) Effective portion of cash flow hedges[6]** | | |
| Opening balance (net of taxes) | 2,739 | (1,887) |
| Add/(Less): Movement in forward contracts receivable | (808) | 5,909 |
| Add: Amount reclassified to profit or loss | 137 | 273 |
| Add/(Less): Deferred tax related to above | 169 | (1,556) |
| | **2,237** | **2,739** |
| **VIII) Foreign currency translation reserve (FCTR) (refer note 2.2)** | | |
| Opening Balance | (416) | (416) |
| Add: Additions during the year | - | - |
| Less: Deductions during the year | - | - |
| | **(416)** | **(416)** |
| **IX) OCI - Remeasurements of net defined benefit plans (net of tax)** | | |
| Opening balance | (66) | 61 |
| Add: Movement during the year | 16 | 223 |
| Less: Transfer to retained earnings | - | (350) |
| | **(50)** | **(66)** |
| **Other Reserves Total (A) ( I + II + III + IV + V + VI +VII + VIII + IX)** | **14,403** | **14,266** |
| **B. Retained Earnings[7]** | | |
| Opening balance | 178,422 | 150,966 |
| Add: Profit for the year | 44,465 | 44,859 |
| Less: Dividends paid during the year | (19,246) | (17,753) |
| Add: Transfer from OCI towards Remeasurement of net defined benefit plans (net of tax) | - | 350 |
| **Retained Earnings Total (B)** | **203,641** | **178,422** |
| **C. Share application money pending allotment** | 1 | 1 |
| **Total (A+B+C)** | **218,045** | **192,689** |

**Notes:**

1 Capital reserve on business combination represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transactions in earlier years. It also represents capital reserve on business combination which arises on transfer of business between entities under common control.

2 It represents a sum equal to the nominal value of the share capital extinguished on buyback of Company's own shares pursuant to Section 69 of the Companies Act, 2013.

3 Securities premium includes:

(a) The difference between the face value of the equity shares and the consideration received in respect of shares issued;

(b) The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(c) Incremental directly attributable costs incurred in issuing or acquiring an entity's own equity instruments.

4 The Company created a General reserve in earlier years pursuant to the provisions of the Companies Act,1956 where in certain percentage of profits was required to be transferred to General reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General reserve is not mandatory. General reserve is a free reserve available to the Company.

5 It represents the fair value of services received against employees stock options.

6 The hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of profit and loss in the period in which the hedged transaction occurs.

7 Retained earnings represents the undistributed profits of the Company accumulated as on Balance Sheet date.

## 21. OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Derivative financial instruments | 139 | 68 |
| Capital Creditors | 137 | 250 |
| Others | 278 | - |
| | **554** | **318** |

## 22. NON-CURRENT PROVISIONS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Post retirement medical benefits (refer note 37) | 197 | 157 |
| | **197** | **157** |

## 23. (I) TRADE PAYABLES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **Total outstanding dues of micro enterprises and small enterprises** | 295 | 118 |
| **Total outstanding dues of creditors other than micro enterprises and small enterprises** | | |
| Due to others | 4,979 | 4,424 |
| Accrued expenses | 9,879 | 10,503 |
| | **15,153** | **15,045** |

## (II) Trade Payables ageing schedule as at March 31, 2025

(₹ in Million)

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | 293 | 2 | - | - | - | 295 |
| (ii) Others | 9,879 | 3,279 | 1,687 | 0 | 12 | 1 | 14,858 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - | - |
| | **9,879** | **3,572** | **1,689** | **0** | **12** | **1** | **15,153** |

## (III) Trade Payables ageing schedule as at March 31, 2024

(₹ in Million)

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | 118 | - | - | - | - | 118 |
| (ii) Others | 10,503 | 1,868 | 2,431 | 83 | 6 | 36 | 14,927 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - | - |
| | **10,503** | **1,986** | **2,431** | **83** | **6** | **36** | **15,045** |

## 24. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Liabilities for employee benefits | 10,496 | 11,640 |
| Derivative financial instruments | 490 | 375 |
| Payable for acquisition of business | - | 74 |
| Capital creditors* | 879 | 697 |
| Liability towards credit support agreements | 241 | 586 |
| Unclaimed dividend | 56 | 44 |
| Book overdrafts | - | 0 |
| Others | 408 | 955 |
| | **12,570** | **14,371** |

*Includes ₹ 6 (As at March 31, 2024: ₹ 7) outstanding towards dues of micro enterprises and small enterprises as per MSMED ACT, 2006.

## 25. OTHER CURRENT LIABILITIES

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Unearned and deferred revenue (Refer Note 27) | 4,786 | 4,104 |
| Balance payable to government authorities | 4,600 | 4,413 |
| Liability for gratuity (refer note 37) | 1,472 | 944 |
| Others | 3,818 | 3,644 |
| | **14,676** | **13,105** |

## 26. (I) PROVISIONS

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Compensated absences | 7,727 | 6,706 |
| Post-retirement medical benefits (refer note 37) | 11 | 9 |
| Provision for foreseeable losses on contracts | 352 | 317 |
| Provision for disputed dues*# | 972 | 918 |
| Others | 4 | 4 |
| | **9,066** | **7,954** |

*Includes disputed dues provided pursuant to unfavorable orders received from the tax authorities as at March 31, 2025 ₹ 116 (As at March 31, 2024: ₹ 111) against which the Company has preferred an appeal with the relevant authority. In respect of the provisions of Ind AS 37, the disclosures required have not been provided pursuant to the limited exemption provided under paragraph 92 of Ind AS 37.

#During the year ended March 31, 2018, the Company received an order passed under section 7A of the Employees Provident Fund & Miscellaneous Provisions Act, 1952 from Employees Provident Fund Organisation (EPFO) claiming provident fund contribution aggregating to ₹ 250 for dues up to June 2016, and excludes any additional interest that may be determined by the authorities from that date till resolution of the dispute, on (a) full salary paid to International Workers and (b) special allowance paid to employees. Based on a legal advice obtained, the Company has assessed that it has a legitimate ground for appeal, and has contested the order by filing an appeal with the Employees' Provident Funds Appellate Tribunal. In view of the changes in the regulations with the new wage code and social security code, the Company, supported by legal advice, continues to re-estimate the probability of any liability arising from this matter and has accordingly recognized a provision of ₹ 856 (As at March 31, 2024: ₹ 807), including estimated interest, as on the date of the balance sheet.

## 26. (II) Disclosure pursuant to Accounting Standard (Ind-AS) 37 "Provisions, Contingent Liabilities and Contingent Assets" movement in provisions.

### (a) Provision for foreseeable losses on contracts

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 317 | 122 |
| Additional provision during the year | 182 | 342 |
| Provision reversed/utilised during the year | (147) | (147) |
| **Balance at the end of year** | **352** | **317** |

### (b) Provision for disputed dues

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 918 | 866 |
| Additional provision during the year | 54 | 52 |
| Provision reversed/utilised during the year | - | - |
| **Balance at the end of year** | **972** | **918** |

### (c) Other Provisions

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 4 | 4 |
| Additional provision during the year | - | - |
| Provision reversed/utilised during the year | - | - |
| **Balance at the end of year** | **4** | **4** |

## 27. REVENUE FROM OPERATIONS

### (a) Disaggregation of revenue by nature of services

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Revenue from Software services | 359,348 | 337,055 |
| Revenue from Products | 7,477 | 5,479 |
| | **366,825** | **342,534** |

### (b) Disaggregation of revenue by nature of contract

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Time & Material | 105,250 | 107,118 |
| Fixed Price, Maintenance* | 254,098 | 229,937 |
| Products | 7,477 | 5,479 |
| | **366,825** | **342,534** |

*Includes Fixed Price contracts of ₹ 22,188 (For the year ended March 31, 2024: ₹ 25,169).

### (I) 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 year 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 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 at March 31, 2025, other than those meeting the exclusion criteria mentioned above, is ₹ 293,181 (As at March 31, 2024: ₹ 241,698). Out of this, the Company expects to recognize revenue of around 62% (As at March 31, 2024: 67%) within the next one year and the remaining thereafter.

### (II) Changes in contract assets is as follows:

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 8,704 | 12,663 |
| Less : Invoices raised during the year from opening balance | (6,710) | (9,017) |
| Add : Revenue recognized excluding amounts billed during the year | 4,414 | 5,015 |
| Add/(Less) : Translation differences | (103) | 43 |
| **Balance at the end of the year (Refer Note 18)** | **6,305** | **8,704** |

### (III) Changes in contract liabilities is as follows:

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 4,104 | 3,075 |
| Less : Revenue recognized during the year from opening balance | (2,366) | (6,655) |
| Add : Amounts billed excluding revenue recognized during the year | 3,059 | 7,678 |
| Add/(Less) : Translation differences | (11) | 6 |
| **Balance at the end of the year (Refer Note 25)** | **4,786** | **4,104** |

### (IV) Reconciliation of revenue recognized with the contracted price is as follows:

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Contracted Price | 372,915 | 348,055 |
| Reductions towards variable consideration components* | (6,090) | (5,521) |
| **Revenue Recognized** | **366,825** | **342,534** |

*Represents variable consideration towards volume discounts, rebates and other similar allowances

## 28. OTHER INCOME

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---:|---:|
| Net gain on financial assets designated at fair value through profit or loss[1] | 4,918 | 3,140 |
| Interest income on financial assets at amortized cost | 3,367 | 2,947 |
| Interest income on financial assets at fair value through profit or loss | 16 | 17 |
| Foreign exchange gain / (loss), net[2] | 1,073 | 239 |
| Miscellaneous income[3] | 364 | 756 |
| | **9,738** | **7,099** |

1. Includes net gain on sale of investments of ₹ 2,443 (For the year ended March 31, 2024: ₹ 1,211)
2. The Company hedges its operational business exposure on a net basis (i.e. expected revenue in foreign currency less expected expenditure in related currency). The foreign exchange gain reported above includes loss on derivative financial instrument which are designated as cash flow hedges of ₹ 137 (For the year ended March 31, 2024: loss of ₹ 273) and loss on fair value hedges of ₹ 286 (For the year ended March 31, 2024: loss of ₹ 129).
3. Miscellaneous income includes:
   (i) gain from modification in leases of ₹ 56 (For the year ended March 31, 2024: ₹ 513)
   (ii) gain on liquidation of subsidiary ₹ 65 (For the year ended March 31, 2024: ₹ 9)

## 29. EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---:|---:|
| Salaries* | 209,426 | 194,663 |
| Share based payments to employees | 598 | 1,246 |
| Staff welfare | 874 | 583 |
| Contribution to social security and other funds | 13,715 | 12,815 |
| Contribution to gratuity fund (Refer note 37) | 1,348 | 1,183 |
| | **225,961** | **210,490** |

*Government incentives -

During the year ended March 31, 2025, the Company has recognized for government grants amounting to ₹ 2 (For the year ended March 31, 2024: ₹ 11) arising in various countries on account of compliance of several employment-related conditions, as a credit to employee benefits expense.

## 30. FINANCE COSTS

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---:|---:|
| Interest expense on lease liabilities (refer note 40) | 1,653 | 1,235 |
| Interest on financial liabilities* | 1 | 4 |
| Others | 1,053 | 832 |
| | **2,707** | **2,071** |

*Includes interest on contingent consideration payable on business acquisitions.

## 31. DEPRECIATION & AMORTIZATION EXPENSE

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Depreciation of property, plant and equipment (refer note 3) | 4,244 | 3,626 |
| Amortization of other intangible assets (refer note 3) | 1,055 | 1,209 |
| Depreciation of right-of-use assets (refer note 40) | 3,744 | 2,769 |
| | **9,043** | **7,604** |

## 32. OTHER EXPENSES

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Cost of equipment, hardware and software packages | 18,384 | 15,786 |
| Travelling and conveyance | 5,138 | 4,641 |
| Repairs and maintenance | 3,079 | 2,400 |
| Lease rentals and establishment expenses* | 1,550 | 1,566 |
| Recruitment expenses | 2,044 | 1,242 |
| Rates and taxes | 1,916 | 1,479 |
| Communication expenses | 1,010 | 918 |
| Advertisement expenses | 669 | 726 |
| Power and fuel | 1,001 | 907 |
| Allowance for expected credit loss | 78 | 726 |
| Bad debts | 244 | 138 |
| Less: Provision written back | (244) | (138) |
| Insurance charges | 245 | 196 |
| Legal and professional charges** | 1,816 | 2,656 |
| Corporate social responsibility expenses (refer note 46) | 900 | 777 |
| Miscellaneous expenses | 5,064 | 4,305 |
| | **42,894** | **38,325** |

*Includes Lease rentals accrued and paid for short-term lease ₹ 1,179 (For the year ended March 31, 2024: ₹ 1,267) and low value lease ₹ 263 (For the year ended March 31, 2024: ₹ 257)

**Includes Auditors Remuneration (refer note 41).

## 33. (I) CURRENT TAX

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Current Tax | 15,225 | 14,779 |
| Provision for earlier year written back | (168) | (862) |
| | **15,057** | **13,917** |

## (II) DEFERRED TAX

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Deferred tax charge | 165 | 18 |
| | **165** | **18** |

## (III) The reconciliation of the income tax provision to the amount computed by applying enacted income tax rate to the profit before income taxes is summarized below:

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Profit before income taxes | 59,687 | 58,794 |
| Enacted tax rates in India | 25.17% | 25.17% |
| Computed expected tax expense | 15,023 | 14,797 |
| Overseas taxes | 26 | 12 |
| Effect of differential tax rates | (39) | (34) |
| Effect of non-deductible expenses | 244 | 205 |
| Tax pertaining to prior years | (168) | (862) |
| Others | 136 | (183) |
| **Tax expense as per statement of profit and loss** | **15,222** | **13,935** |

The Government of India, vide Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019, introduced section 115 BAA in the Income Tax Act, 1961, providing domestic companies an irrevocable option to adopt reduced corporate tax rate, subject to certain conditions.

## 34. STATEMENT OF OTHER COMPREHENSIVE INCOME

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| **Items that will not be reclassified to profit or loss** | | |
| Defined benefit plan actuarial gain/(loss) | 21 | 299 |
| Income tax on defined benefit plan actuarial gain/(loss) | (5) | (76) |
| **(I)** | **16** | **223** |
| **Items that will be reclassified to profit or loss** | | |
| Net changes in fair value of cash flow hedges | (671) | 6,182 |
| Income tax on net changes in fair value of cash flow hedges | 169 | (1,556) |
| **(II)** | **(502)** | **4,626** |
| **(I+II)** | **(486)** | **4,849** |

## 35. CONTINGENT LIABILITIES

### Claims against the Company not acknowledged as Debts

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Income tax liability that may arise in respect of which the Company is in appeal | 4,969 | 4,992 |
| Indirect tax liability that may arise in respect of which the company is in appeal | 4,705 | 2,136 |
| | **9,674** | **7,128** |

### Major matters in relation to Income Tax

The Company has received following tax demands as at March 31, 2025:

1. ₹ 3,095 including interest of ₹ 212 as at March 31, 2025 (As at March 31, 2024: demand of ₹ 3,095 including interest of ₹ 212), on account of disallowance of exemption u/s 10A/10AA on profits earned by STPI Units/SEZ units on onsite export revenue.
2. ₹ 927 (As at March 31, 2024: ₹ 923) majorly on account of disallowance of certain expenses under section 40(a)(ia) and addition to income under section 69.
3. ₹ 757 (As at March 31, 2024: ₹ 784) primarily on account of transfer pricing adjustments.

### Major matters in relation to Indirect taxes

The Company has received tax demand of ₹ 4,579 (As at March 31, 2024: ₹ 1,984) on account of zero rated supply and ITC disallowances.

In respect of the above matters, the Company is in appeal against these disallowances before the relevant Authorities.

The Company believes that its position is likely to be upheld by appellate authorities and considering the facts, the ultimate outcome of these proceedings is not likely to have material adverse effect on the results of operations or the financial position.

**36. (I)** Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 6,340 (As at March 31, 2024: ₹ 4,986).

**(II)** Uncalled capital commitments outstanding as at March 31, 2025 is ₹ 1,999.

## 37. Employee benefits

### I) General descriptions of defined benefit plans:

#### i) Gratuity plan

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees of LTIMindtree. 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.

The Company contributes gratuity liabilities to the LTIMindtree Employees' Group Gratuity Assurance Scheme for employees based in India. Trustees administer contributions made to the Trusts and contributions are invested in schemes with Insurers as permitted by Indian law.

#### ii) Post-retirement medical benefit plan

The post-retirement medical benefit plan provides for reimbursement of health care costs to certain categories of employees post their retirement. The reimbursement is subject to an overall ceiling limit sanctioned at the time of retirement. The ceiling limits are based on cadre of the employee at the time of retirement.

#### iii) Provident fund plan

The Company's provident fund plan is managed by its holding company through a Trust permitted under the Provident Fund Act, 1952. The plan envisages contribution by employer and employees of the Company and guarantees interest at the rate notified by the Provident Fund Authority. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

The interest payment obligation of trust managed provident fund is assumed to be adequately covered by the interest income on Long-term investments of the fund. Any shortfall in the interest income over the interest obligation is recognized immediately in the statement of profit and loss. Any loss arising out of the investment risk and actuarial risk associated with the plan is recognized as actuarial loss in the year in which such loss occurs. Further, ₹ Nil has been provided for the year ending March 31, 2025 and March 31, 2024 based on actuarial valuation towards the future obligation arising out of interest rate guarantee associated with the plan.

## II) The amounts recognized in balance sheet are as follows:

(₹ in Million)

| Particulars | Gratuity plan | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| a) Present value of defined benefit obligation | | |
| – Wholly funded | 6,098 | 4,868 |
| – Wholly unfunded | 171 | - |
| | **6,269** | **4,868** |
| b) Fair value of plan assets | 4,797 | 3,924 |
| Amount to be recognized as liability (a-b) | 1,472 | 944 |
| Net liability - current | 1,472 | 944 |
| Net liability - non-current | - | - |

(₹ in Million)

| Particulars | Post-retirement medical benefit plan - Unfunded | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| Net liability - current | 11 | 9 |
| Net liability - non-current | 197 | 157 |

(₹ in Million)

| Particulars | Provident fund plan | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| **A.** | | |
| a) Present value of defined benefit obligation | | |
| – Wholly funded | 46,958 | 37,412 |
| – Wholly unfunded | - | - |
| b) Fair value of plan assets | 49,307 | 39,104 |
| Amount to be recognized as asset (a-b)* | (2,349) | (1,692) |
| **B.** | | |
| Amounts reflected in the balance sheet | | |
| Liability | 776 | 669 |
| Assets | - | - |
| Net liability# | 776 | 669 |
| Net liability - current | 776 | 669 |
| Net liability - non-current | - | - |

#Employer's and employee's contribution for March 2025 paid in April 2025.

*Net asset is not recognized in the balance sheet.

## III) The amounts recognized in statement of profit and loss are as follows:

(₹ in Million)

| Particulars | Gratuity plan | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Current service cost | 1,280 | 1,114 |
| Interest on net defined benefit liability / (asset) | 68 | 69 |
| **Total (Refer Note 29)** | **1,348** | **1,183** |

(₹ in Million)

| Particulars | Post-retirement medical benefit plan | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Current service cost | 0 | 72 |
| Past service cost* | - | (225) |
| Interest on net defined benefit liability | 12 | 26 |
| **Total** | **12** | **(127)** |

*During the year ended March 31, 2024, the Company had curtailed Post-retirement medical benefit policy for certain categories of employees i.e. it would be eligible for certain employees based on their tenure of service in the organization and their cadres as on the date of curtailment and the effect pertaining to the curtailment has been recognized as credit in the past service cost.

(₹ in Million)

| Particulars | Provident fund plan | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Current service cost | 3,574 | 3,205 |
| Interest cost | 3,301 | 2,375 |
| Expected return on plan assets | (3,301) | (2,375) |
| **Total** | **3,574** | **3,205** |

## IV) The amounts recognized in statement of Other Comprehensive Income (OCI) are as follows:

(₹ in Million)

| Particulars | Gratuity plan | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Re-measurements (gain)/loss due to:** | | |
| Changes in financial assumptions | 198 | 18 |
| Changes in demographic assumptions | - | (94) |
| Experience adjustments | (214) | (87) |
| Actual return on plan assets less interest on plan assets | (39) | (77) |
| **Total** | **(55)** | **(240)** |

(₹ in Million)

| Particulars | Post-retirement medical benefit plan | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Re-measurements (gain)/loss due to:** | | |
| Changes in financial assumptions | 20 | 4 |
| Changes in demographic assumptions | - | (52) |
| Experience adjustments | 14 | (11) |
| **Total** | **34** | **(59)** |

## V) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

(₹ in Million)

| Particulars | Gratuity plan | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| Opening balance of defined benefit obligation | 4,868 | 3,915 |
| Current service cost | 1,280 | 1,114 |
| Interest on defined benefit obligation | 350 | 285 |
| **Re-measurements due to** | | |
| Actuarial loss arising from change in financial assumptions | 198 | 18 |
| Actuarial gain arising from change in demographic assumptions | - | (94) |
| Actuarial gain arising on account of experience changes | (214) | (87) |
| Benefits paid | (395) | (283) |
| Transfer In | 182 | - |
| **Closing balance of defined benefit obligation** | **6,269** | **4,868** |

(₹ in Million)

| Particulars | Post-retirement medical benefit plan | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| Opening balance of defined benefit obligation | 166 | 355 |
| Current service cost | 0 | 72 |
| Past service cost | - | (225) |
| Interest on defined benefit obligation | 12 | 26 |
| **Re-measurements due to** | | |
| Actuarial loss arising from change in financial assumption | 20 | 4 |
| Actuarial gain arising from change in demographic assumptions | - | (52) |
| Actuarial loss/(gain) arising on account of experience changes | 14 | (11) |
| Benefits paid | (4) | (3) |
| **Closing balance of defined benefit obligation** | **208** | **166** |

(₹ in Million)

| Particulars | Provident fund plan | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| Opening balance of defined benefit obligation | 37,412 | 20,444 |
| Current service cost | 3,574 | 3,205 |
| Interest cost | 3,301 | 2,375 |
| Contribution by plan participants | 5,099 | 4,782 |
| Liabilities assumed | 3,516 | 10,085 |
| Benefits paid | (5,944) | (3,479) |
| **Closing balance of defined benefit obligation** | **46,958** | **37,412** |

## VI) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

(₹ in Million)

| Particulars | Gratuity plan | | Provident fund plan | |
|---|---|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2025 | As at March 31, 2024 |
| Opening balance of the fair value of the plan assets | 3,924 | 2,962 | 39,104 | 20,909 |
| Employer's contributions | 947 | 946 | 3,529 | 3,191 |
| Expected return on plan assets | 282 | 216 | 3,301 | 2,375 |
| Actuarial gains | - | - | 683 | 1,288 |
| **Re-measurements due to:** | | | | |
| Actual return on plan assets less interest on plan assets | 39 | 77 | - | - |
| Contribution by plan participants | - | - | 5,118 | 4,735 |
| Benefits paid | (395) | (277) | (5,944) | (3,479) |
| Assets acquired | - | - | 3,516 | 10,085 |
| **Closing balance of plan assets** | **4,797** | **3,924** | **49,307** | **39,104** |

The Company expects to contribute ₹ 1,301 towards its gratuity, in the next financial year.

## VII) The major categories of plan assets as a percentage of total plan assets are as follows:

| Particulars | Gratuity plan | Provident fund plan | |
|---|---|---|---|
| | | As at March 31, 2025 | As at March 31, 2024 |
| Government of India securities | Scheme with Life Insurance Corporation of India (LIC), ICICI Prudential Life Insurance Company and SBI Life Insurance Company | 8.16% | 9.53% |
| State government securities | | 37.70% | 35.36% |
| Corporate bonds | | 34.31% | 33.47% |
| Fixed deposits under Special Deposit Scheme framed by central government for provident funds | | 1.83% | 2.16% |
| Public sector bonds | | 1.07% | 3.44% |
| Mutual Funds | | 10.03% | 8.49% |
| Others | | 6.90% | 7.55% |

## VIII) Principal actuarial assumptions at the balance sheet date:

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **Discount rate** | | |
| For gratuity | 6.55% | 7.20% |
| For post-retirement medical benefits | 6.55% | 7.20% |
| For provident fund | 6.55% | 7.20% |
| Annual increase in healthcare costs | 7.00% | 7.00% |
| Attrition rate: | 15.00% - 18.50% | 15.00% - 18.50% |
| Salary growth rate* | 7.00% | 7.00% |

*Salary growth rate assumption reflects the Company's average salary growth rate and current market conditions.

## IX) The average duration (in years) of the defined benefit plan obligations at the end of the reporting year is as follows:

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| i. Gratuity plan | 5.00 | 5.00 |
| ii. Post-retirement medical benefit plan | 11.00 | 10.00 |

## X) Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan (which in case of serving employees, if any, is based on service accrued by employee up to valuation date):

### As at March 31, 2025

(₹ in Million)

| Maturity profile | Gratuity | Post-Retirement medical benefit liability |
|---|---|---|
| Expected benefits for year 1 | 900 | 11 |
| Expected benefits for year 2 | 944 | 11 |
| Expected benefits for year 3 | 939 | 11 |
| Expected benefits for year 4 | 867 | 11 |
| Expected benefits for year 5 | 779 | 12 |
| Expected benefits for years 6 - 10 | 2,610 | 64 |
| Expected benefits for year 10 and above | 1,994 | 570 |

### As at March 31, 2024

(₹ in Million)

| Maturity profile | Gratuity | Post-Retirement medical benefit liability |
|---|---|---|
| Expected benefits for year 1 | 750 | 9 |
| Expected benefits for year 2 | 686 | 9 |
| Expected benefits for year 3 | 769 | 9 |
| Expected benefits for year 4 | 740 | 10 |
| Expected benefits for year 5 | 662 | 10 |
| Expected benefits for years 6 - 10 | 2,214 | 55 |
| Expected benefits for year 10 and above | 1,738 | 511 |

The estimates of future salary increases considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## XI) Sensitivity analysis

### i) Gratuity plan

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate, future salary escalation rate and withdrawal rate. The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting year arising on account of an increase or decrease in the reported assumption as below:

(₹ in Million)

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | (302) | 332 | (241) | 264 |
| Salary escalation rate (1% movement) | 327 | (303) | 262 | (243) |
| Withdrawal rate (1% movement) | (47) | 49 | (37) | 38 |

### ii) Post retirement benefits:

Although the obligation of the Company under the post-retirement medical benefit plan is limited to the overall ceiling limits, assumed healthcare cost trend rates may affect the amounts recognized in the statement of profit and loss. The benefit obligation results for the cost of paying future hospitalization premiums to insurance company and reimbursement of domiciliary medical expenses in future for the employee / beneficiaries during their lifetime is sensitive to discount rate, future increase in healthcare costs and longevity. The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting year arising on account of changes in these four key parameters:

(₹ in Million)

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | (26) | 33 | (20) | 25 |
| Healthcare costs rate (1% movement) | 11 | (10) | 7 | (12) |
| Withdrawal rate (1% movement) | (10) | 8 | (9) | 3 |
| Life expectancy (1 year movement) | 2 | (2) | 2 | (2) |

## 38. Financial instruments by category

### I) Carrying value and fair value of financial instruments by categories are as follows:

(₹ in Million)

| Assets | As at March 31, 2025 | | | | | As at March 31, 2024 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Fair value through P&L (FVTPL) | Fair value through OCI (FVTOCI) | Amortized cost | Total carrying value | Total fair value | Fair value through P&L (FVTPL) | Fair value through OCI (FVTOCI) | Amortized cost | Total carrying value | Total fair value |
| Investments | 59,814 | 351 | 37,766 | 97,931 | 98,232 | 51,680 | 351 | 35,405 | 87,436 | 87,459 |
| Trade receivables | - | - | 56,718 | 56,718 | 56,718 | - | - | 53,787 | 53,787 | 53,787 |
| Unbilled revenue* | - | - | 17,329 | 17,329 | 17,329 | - | - | 12,902 | 12,902 | 12,902 |
| Cash and cash equivalents | - | - | 14,451 | 14,451 | 14,451 | - | - | 15,947 | 15,947 | 15,947 |
| Other Bank Balances | - | - | 15,196 | 15,196 | 15,196 | - | - | 9,960 | 9,960 | 9,960 |
| Derivative financial instruments | 180 | 3,752 | - | 3,932 | 3,932 | 19 | 4,167 | - | 4,186 | 4,186 |
| Loans | - | - | 351 | 351 | 351 | - | - | 456 | 456 | 456 |
| Other financial assets | - | - | 2,980 | 2,980 | 2,980 | - | - | 2,970 | 2,970 | 2,970 |
| **Total** | **59,994** | **4,103** | **144,791** | **208,888** | **209,189** | **51,699** | **4,518** | **131,427** | **187,644** | **187,667** |

*Excludes unbilled revenue on fixed-price contracts.

(₹ in Million)

| Liabilities | As at March 31, 2025 | | | | | As at March 31, 2024 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Fair value through P&L (FVTPL) | Fair value through OCI (FVTOCI) | Amortized cost | Total carrying value | Total fair value | Fair value through P&L (FVTPL) | Fair value through OCI (FVTOCI) | Amortized cost | Total carrying value | Total fair value |
| Trade payables | - | - | 15,153 | 15,153 | 15,153 | - | - | 15,045 | 15,045 | 15,045 |
| Lease Liabilities | - | - | 20,944 | 20,944 | 20,944 | - | - | 19,319 | 19,319 | 19,319 |
| Derivative financial instruments | 19 | 610 | - | 629 | 629 | 43 | 400 | - | 443 | 443 |
| Other financial liabilities | - | - | 12,495 | 12,495 | 12,495 | 74 | - | 14,172 | 14,246 | 14,246 |
| **Total** | **19** | **610** | **48,592** | **49,221** | **49,221** | **117** | **400** | **48,536** | **49,053** | **49,053** |

The Management assessed that fair value of Trade receivables, Unbilled revenue, Loans, Other financial assets, Lease liabilities, Trade payables and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## II) Fair value hierarchy:

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

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

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

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024.

(₹ in Million)

| Particulars | As at March 31, 2025 | | | | As at March 31, 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| **Assets** | | | | | | | | |
| Investments | 59,814 | - | 351 | 60,165 | 51,680 | - | 351 | 52,031 |
| Derivative financial instruments | - | 3,932 | - | 3,932 | - | 4,186 | - | 4,186 |
| **Total** | **59,814** | **3,932** | **351** | **64,097** | **51,680** | **4,186** | **351** | **56,217** |
| **Liabilities** | | | | | | | | |
| Derivative financial instruments | - | 629 | - | 629 | - | 443 | - | 443 |
| Payable for acquisition of business | - | - | - | - | - | - | 74 | 74 |
| **Total** | **-** | **629** | **-** | **629** | **-** | **443** | **74** | **517** |

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2025 and March 31, 2024.

### Reconciliation of Level 3 fair value measurement of financial assets and financial liabilities is as follows:

(₹ in Million)

| Particulars | Investment in equity instruments (FVTOCI)* | Investment in preference shares (FVTOCI)* | Payable for acquisition of business (FVTPL) |
|---|---|---|---|
| **As at April 1, 2023** | 1 | 350 | 129 |
| Additions during the year | - | - | - |
| Finance cost recognized in profit and loss | - | - | 4 |
| Remeasurement recognized | - | - | - |
| Disposal / settlement during the year | - | - | (59) |
| Foreign exchange difference | - | - | - |
| **As at March 31, 2024** | **1** | **350** | **74** |

(₹ in Million)

| Particulars | Investment in equity instruments (FVTOCI)* | Investment in preference shares (FVTOCI)* | Payable for acquisition of business (FVTPL) |
|---|---|---|---|
| Additions during the year | | | |
| Additions during the year | - | - | - |
| Finance cost recognized in profit and loss | - | - | 1 |
| Remeasurement recognized | - | - | - |
| Disposal / settlement during the year | - | - | (75) |
| Foreign exchange difference | - | - | - |
| **As at March 31, 2025** | **1** | **350** | **-** |

*The Company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of these investments as these are strategic investments and are not held for trading.

1% change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact on the value.

The following methods and assumptions were used to estimate the fair values:

i) The fair value of the quoted bonds and mutual funds are based on price quotations at reporting date.

ii) The fair values of the unquoted equity and preference shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility/ the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.

iii) Mark to market on forward covers and embedded derivative instruments is based on forward exchange rates at the end of reporting year and discounted using G-sec rate plus applicable spread.

## III) Financial risk management

The Company's activities expose it to a variety of financial risks - currency risk, interest rate risk, credit risk and liquidity risk. The Company’s primary focus is to foresee the unpredictability of financial markets and seek to minimize the potential adverse effects on its financial performance.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company’s exposure to market risk is primarily on account of foreign currency exchange rate risk. The Company uses derivative financial instruments to mitigate the risks arising out of foreign exchange related exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

#### a) Currency risk

The Company operates in multiple geographies and contracts in currencies other than the domestic currency exposing it to risks arising from fluctuation in the foreign exchange rates. The Company uses derivative financial instruments to mitigate foreign exchange related exposures. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken.

The Company's revenues are principally in foreign currencies and the maximum exposure is in US dollars.

The Board of Directors of the Company has approved the financial risk management policy covering management of foreign currency exposures. The treasury department monitors the foreign currency exposures and enters into appropriate hedging instruments to mitigate its risk. The Company hedges its exposure on a net basis (i.e. expected revenue in foreign currency less expected expenditure in related currency). Consequently, the Company uses derivative financial instruments, such as foreign exchange forward contracts and option contracts, designated as cash flow hedges and fair value hedges to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and on balance sheet exposures.

The details in respect of the outstanding foreign exchange forward contracts and option contracts are given under the derivative financial instruments section below.

In respect of the Company's derivative financial instruments, a 1% decrease/increase in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

a) an approximately ₹ 222 increase and ₹ 222 decrease in the Company's net profit in respect of its fair value hedges and ₹ 3,198 increase and ₹ 3,198 decrease in the Company's effective portion of cash flow hedges as at March 31, 2025

b) an approximately ₹ 235 increase and ₹ 235 decrease in the Company's net profit in respect of its fair value hedges and ₹ 3,474 increase and ₹ 3,474 decrease in the Company's effective portion of cash flow hedges as at March 31, 2024

The following table presents foreign currency risk from non-derivative financial instruments as at March 31, 2025:

| Particulars | US Dollar | Euro | Pound Sterling | Saudi Riyal | Swedish Krona | Other currencies* | Total |
|---|---|---|---|---|---|---|---|
| Gross financial assets | 55,967 | 11,606 | 1,383 | 3,371 | 1,834 | 6,212 | 80,373 |
| Gross financial liabilities | (9,821) | (1,008) | (71) | (653) | (302) | (3,150) | (15,005) |
| **Net financial assets/ (liabilities)** | **46,146** | **10,598** | **1,312** | **2,718** | **1,532** | **3,062** | **65,368** |

*Other currencies include currencies such as Danish Krone, South African Rand, Australian $, Singapore $, Qatari Riyal etc.

The following table presents foreign currency risk from non-derivative financial instruments as at March 31, 2024:

| Particulars | US Dollar | Euro | Pound Sterling | Saudi Riyal | Swedish Krona | Other currencies* | Total |
|---|---|---|---|---|---|---|---|
| Gross financial assets | 49,289 | 9,275 | 2,505 | 1,816 | 1,646 | 5,887 | 70,418 |
| Gross financial liabilities | (14,774) | (1,167) | (465) | (90) | (333) | (1,526) | (18,355) |
| **Net financial assets/ (liabilities)** | **34,515** | **8,108** | **2,040** | **1,726** | **1,313** | **4,361** | **52,063** |

*Other currencies include currencies such as Emirati Dirham, Canadian $, South African Rand, Singapore $, Norwegian Krone, etc.

As at March 31, 2025, every 1% increase/decrease in the respective foreign currencies compared to functional currency of the Company would result in increase/decrease in the Company's profit before taxes for the year by approximately 1.10% and (1.10)% respectively.

As at March 31, 2024, every 1% increase/decrease in the respective foreign currencies compared to functional currency of the Company would result in increase/decrease in the Company's profit before taxes for the year by approximately 0.89% and (0.89)% respectively.

### Derivative Financial Instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities and certain Highly Probable Forecast Exposures (HPFE) denominated in foreign currency. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities and HPFE. The Company regularly reviews its foreign exchange forward and option positions both on a standalone basis and in conjunction with its underlying foreign currency related exposures. The Company monitors the potential risk arising out of the market factors like exchange rates on a regular basis. The counterparty in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material. The Company has considered the effect of changes, if any, in both counterparty credit risk and its own credit risk in assessing hedge effectiveness and measuring hedge ineffectiveness.

**(i) The details in respect of outstanding foreign currency forward and options contracts are as follows:**

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|---|---|---|---|---|
| | In Millions | In ₹ Millions | In Millions | In ₹ Millions |
| **Instruments designated as cash flow hedges** | | | | |
| Forward contracts | | | | |
| In US Dollar | 3,606 | 322,829 | 4,027 | 351,387 |
| In Euro | 46 | 4,305 | 70 | 6,419 |
| Options Contracts | | | | |
| In US Dollar | 12 | 1,150 | - | - |
| In Euro | 99 | 9,332 | 75 | 6,888 |
| **Instruments designated as fair value hedges** | | | | |
| In US Dollar | 259 | 22,342 | 282 | 23,475 |
| In Euro | 28 | 2,529 | 32 | 2,857 |
| In United Kingdom Pound Sterling | - | - | 2 | 211 |
| **Total Forward and Options Contracts** | | **362,487** | | **391,237** |

**(ii)** The foreign exchange forward and option contracts designated as cash flow hedges mature over a maximum period of 60 months. The Company manages its exposures normally for a period of up to 5 years based on the estimated exposure over that period.

The table below analyzes the derivative financial instrument into relevant maturity based on the remaining period as of the balance sheet date. Contracts with maturity not later than twelve months include certain contracts which can be rolled over to subsequent periods in line with underlying exposures.

(₹ in Million)

| Maturity profile | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Not later than twelve months | 168,927 | 177,300 |
| Later than twelve months | 193,560 | 213,937 |
| **Total** | **362,487** | **391,237** |

**(iii)** During the year ended March 31, 2025 and year ended March 31, 2024, the Company has designated certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions which form part of hedge reserve as at March 31, 2025 and March 31, 2024 will occur and be reclassified to the statement of profit and loss over a period of 60 months.

***Reconciliation of Cash Flow Hedge Reserve:***

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 2,739 | (1,887) |
| (Loss)/Gain recognized in Other Comprehensive Income during the year | (808) | 5,909 |
| Amount reclassified to profit and loss during the year | 137 | 273 |
| Tax impact on the above | 169 | (1,556) |
| **Balance at the end of the year** | **2,237** | **2,739** |

Actual future gains and losses associated with forward contracts designated as cash flow hedge may differ materially from the sensitivity analysis performed as of March 31, 2025 and March 31, 2024 due to the inherent limitations associated with predicting the timing and amount of changes in foreign currency exchange rates and the Company's actual exposures and position.

**b) Interest risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no interest rate risk with respect to borrowings as at March 31, 2025 and March 31, 2024.

**c) Credit risk**

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The carrying amount of all financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 208,888 and ₹ 187,644 as at March 31, 2025 and March 31, 2024 respectively being the total of the carrying amount of investments, trade receivables, unbilled revenue, cash and other bank balances and all other financial assets.

The principal credit risk that the Company exposed to is non-collection of trade receivable and late collection of receivable and on unbilled revenue leading to credit loss. The risk is mitigated by reviewing creditworthiness of the prospective customers prior to entering into contract and post contracting, through continuous monitoring of collections by a dedicated team.

The Company makes adequate provision for non-collection of trade receivable and unbilled receivables. Further, the Company has not suffered significant payment defaults by its customers. The Company has considered the latest available credit-ratings of customers to ensure the adequacy of allowance for expected credit loss towards trade and other receivables.

In addition, for delay in collection of receivable, the Company has made a provision for Expected Credit loss ('ECL') based on an ageing analysis of its trade receivable and unbilled revenue. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables and unbilled revenue based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and the percentage of revenue from its top five customers is 29% for the year ended March 31, 2025 (Previous Year: 26.07%). No customer accounted for more than 10% of the trade receivables as at March 31, 2025 and March 31, 2024.

ECL allowance for non-collection and delay in collection of receivable and unbilled revenue, on a combined basis was ₹ 2,415 and ₹ 2,590 as at March 31, 2025 and March 31, 2024 respectively. The movement in allowance for expected credit loss comprising provision for both non-collection and delay in collections of receivable and unbilled revenue is as follows:

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Balance at the beginning of the year | 2,590 | 1,966 |
| Allowance for expected credit loss | 78 | 726 |
| Amounts written-off | (244) | (138) |
| Translation differences | (9) | 36 |
| **Balance at the end of the year** | **2,415** | **2,590** |

The Company is also exposed to counter-party risk in relation to financial instruments taken to hedge its foreign currency risks. The counter-parties are banks and the Company has entered into contracts with the counter-parties for all its hedge instruments and in addition, entered into suitable credit support agreements to limit counter party risk where necessary.

The Company's investments primarily include investment in mutual fund units, quoted bonds, commercial papers, government securities, non-convertible debentures, InvITs, deposits with banks and financial institutions. The Company mitigates the risk of counter-party failure by investing in mutual fund schemes with large assets under management, investing in debt instruments issued with sound credit rating and placing corporate deposits with banks and financial institutions with high credit ratings assigned by domestic and international credit rating agencies.

The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high ratings assigned by international and domestic credit rating agencies and analyzing market information on a continuous and evolving basis. Ratings are monitored periodically and the Company has considered the latest available credit ratings as well any other market information which may be relevant at the date of approval of these financial statements.

**d) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's treasury department is responsible for liquidity, funding, investment as well as settlement management. Surplus funds are invested in non-speculative financial instruments that include highly liquid funds and corporate deposits. Also, the Company has unutilized credit limits with banks.

**Liquidity position of the Company is given below:**

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Cash and cash equivalents | 14,451 | 15,872 |
| Other bank balances | 15,117 | 9,960 |
| Investments in mutual funds | 57,622 | 51,474 |
| Investments in corporate bonds | 7,361 | 2,487 |
| Investment in corporate deposits | 5,167 | 4,210 |
| Investment in InvITs | 1,986 | - |
| Investment in government securities | 125 | 95 |
| Investment in certificate of deposits | 250 | 4,055 |
| Investment in commercial paper | 1,229 | 5,213 |
| **Total** | **103,308** | **93,366** |

Excludes cash and bank balances not available for immediate use and earmarked balances with banks

***The contractual maturities of undiscounted financial liabilities is as follows:***

(₹ in Million)

| Particulars | As at March 31, 2025 | | | | As at March 31, 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Within a year | One to five years | More than five year | Total | Within a year | One to five years | More than five year | Total |
| Trade payables | 15,153 | - | - | 15,153 | 15,045 | - | - | 15,045 |
| Lease liabilities | 6,064 | 18,724 | 7,423 | 32,211 | 4,240 | 13,298 | 7,995 | 25,533 |
| Derivative financial instruments | 490 | 139 | - | 629 | 375 | 68 | - | 443 |
| Other financial liabilities | 12,080 | 415 | - | 12,495 | 13,996 | 250 | - | 14,246 |
| **Total** | **33,787** | **19,278** | **7,423** | **60,488** | **33,656** | **13,616** | **7,995** | **55,267** |

## 39. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

### The capital structure is as follows:

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Total equity | 218,341 | 192,985 |
| As percentage of total capital | 91% | 91% |
| Total borrowings | - | - |
| Total lease liabilities | 20,944 | 19,319 |
| Total borrowings and lease liabilities | 20,944 | 19,319 |
| As a percentage of total capital | 9% | 9% |
| **Total capital (Equity and lease liabilities)** | **239,285** | **212,304** |

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with investment which is predominantly investment in Short-term mutual funds and debt instruments being far in excess of debt. The Company is not subject to any externally imposed capital requirements.

## 40. LEASES

### (i) Following are the changes in the carrying value of right-of-use assets

(₹ in Million)

| Particulars | Category of ROU Asset | | | |
|---|---|---|---|---|
| | Leasehold Land | Office Premises | Furniture & Fixtures | Total |
| **Balance as at April 1, 2024** | 1,108 | 17,091 | - | 18,199 |
| Additions during the year | - | 5,374 | - | 5,374 |
| Modifications during the year | - | (457) | - | (457) |
| Depreciation during the year | (11) | (3,733) | - | (3,744) |
| **Balance as at March 31, 2025** | **1,097** | **18,275** | **-** | **19,372** |

(₹ in Million)

| Particulars | Category of ROU Asset | | | |
|---|---|---|---|---|
| | Leasehold Land | Office Premises | Furniture & Fixtures | Total |
| **Balance at April 1, 2023** | 1,046 | 10,998 | 17 | 12,061 |
| Additions during the year | 73 | 10,961 | - | 11,034 |
| Modifications during the year | - | (2,117) | (10) | (2,127) |
| Depreciation during the year | (11) | (2,751) | (7) | (2,769) |
| **Balance as at March 31, 2024** | **1,108** | **17,091** | **-** | **18,199** |

### (ii) Following is the break-up of current and non-current lease liabilities

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Non-current lease liabilities | 17,700 | 16,425 |
| Current lease liabilities | 3,244 | 2,894 |
| | **20,944** | **19,319** |

### (iii) Following is the movement in lease liabilities

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| **Balance at the beginning of the year** | 19,319 | 13,591 |
| Additions during the year | 5,090 | 10,631 |
| Finance cost accrued during the year | 1,653 | 1,235 |
| Modifications during the year | (562) | (2,541) |
| Payment of lease liabilities during the year | (4,622) | (3,663) |
| Translation differences | 66 | 66 |
| **Balance at the end of the year** | **20,944** | **19,319** |

**(iv)** Leases not yet commenced to which the Company is committed, amounts to ₹ Nil as at March 31, 2025 (As at March 31, 2024: ₹ 26 for a lease term of 3 years)

### (v) Finance lease receivables:

Finance lease receivables consist of assets that are leased to customers for contract terms ranging from 3 to 4 years, with lease payments due in monthly installments. Details of finance lease receivables are given below:

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **Minimum Lease Payment:** | | |
| Not later than one year | 0 | 19 |
| Later than one year | - | 0 |
| **Gross investment in lease** | 0 | 19 |
| Less: Unearned finance income | - | (0) |
| **Present value of minimum lease payment receivables:** | 0 | 19 |
| Included in the balance sheet as follows: | | |
| – Current finance lease receivables | 0 | 19 |
| – Non-Current finance lease receivables | - | 0 |

Finance income on Finance Lease Receivables was ₹ 0 for the year ended March 31, 2025 (For the year ended March 31, 2024: ₹ 2)

**(vi)** The Company has sublet few of the leased premises. Lease rental income under such non-cancellable operating lease during the year ended March 31, 2025: ₹ 4 (For the year ended March 31, 2024: ₹ 19)

**The following is the cashflows of operating lease on an undiscounted basis:**

(₹ in Million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| Receivable – Not later than one year | - | 4 |
| Receivable – Later than one year and not later than five years | - | - |
| **Total** | **-** | **4** |

## 41. AUDITOR'S REMUNERATION (excluding taxes) charged to the accounts include:

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Audit fees | 14 | 14 |
| Taxation matters | 3 | 3 |
| Other services* | 8 | 8 |
| Expense reimbursement | 1 | 1 |
| | **26** | **26** |

*Excludes amounts paid to a firm affiliated to the statutory auditors firm through a networking arrangement as registered with the Institute of Chartered Accountants of India for the year ended March 31, 2025: ₹ Nil (Previous Year: ₹ 4)

## 42. BASIC AND DILUTED EARNINGS PER SHARE

(₹ in Million)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| Profit after tax | 44,465 | 44,859 |
| Weighted average number of shares for calculation of basic EPS | 296,127,107 | 295,896,599 |
| **Basic EPS (₹)** | **150.15** | **151.60** |
| Weighted average number of shares outstanding at the end of year | 296,127,107 | 295,896,599 |
| Add: Weighted average number of potential equity shares on account of employee stock options | 559,276 | 709,760 |
| Weighted average number of shares for calculation of diluted EPS | 296,686,383 | 296,606,359 |
| **Diluted EPS (₹)** | **149.87** | **151.24** |

## 43. RELATED PARTY DISCLOSURE:

### (I) Parent company / Holding company: Larsen & Toubro Limited

### (II) List of related parties over which control exists/exercised:

| Name | Relationship |
|---|---|
| LTIMindtree GMBH | Wholly owned subsidiary |
| LTIMindtree Canada Limited | Wholly owned subsidiary |
| LTIMindtree LLC[1] | Wholly owned subsidiary |
| LTIMindtree Financial Services Technologies Inc. | Wholly owned subsidiary |
| LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | Wholly owned subsidiary |
| LTIMindtree Spain SL. | Wholly owned subsidiary |
| LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable | Wholly owned subsidiary |
| LTIMindtree S.A. | Wholly owned subsidiary |
| Syncordis France SARL[2] | Wholly owned subsidiary |
| Syncordis Limited[3] | Wholly owned subsidiary |
| LTIMindtree PSF S.A. | Wholly owned subsidiary |
| LTIMindtree Norge AS | Wholly owned subsidiary |
| Nielsen + Partner Unternehmensberater GmbH[4] | Wholly owned subsidiary |
| LTIMindtree Switzerland AG | Wholly owned subsidiary |
| Nielsen + Partner Pte. Ltd. | Wholly owned subsidiary |
| Nielsen & Partner Pty Limited[5] | Wholly owned subsidiary |
| LTIMindtree (Thailand) Limited | Wholly owned subsidiary |
| LTIMindtree USA Inc. | Wholly owned subsidiary |
| LTIMindtree UK Limited | Wholly owned subsidiary |

| Name | Relationship |
|---|---|
| LTIMindtree Middle East FZ-LLC | Wholly owned subsidiary |
| Mindtree Software (Shanghai) Co., Limited ('MSSCL'), Republic of China[6] | Wholly owned subsidiary |
| Cuelogic Technologies Inc.[7] | Wholly owned subsidiary |
| LTIMindtree Consulting Brazil Ltda.[8] | Wholly owned subsidiary |
| LTIMindtree South Africa (Pty.) Limited | Subsidiary |

1. Dissolved w.e.f. January 21, 2025
2. Dissolved w.e.f. November 29, 2024
3. Under liquidation as on March 31, 2025
4. Merged with LTIMindtree GmbH w.e.f. October 02, 2024
5. Dissolved w.e.f. October 23, 2024
6. Liquidated w.e.f. August 26, 2023
7. Liquidated w.e.f April 26, 2023
8. Incorporated w.e.f. September 26, 2024

## (III) Key Management Personnel:

| Name | Status |
|---|---|
| Mr. A. M. Naik[1] | Non-Executive Chairman |
| Mr. S. N. Subrahmanyan[2] | Non-Executive Chairman |
| Mr. R. Shankar Raman | Non-Executive Director |
| Mr. Sanjeev Aga | Independent Director |
| Mr. Rajnish Kumar[3] | Independent Director |
| Mr. James Abraham | Independent Director |
| Mr. Vinayak Chatterjee | Independent Director |
| Ms. Apurva Purohit | Independent Director |
| Mr. Bijou Kurien | Independent Director |
| Mr. Chandrasekaran Ramakrishnan | Independent Director |
| Mr. Debashis Chatterjee | Chief Executive Officer (CEO) and Managing Director (MD) |
| Mr. Venugopal Lambu[4] | Chief Executive Officer - Designate (CEO) and Whole-time Director (WTD) |
| Mr. Sudhir Chaturvedi[5] | President – Sales & Whole-time Director (WTD) |
| Mr. Nachiket Deshpande | Whole-time Director (WTD) |
| Mr. Vinit Ajit Teredesai[6] | Chief Financial Officer (CFO) |
| Mr. Vipul Chandra[7] | Chief Financial Officer (CFO) |
| Mr. Tridib Barat[8] | Company Secretary and Compliance Officer |
| Ms. Angna Arora[9] | Company Secretary and Compliance Officer |

1 Ceased to be Non-Executive Chairman w.e.f. June 26, 2024
2 Appointed as Non-Executive Chairman w.e.f. June 26, 2024 (Non-Executive Vice Chairman upto June 25, 2024)
3 Ceased to be an Independent Director w.e.f. July 7, 2023
4 Appointed as Chief Executive Officer - Designate (CEO) and Whole-time Director w.e.f. January 24, 2025
5 Resigned as President – Sales & Whole-time Director w.e.f. January 27, 2025
6 Resigned as Chief Financial Officer w.e.f. April 24, 2024
7 Appointed as Chief Financial Officer w.e.f. April 25, 2024
8 Resigned as Company Secretary and Compliance Officer on August 8, 2023
9 Appointed as Company Secretary and Compliance Officer on December 11, 2023.

## (IV) List of other related parties with whom there were transactions during the year:

| Name | Relationship |
|---|---|
| L&T Technology Services Limited | Fellow Subsidiary |
| L&T Valves Limited | Fellow Subsidiary |
| L&T Construction Equipment Limited | Fellow Subsidiary |
| L&T Thales Technology Services Private Limited | Fellow Subsidiary |
| L&T Finance Limited[1] | Fellow Subsidiary |
| Nabha Power Limited | Fellow Subsidiary |
| L&T Metro Rail (Hyderabad) Limited | Fellow Subsidiary |
| Larsen & Toubro (East Asia) SDN BHD. | Fellow Subsidiary |
| L&T Technology Services LLC | Fellow Subsidiary |
| L&T Realty Developers Limited | Fellow Subsidiary |
| Hydrocarbon Arabia Limited Company | Fellow Subsidiary |
| L&T Semiconductor Technologies Limited | Fellow Subsidiary |
| L&T Energy Green tech Limited | Fellow Subsidiary |
| Larsen & Toubro Kuwait Construction General Contracting Company, WLL | Fellow Subsidiary |
| Elevated Avenue LLP (Formerly known as L&T Avenue Realty LLP) | Fellow Subsidiary |
| L&T Infrastructure Engineering Limited[2] | Fellow Subsidiary |
| Larsen Toubro Arabia LLC | Fellow Subsidiary |
| L&T Electrolysers Limited | Fellow Subsidiary |
| L&T MHI Power Boilers Private Limited | Joint venture of Holding Company |
| L&T Infrastructure Development Projects Limited[3] | Joint venture of Holding Company |
| LTIMindtree Foundation | Entity with common key managerial person |
| LTIMindtree Employee Welfare Trust[4] | Controlled Trust |
| LTIMindtree Employees' Group Gratuity Assurance Scheme | Post employment benefit plans |
| Mindtree Limited Employees Gratuity Fund Trust[5] | Post employment benefit plans |
| The Larsen & Toubro Officers & Supervisory Staff Provident Fund | Post employment benefit plans |

1 L&T Finance Limited merged in L&T Finance Holdings Limited w.e.f December 4, 2023 and subsequently on March 28, 2024 name changed from L&T Finance Holding Limited to L&T Finance Limited

2 Ceased to be a related party w.e.f. January 3, 2024

3 Ceased to be a related party w.e.f. April 10, 2024

4 The financial position and results of the Trust are included in the standalone financial statements of the Company, in accordance with SEBI guidelines and hence, the related party transactions and balances are excluded in the below disclosure.

5 Merged with LTIMindtree Employees' Group Gratuity Assurance Scheme w.e.f. January 9, 2024.

## (V) Details of transactions and balances between the Company and other related parties are disclosed below.

### A. Transactions and balances with the Holding Company:

(₹ in Million)

| Transaction | Holding company | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Sale of services/products | 2,205 | 2,618 |
| Purchases of services / products | 184 | 198 |
| Purchases of assets | 1,905 | 938 |
| Overheads charged by | 209 | 55 |
| Overheads charged to | 26 | 20 |
| Trademark fees | 953 | 890 |
| Capital advances given | 192 | 24 |
| Guarantee charges | 16 | 16 |
| Security deposit paid | 134 | 38 |
| Security deposit refunded | 16 | - |
| Rent paid | 757 | 523 |
| Allowance for expected credit Loss | 56 | 13 |
| Interim dividend paid | 4,063 | 4,063 |
| Final dividend paid | 9,143 | 8,127 |

(₹ in Million)

| Outstanding balance | Holding company | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| Trade Receivables | 891 | 1,160 |
| Unbilled revenue | 249 | 286 |
| Trade payables | 29 | 65 |
| Capital Creditor | 78 | 134 |
| Revenue commitments | 1,018 | 1,031 |
| Capital commitments (net of advance) | 2,462 | 3,189 |
| Capital Advance | 192 | 175 |
| Security Deposits | 269 | 151 |
| Allowance for Expected Credit Loss | 70 | 14 |

(₹ in Million)

| Off balance sheet items | Holding company | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| Guarantee* | 5,525 | 5,393 |

*Performance guarantee given on behalf of the Company.

## B. Transactions and balances with the Joint venture of Holding Company:

(₹ in Million)

| Transaction | Joint venture of Holding Company | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Sale of services/products** | **-** | **16** |
| L&T Infrastructure Development Projects Limited | - | 16 |
| | | |
| **Overheads charged to** | 0 | **0** |
| L&T MHI Power Boilers Private Limited | 0 | 0 |

(₹ in Million)

| Outstanding balance | Joint venture of Holding Company | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| **Trade Receivable** | **0** | **0** |
| L&T MHI Power Boilers Private Limited | 0 | 0 |
| | | |
| **Unbilled Revenue** | - | 1 |
| L&T Infrastructure Development Projects Limited | - | 1 |

## C. Transactions and balances with Post employment benefit plans:

(₹ in Million)

| Transaction | Post employment benefit plans | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Contribution to Post employment benefit plans** | **4,476** | **4,137** |
| LTIMindtree Employees' Group Gratuity Assurance Scheme | 947 | 946 |
| The Larsen & Toubro Officers & Supervisory Staff Provident Fund | 3,529 | 3,191 |

(₹ in Million)

| Outstanding balance | Post employment benefit plans | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| **Contribution to Post employment benefit plans** | **2,077** | **1,613** |
| LTIMindtree Employees' Group Gratuity Assurance Scheme | 1,301 | 944 |
| The Larsen & Toubro Officers & Supervisory Staff Provident Fund | 776 | 669 |

## D. Transactions and balances with Fellow Subsidiaries:

(₹ in Million)

| Transaction | Fellow Subsidiaries | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Sale of services/products** | **1,696** | **1,377** |
| L&T Technology Services Limited | 1,496 | 1,149 |
| L&T Valves Limited | 60 | 10 |
| L&T Construction Equipment Limited | 10 | 10 |
| L&T Thales Technology Services Private Limited | - | 14 |
| L&T Finance Limited | 32 | 151 |

(₹ in Million)

| Transaction | Fellow Subsidiaries | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Nabha Power Limited | 5 | 5 |
| L&T Metro Rail (Hyderabad) Limited | 16 | 17 |
| L&T Technology Services LLC | 13 | 18 |
| L&T Realty Developers Limited | - | (0) |
| Hydrocarbon Arabia Limited Company | - | 2 |
| L&T Semiconductor Technologies Limited | 27 | 1 |
| L&T Energy Green tech Limited | 37 | - |
| L&T Electrolysers Limited | 0 | - |
| **Purchase of services/products** | **1,119** | **1,304** |
| L&T Technology Services Limited | 1,119 | 1,304 |
| **Purchase of assets** | **1,167** | **1,822** |
| L&T Realty Developers Limited | 193 | 1,096 |
| Elevated Avenue Realty LLP | 970 | 726 |
| L&T Technology Services Limited | 4 | - |
| **Overheads charged by** | **146** | **53** |
| L&T Technology Services Limited | 22 | 15 |
| L&T Finance Limited | - | 0 |
| L&T Metro Rail (Hyderabad) Limited | - | 18 |
| Larsen & Toubro (East Asia) SDN BHD. | - | 0 |
| L&T Technology Services LLC | - | 1 |
| L&T Realty Developers Limited | 124 | 18 |
| Larsen Toubro Arabia LLC | - | 1 |
| **Overheads charged to** | **52** | **63** |
| L&T Technology Services Limited | 19 | 42 |
| L&T Valves Limited | 32 | 21 |
| L&T Finance Limited | - | 0 |
| L&T Technology Services LLC | - | 0 |
| L&T Semiconductor Technologies Limited | 1 | - |
| **Security deposit paid** | - | **291** |
| L&T Metro Rail (Hyderabad) Limited | - | 39 |
| L&T Realty Developers Limited | - | 252 |
| **Security deposit refunded** | 17 | **75** |
| L&T Metro Rail (Hyderabad) Limited | - | 75 |
| L&T Realty Developers Limited | 17 | - |
| **Redemption of (Principal) debt securities** | **250** | **201** |
| L&T Finance Limited | 250 | 201 |
| **Redemption of (Interest) debt securities** | **16** | **17** |
| L&T Finance Limited | 16 | 17 |
| **Investment in Debt Securities** | **-** | **750** |
| L&T Finance Limited | - | 750 |
| **Interest Income on Debt Securities** | **91** | **60** |
| L&T Finance Limited | 91 | 60 |

(₹ in Million)

| Transaction | Fellow Subsidiaries | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Rent charged by** | **484** | **177** |
| L&T Metro Rail (Hyderabad) Limited | - | 53 |
| L&T Realty Developers Limited | 473 | 124 |
| L&T Technology Services Limited | 11 | - |
| **Allowance for expected credit loss (incl. related parties with individually less than ₹ 1)** | **3** | **0** |
| L&T Technology Services Limited | 1 | 0 |
| L&T Valves Limited | 1 | - |

(₹ in Million)

| Outstanding balance | Fellow Subsidiaries | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| **Trade Receivable** | **325** | **260** |
| L&T Technology Services Limited | 190 | 113 |
| L&T Valves Limited | 52 | 2 |
| L&T Construction Equipment Limited | 1 | 2 |
| L&T Finance Limited | 7 | 135 |
| Nabha Power Limited | 6 | 0 |
| L&T Metro Rail (Hyderabad) Limited | 1 | 1 |
| L&T Technology Services LLC | 1 | 5 |
| L&T Realty Developers Limited | 29 | 0 |
| L&T Semiconductor Technologies Limited | 22 | 3 |
| L&T Energy Green tech Limited | 16 | - |
| L&T Electrolysers Limited | 0 | - |
| **Unbilled Revenue** | **123** | **150** |
| L&T Technology Services Limited | 98 | 136 |
| L&T Valves Limited | 17 | 2 |
| L&T Construction Equipment Limited | - | 1 |
| L&T Finance Limited | - | 3 |
| L&T Metro Rail (Hyderabad) Limited | 7 | 7 |
| L&T Technology Services LLC | 1 | 1 |
| L&T Infrastructure Engineering Limited | - | 0 |
| Nabha Power Limited | 0 | - |
| **Trade payables** | **316** | **330** |
| L&T Technology Services Limited | 316 | 200 |
| Larsen & Toubro (East Asia) SDN BHD. | 0 | 0 |
| L&T Realty Developers Limited | - | 129 |
| L&T Semiconductor Technologies Limited | - | 1 |
| Larsen & Toubro Kuwait Construction General Contracting Company, WLL | 0 | 0 |
| **Capital Creditors** | **151** | **314** |
| L&T Realty Developers Limited | 7 | 95 |
| Elevated Avenue Realty LLP | 144 | 219 |
| **Security Deposit** | **235** | **252** |
| L&T Realty Developers Limited | 235 | 252 |

(₹ in Million)

| Outstanding balance | Fellow Subsidiaries | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| **Investment (Principal amount) in debt securities** | **995** | **1,245** |
| L&T Finance Limited | 995 | 1,245 |
| **Interest accrued in debt securities** | **70** | **60** |
| L&T Finance Limited | 70 | 60 |
| **Capital Commitment (net of advance)** | **1,184** | **872** |
| L&T Realty Developers Limited | 63 | 337 |
| Elevated Avenue Realty LLP | 1,121 | 535 |
| **Revenue Commitment** | **143** | **373** |
| L&T Construction Equipment Limited | 1 | 17 |
| L&T Finance Limited | 15 | 9 |
| L&T Metro Rail (Hyderabad) Limited | 2 | 5 |
| L&T Semiconductor Technologies Limited | 7 | 2 |
| L&T Technology Services Limited | 44 | 340 |
| L&T Energy Green tech Limited | 7 | - |
| L&T Valves Limited | 67 | - |
| L&T Electrolysers Limited | 0 | - |
| L&T Realty Developers Limited | 0 | - |
| Nabha Power Limited | 0 | - |
| **Allowance for expected credit loss (incl. related parties with individually less than ₹ 1)** | **3** | **0** |
| L&T Technology Services Limited | 1 | 0 |
| L&T Valves Limited | 1 | 0 |

## E. Transactions and balances with Subsidiaries:

(₹ in Million)

| Transaction | Subsidiaries | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Sale of Services/Products** | **12,888** | **7,385** |
| LTIMindtree GmbH | 3,072 | 1,304 |
| LTIMindtree Canada Limited | 1,546 | 1,383 |
| LTIMindtree LLC | 12 | 14 |
| LTIMindtree Financial Services Technologies Inc. | 969 | 862 |
| LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | 54 | 49 |
| LTIMindtree Spain SL. | 44 | 99 |
| LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable | 72 | 16 |
| LTIMindtree S.A. | 131 | 177 |
| Syncordis France SARL | - | 3 |
| LTIMindtree PSF S.A. | 64 | 10 |
| LTIMindtree Norge AS | 214 | 292 |
| LTIMindtree Switzerland AG | 32 | 27 |
| Nielsen + Partner Pte. Ltd. | 16 | 22 |
| LTIMindtree (Thailand) Limited | 4 | 1 |
| LTIMindtree USA Inc. | 487 | 26 |
| LTIMindtree UK Limited | 4,963 | 1,950 |

(₹ in Million)

| Transaction | Subsidiaries | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| LTIMindtree Middle East FZ-LLC | 897 | 803 |
| LTIMindtree South Africa (Pty.) Limited | 311 | 346 |
| **Purchase of services/products** | **14,957** | **10,107** |
| LTIMindtree GmbH | 689 | 142 |
| LTIMindtree Canada Limited | 7,516 | 5,154 |
| LTIMindtree LLC | 3 | 14 |
| LTIMindtree Financial Services Technologies Inc. | - | 2 |
| LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | 668 | 442 |
| LTIMindtree Spain SL. | 5 | 65 |
| LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable | 974 | 936 |
| LTIMindtree S.A. | 66 | 2 |
| Syncordis Limited | - | 3 |
| LTIMindtree PSF S.A. | 1 | 0 |
| LTIMindtree Norge AS | 44 | 44 |
| LTIMindtree Switzerland AG | 39 | 4 |
| Nielsen + Partner Pte. Ltd. | 3 | 63 |
| Nielsen & Partner Pty Limited | - | 2 |
| LTIMindtree (Thailand) Limited | 8 | 8 |
| LTIMindtree UK Limited | 4,091 | 2,566 |
| LTIMindtree Middle East FZ-LLC | 790 | 641 |
| LTIMindtree South Africa (Pty.) Limited | 46 | 19 |
| LTIMindtree Consulting Brazil Ltda. | 14 | - |
| **Overheards charged by** | **1,083** | **580** |
| LTIMindtree GmbH | 76 | 1 |
| LTIMindtree Canada Limited | 21 | 9 |
| LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | 21 | 42 |
| LTIMindtree Spain SL. | 4 | - |
| LTIMindtree S.A. | 44 | 39 |
| Syncordis Limited | - | 0 |
| LTIMindtree PSF S.A. | 0 | 0 |
| LTIMindtree Norge AS | 154 | 131 |
| Nielsen + Partner Unternehmensberater GmbH | - | 1 |
| LTIMindtree Switzerland AG | 62 | 8 |
| LTIMindtree UK Limited | 632 | 254 |
| LTIMindtree Middle East FZ-LLC | 7 | 18 |
| LTIMindtree South Africa (Pty.) Limited | 57 | 77 |
| LTIMindtree LLC | 5 | - |
| LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable | 0 | - |
| **Overheards charged to** | **262** | **275** |
| LTIMindtree GmbH | 6 | 5 |
| LTIMindtree Canada Limited | 101 | 110 |
| LTIMindtree LLC | 1 | 2 |
| LTIMindtree Financial Services Technologies Inc. | 8 | 7 |
| LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | 7 | 3 |
| LTIMindtree Spain SL. | 0 | 1 |

(₹ in Million)

| Transaction | Subsidiaries | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable | 9 | 10 |
| Syncordis France SARL | - | 14 |
| LTIMindtree PSF S.A. | 10 | 9 |
| LTIMindtree Norge AS | 20 | 40 |
| LTIMindtree Switzerland AG | 1 | 0 |
| Nielsen + Partner Pte. Ltd. | 6 | 1 |
| LTIMindtree UK Limited | 70 | 68 |
| LTIMindtree Middle East FZ-LLC | 2 | 2 |
| LTIMindtree South Africa (Pty.) Limited | 7 | 3 |
| LTIMindtree S.A. | 7 | - |
| LTIMindtree USA Inc. | 7 | - |
| LTIMindtree (Thailand) Limited | 0 | - |
| **Guarantee Commission charged to** | **-** | **10** |
| LTIMindtree Middle East FZ-LLC | - | 10 |
| **Interest income on Loans given to subsidiaries** | **34** | **62** |
| LTIMindtree Middle East FZ-LLC | 34 | 62 |
| **Sale of Assets** | **10** | **-** |
| LTIMindtree GmbH | 4 | - |
| LTIMindtree UK Limited | 5 | |
| LTIMindtree Middle East FZ-LLC | 1 | - |
| **Purchase of Assets** | **2** | **-** |
| Nielsen + Partner Pte. Ltd. | 1 | - |
| Syncordis France SARL | 1 | - |
| **Loan repaid by subsidiary** | **118** | **350** |
| LTIMindtree Middle East FZ-LLC | 118 | 350 |
| **Allowance for expected credit loss (incl. related parties with individually less than ₹ 1)** | **6** | **5** |
| LTIMindtree Middle East FZ-LLC | 4 | 6 |
| LTIMindtree S.A. | 1 | (1) |
| LTIMindtree Financial Services Technologies Inc. | 1 | 0 |
| LTIMindtree GmbH | 1 | 0 |

(₹ in Million)

| Outstanding Balance | Subsidiaries | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| **Trade receivables** | **4,812** | **1,879** |
| LTIMindtree GmbH | 1,848 | 693 |
| LTIMindtree LLC | - | 10 |
| LTIMindtree Financial Services Technologies Inc. | 166 | 87 |
| LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | 60 | - |
| LTIMindtree Spain SL. | 13 | 31 |
| LTIMindtree S.A. | 292 | 83 |
| Syncordis France SARL | - | 183 |
| LTIMindtree PSF S.A. | 152 | 92 |
| LTIMindtree Norge AS | 146 | 135 |

(₹ in Million)

| Outstanding Balance | Subsidiaries | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| LTIMindtree Switzerland AG | 4 | 35 |
| Nielsen + Partner Pte. Ltd. | 29 | 29 |
| Nielsen & Partner Pty Limited | - | 8 |
| LTIMindtree (Thailand) Limited | 43 | 40 |
| LTIMindtree UK Limited | 1,453 | - |
| LTIMindtree Middle East FZ-LLC | 415 | 386 |
| LTIMindtree South Africa (Pty.) Limited | 90 | 68 |
| LTIMindtree USA Inc. | 101 | - |
| **Unbilled Revenue** | **14** | **27** |
| LTIMindtree Financial Services Technologies Inc. | 14 | 12 |
| LTIMindtree S.A. | - | 14 |
| LTIMindtree PSF S.A. | - | 1 |
| **Trade Payables** | **544** | **847** |
| LTIMindtree Canada Limited | 403 | 426 |
| LTIMindtree Information Technology Services (Shanghai) Co., Ltd. | - | 26 |
| LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable | 127 | 16 |
| Syncordis Limited | - | 12 |
| Nielsen + Partner Unternehmensberater GmbH | - | 0 |
| LTIMindtree UK Limited | - | 366 |
| LTIMindtree Consulting Brazil Ltda. | 14 | - |
| Nielsen & Partner Pty Limited | 0 | - |
| **Loan Oustanding** | **351** | **456** |
| LTIMindtree Middle East FZ-LLC | 351 | 456 |
| **Allowance for expected credit loss (incl. related parties with individually less than ₹ 1)** | **15** | **9** |
| LTIMindtree Middle East FZ-LLC | 10 | 6 |
| LTIMindtree S.A. | 1 | 0 |
| LTIMindtree Financial Services Technologies Inc. | 1 | 0 |
| LTIMindtree GmbH | 2 | 1 |

All balances are unsecured and to be settled in cash.

## F. Transactions and balances with Entity with common key managerial person

| Transaction | Entity with common key managerial person | |
|---|---|---|
| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| **Corporate Social Responsibilty** | **878** | **817** |
| LTIMindtree Foundation | 878 | 817 |

| Outstanding balance | Entity with common key managerial person | |
|---|---|---|
| | As at March 31, 2025 | As at March 31, 2024 |
| **Provision towards unspent CSR expenses** | **44** | **9** |
| LTIMindtree Foundation | 44 | 9 |

### (VI) Managerial Remuneration

| Particulars | | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| (i) | Short-term employee benefits | 360 | 332 |
| (ii) | Share-based payments (on employee stock options granted)* | 349 | - |
| (iii) | Others (Directors fees) | 28 | 33 |
| **Total** | | **737** | **365** |

*Share based payments on employee stock options granted (if any) are charged to Statement of profit and loss over vesting period of ESOPs.

Note: The above figures do not include provisions for compensated absences, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

Dividends paid to key managerial personnel during the year ended March 31, 2025 amounts to ₹ 14 (For the year ended March 31, 2024: ₹ 12).

## 44. SEGMENT REPORTING

In accordance with Ind AS 108 'Operating Segment', the Company has disclosed Segment information on consolidated basis for the year ended March 31, 2025 and March 31, 2024 respectively, and is available as part of the audited consolidated financial statements of the Company.

## 45. DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES:

(₹ in Million)

| Particulars | | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| ia) | Principle amount due to suppliers under MSMED Act, 2006 | 301 | 118 |
| ib) | Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid | 0 | |
| ii) | the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year | 110 | - |
| iii) | the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year without adding the interest specified under MSMED Act, 2006 | - | - |
| iv) | the amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| v) | the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |
| vi) | the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

**Note:**

The management has identified dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

## 46. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year ended March 31, 2025 is ₹ 928 (during the year ended March 31, 2024: ₹ 806) and the actual amount spent is ₹ 928 during the year ended March 31, 2025, including a provision of ₹ 44 (For the year ended March 31, 2024 is ₹ 807, including a provision amount of ₹ 6 for unspent CSR). The CSR initiatives are primarily in relation to major thrust areas of Education, Health and Wellness, Livelihood, Environment, Women Empowerment, and upliftment of Persons with Disabilities.

(₹ in Million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|
| i) Amount required to be spent by the Company during the period and approved by Board | 928 | 806 |
| ii) Amount of expenditure incurred | | |
| – disclosed as CSR (refer note 32) | 900 | 777 |
| (a) Construction/acquisition of any asset | - | - |
| (b) On purposes other than (i) above | 900 | 777 |
| – disclosed under Professional fees | 3 | 3 |
| – disclosed under salary cost | 23 | 27 |
| – disclosed under travelling and conveyance | 2 | 0 |
| iii) Shortfall at the end of the year | - | - |
| iv) Total of previous years shortfall | - | - |
| v) Reason for shortfall | NA | NA |
| vi) Details of related party transactions | | |
| – LTIMindtree Foundation (formerly Mindtree Foundation) (Contribution)* | 878 | 817 |
| vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year | Refer Note below | |

*Represents donations made to fund CSR spends (including transfers from Escrow account for unspent liabilities of previous years) and other operating expense.

**Note:**

During the year ended March 31, 2022 a provision of ₹ 77 was created for unspent CSR expenses, of which ₹ 3 has been utilized during the year ended March 31, 2025 (Utilized ₹ 39 and ₹ 35 during the year ended March 31, 2024 and March 31, 2023 respectively). During the year ended March 31, 2024 a provision of ₹ 6 was created for unspent CSR expenses, which has been utilized during the year ended March 31, 2025.

## 47. ANALYTICAL RATIOS

| Ratio | Numerator | Denominator | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|---|
| Current Ratio | Total current assets | Total current liabilities | 3.6 | 3.3 |
| Debt-Equity Ratio | Debt consists of borrowings and lease liabilities | Total equity | 0.1 | 0.1 |
| Debt Service Coverage Ratio | Earning for Debt Service = Net profit after taxes + Non-cash operating items + Interest on lease and borrowings + Other adjustments | Debt service = Interest & Lease Payments + Principal Repayments | 12.0 | 15.1 |
| Return on Equity Ratio | Profit for the year less Preference dividend (if any) | Average total equity | 21.6% | 25.4% |
| Trade Receivables turnover ratio | Revenue from operations | Average trade receivables | 6.6 | 6.4 |
| Trade payables turnover ratio | Adjusted expenses* | Average trade payables | 5.2 | 5.0 |
| Net capital turnover ratio | Revenue from operations | Average working capital (i.e. Total current assets less Total current liabilities) | 2.7 | 2.8 |
| Net profit % | Profit for the year | Revenue from operations | 12.1% | 13.1% |
| EBITDA % | Earnings before interest, taxes, depreciation and amortization | Revenue from operations | 16.8% | 17.9% |

| Ratio | Numerator | Denominator | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|---|
| EBIT % | Earnings before interest and taxes | Revenue from operations | 14.4% | 15.7% |
| Return on Capital employed | Profit before tax and Interest on lease and borrowings | Average capital employed (Capital employed = Net worth + Borrowings + Lease liabilities) | 27.2% | 31.1% |
| Return on investment | Income generated from invested funds | Average invested funds in treasury investments | 7.7% | 7.6% |

*Adjusted expenses = Sub-contracting expenses + Other expenses - CSR - Non-cash expenses (expected credit losses, provision for foreseeable losses)

All ratio variances are below threshold limit defined as per Schedule III.

## 48. BALANCES WITH STRUCK OFF COMPANIES

| Name of the Struck off Company | Nature of Transaction | Relationship with the struck off company | Balance outstanding as at March 31, 2025 | Balance outstanding as at March 31, 2024 |
|---|---|---|---|---|
| Nitin Commercials Private Limited | Shares held by struck off companies | NA | 0 | 0 |
| Gdbk Investment Advisory Pvt. Ltd. | Shares held by struck off companies | NA | 0 | 0 |
| Mechanical And Electrical Engineering Co. Private Limited | Shares held by struck off companies | NA | 0 | - |

## 49. DIVIDENDS

Dividends paid during the year ended March 31, 2025 include an amount of ₹ 45 per equity share towards final dividend for the year ended March 31, 2024 and an amount of ₹ 20 per equity share towards interim dividend. Dividends paid during the year ended March 31, 2024 include an amount of ₹ 40 per equity share towards final dividend for the year ended March 31, 2023 and an amount of ₹ 20 per equity share towards interim dividend.

Dividends declared by the Company are based on profits available for distribution. On April 23, 2025, the Board of Directors of the Company have proposed a final dividend of ₹ 45 per share in respect of the year ended March 31, 2025 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 13,332.

**50.** The company has transferred ₹ 4 to Investor Education and Protection Fund during the year ended March 31, 2025.

**51.** Figures mentioned as '0' in the financial statements denotes figures less than ₹ 0.5 million.

**52.** Previous year's figures have been regrouped wherever applicable to facilitate comparability.

**53.** The financial statements were approved by the Board of Directors on April 23, 2025.