LTI
Let's Solve

LTI/SE/STAT/2022-23/44 June 17, 2022

National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051

The BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

NSE Symbol: LTI

BSE Scrip Code: 540005

Dear Sir(s)/Madam,

Subject: Integrated Annual Report FY2021-22 and Notice convening 26th Annual General Meeting ('AGM')

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report for Financial year 2021-22 along with the Notice convening 26th AGM, and the same is also being sent through electronic mode to those Members who have registered their e-mail addresses with the Company/Depositories.

The same is also available on the Company's website at www.lntinfotech.com/investors.

Please take the above intimation on record.

Thanking you,

Yours faithfully,
For Larsen & Toubro Infotech Limited

(Tridib Barat)
Company Secretary & Compliance Officer

LARSEN & TOUBRO INFOTECH LTD. ★ LTI Let's Solve ★ CIN: L72900MH1996PLC104693 ★ PW-01-CO

Encl.: As above

LARSEN & TOUBRO INFOTECH LIMITED

CIN: L72900MH1996PLC104693
Registered Office: L&T House, Ballard Estate, Mumbai 400 001, India
Tel: +91 22 6776 6776; **Fax:** +91 22 2858 1130
E-mail: Investor@Lntinfotech.com; **Website:** www.Lntinfotech.com

Notice

NOTICE IS HEREBY GIVEN THAT the Twenty Sixth (26th) Annual General Meeting ('AGM') of the members of **Larsen & Toubro Infotech Limited** will be held on **Thursday, July 14, 2022 at 3:45 p.m. (IST) through Video Conference (VC)/ Other Audio Visual Means (OAVM)** to transact the following business:

1. **To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2022 and the reports of the Board of Directors and Auditor thereon; and the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2022 and the report of the Auditor thereon;**
2. **To declare final dividend on equity shares for the Financial Year 2021-2022;**
3. **To appoint a Director in place of Mr. Nachiket Deshpande (DIN: 08385028), who retires by rotation, and being eligible, has offered himself for re-appointment;**
4. **To appoint a Director in place of Mr. R. Shankar Raman (DIN: 00019798), who retires by rotation, and being eligible, has offered himself for re-appointment;**
5. **To appoint M/s. Deloitte Haskins & Sells Chartered Accountants LLP, as Statutory Auditor**

   To consider and, if thought fit, pass the following resolutions as **ORDINARY RESOLUTION**:

   "RESOLVED THAT *pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells Chartered Accountants LLP (ICAI Registration No. 117364W/W100739), be and are hereby appointed as Statutory Auditor of the Company, to hold office for a term of five consecutive years, from the conclusion of the 26th (Twenty Sixth) Annual General Meeting until the conclusion of the 31st (Thirty First) Annual General Meeting of the Company to be held in the year 2027.*

   RESOLVED FURTHER THAT *the Audit Committee and/or the Board of Directors be and are hereby authorized to decide and finalize the terms and conditions of appointment, including remuneration of the Statutory Auditor."*

By Order of the Board of Directors
For **Larsen & Toubro Infotech Limited**

May 19, 2022
Mumbai

Tridib Barat
Company Secretary and Compliance Officer

NOTES:

a) The Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of Item No. 5 of the Notice, is annexed hereto. Further, disclosures in relation to Item Nos. 3 and 4 of the Notice, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') forms part of this Notice.

b) In view of continuing COVID-19 pandemic, pursuant to General Circular No. 2/2022 dated May 5, 2022 issued by Ministry of Corporate Affairs ('MCA Circular') and in compliance with the provisions of the Companies Act, 2013, read with the rules made thereunder and SEBI Listing Regulations, the 26th Annual General Meeting of the Members of the Company is being convened through Video Conference / Other Audio Visual Means (VC/OAVM), without the physical presence of members at a common venue. In view of the same, the registered office of the Company shall be deemed to be the venue of the AGM.

Accordingly, Notice of the AGM along with the Annual Report for FY22 is being sent by electronic mode to those members whose e-mail address is registered with the Company/Depositories, unless any member has requested for a physical copy of the same.

c) Since the AGM is held through VC/OAVM, route map to the venue is not required and therefore, the same is not annexed to this Notice.

d) Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. Members holding equity shares of the Company as on **Thursday, July 7, 2022 ('Cut-off date')** can join the meeting anytime 30 minutes before the commencement of the AGM by following the procedure as outlined in Annexure – 2 of the Notice.

e) Attendance through VC/OAVM is restricted and hence, members will be allowed on first come first serve basis. However, attendance of members holding more than 2% of the paid-up share capital of the Company, institutional investors, directors and key managerial personnel, Chairperson of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and the Auditor will not be restricted on first come first serve basis.

f) **Appointment of Proxy and Attendance Slip:** Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014 provides for appointment of proxy to attend and vote at a general meeting on behalf of the member who is not able to physically attend the AGM. Since the 26th AGM is being held through VC/OAVM and in accordance with the MCA Circular, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 26th AGM and therefore, proxy form and attendance slip are not annexed to this Notice.

g) Corporate shareholders/institutional shareholders intending to send their authorised representative(s) to attend and vote at the 26th AGM are requested to send from their registered email address, scan copy of the relevant Board Resolution/ Authority Letter, etc. authorizing their representative(s) to vote, to the Scrutinizer on her e-mail ID at krupa@krupajoisar.com with a copy marked to evoting@nsdl.co.in and Investor@Lntinfotech.com

h) **Record Date:** Members may kindly note that **Friday, July 1, 2022** has been fixed as the Record Date to determine entitlement of members to the final dividend for the financial year 2021-22.

i) **Dividend:**

(i) Pursuant to Finance Act, 2020, dividend income is taxable in the hands of members effective April 1, 2020. Accordingly, the final dividend, as recommended by the Board of Directors, and if approved at this AGM, shall be paid after deducting tax at source ('TDS') in accordance with the provisions of the Income Tax Act, 1961 at the prescribed rates, within 30 days from the date of declaration:

- to members in respect of equity shares held by them in physical form, whose name appear as a member in the Company's Register of Members as on **Friday, July 1, 2022**; and
- to beneficial owners in respect of equity shares held by them in dematerialized form whose name appear in the statement of beneficial owners furnished by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'), on close of business hours on **Friday, July 1, 2022**.

(ii) For information on Tax Deduction at Source ('TDS'), please refer **ANNEXURE-1** to this Notice on "TDS Instructions on Dividend Distribution".

(iii) In case of members whose bank details are not updated before the close of business hours on **Friday, July 1, 2022** or in case the Company is unable to pay the dividend to any member directly in his/her bank account via electronic clearing service, the Company shall dispatch the dividend draft/cheque to such member(s) by post.

j) **Mandatory updation of PAN, KYC, nomination and bank details by Members**

Members holding shares in physical form

SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, has mandated all listed entities to ensure that shareholders holding equity shares in physical form shall update their PAN, KYC, nomination and bank account details (if not updated or provided earlier) through the respective Registrar and Share Transfer Agent (RTA). In line with the same, the Company has sent individual letters to all the Members holding shares of the Company in physical form to furnish the required details to the Company's Registrar and Share Transfer Agent ('Company's RTA') on e-mail ID: rnt.helpdesk@linkintime.co.in and has also hosted the said communication on Company's website at www.Lntinfotech.com/investors. Any service request or complaint from member, cannot be processed by RTA untill registration/updation of their PAN, KYC, nomination and bank account details in RTA's records. The relevant forms for updating the records are available on Company's website www.lntinfotech.com/investors, and the duly filled forms may be sent to the Company's RTA at the earliest, preferably on or before **Thursday, July 7, 2022**.

Members holding shares in demat form

Members holding shares in demat form are requested to update PAN and other details with their Depository Participant(s).

k) SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated companies to issue securities in dematerialized form only, while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement, sub-division/splitting, consolidation of securities certificate, transmission and transposition. Members are accordingly advised to get their shares held in physical form dematerialized through their Depository Participant.

l) **Unclaimed Dividend:** Details of unclaimed dividend are available on the Company's website, https://www.lntinfotech.com/investors/

In compliance with Section 124 of the Act and rules made thereunder, unpaid/unclaimed dividend for the Financial Year 2015-2016 and equity shares in respect whereof dividend remains unpaid/unclaimed for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) during Calender Year 2023, as per details given below:

Particulars	Date of declaration	Due date for transfer to IEPF
Interim Dividend	Monday, January 18, 2016	Wednesday, February 22, 2023
Final Dividend	Tuesday, May 31, 2016	Thursday, July 6, 2023

Members who wish to claim their unpaid/unclaimed dividend(s) may send a written request to the Corporate Secretarial Department on e-mail ID: Investor@Lntinfotech.com or to the Company's RTA on e-mail ID: rnt.helpdesk@linkintime.co.in or by post to RTA's address at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083, Maharashtra, India, at least 30 days prior to the due date for transfer to IEPF.

m) **Electronic dissemination of AGM Notice and Integrated Annual Report:** Electronic/digital copy of the Integrated Annual Report for FY22 and Notice of 26th AGM are being sent to all the Members whose e-mail ID is registered with the Company/Depositories. Members who have not registered their e-mail ID may get the same registered by following the instruction mentioned at (j) above. The Integrated Annual Report for FY22 and Notice of 26th AGM of the Company are available on the Company's website viz.- https://www.lntinfotech.com/investors, websites of BSE Limited and National Stock Exchange of India Limited, and on the website of NSDL at https://www.evoting.nsdl.com

n) **Inspection of documents:** Besides the statutory registers maintained under Section 170 and Section 189 of the Act, electronic copy of all the documents referred to in the Notice of 26th AGM and the statement annexed thereto, shall be made available for inspection to the members by accessing the NSDL e-voting platform at https://www.evoting.nsdl.com, during the remote e-voting period and during the 26th AGM.

o) **Speaker registration/facility for non-speakers:**

	PROCESS
Registration as speaker at the AGM	Members who wish to raise queries at the AGM may register themselves as 'Speaker' by sending request to the said effect from their registered email address, to the e-mail ID: investor@lntinfotech.com quoting their name, DP ID and Client ID/folio number, **on or before Thursday, July 7, 2022**.
Facility for non-speakers	Members who wish to receive any information on the Integrated Annual Report for FY22 or have questions on the financial statements and/or matters to be placed at the 26th AGM, may send a communication from their registered email address to the e-mail ID: investor@lntinfotech.com quoting their name, DP ID and Client ID/folio number, **on or before Thursday, July 7, 2022.**

The Company reserves the right to restrict the number of questions and/or number of speakers during the AGM, depending upon availability of time and for smooth conduct of the meeting. However, the Company will endeavour to respond to the questions which have remained unanswered during the meeting, over email.

p) **E-voting:**

- In accordance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, SS-2 and Regulation 44 of SEBI Listing Regulations, the Company has extended the facility of voting through electronic means including 'Remote e-voting' (e-voting other than at the AGM) to transact the business mentioned in the notice of 26th AGM.

- Necessary arrangements have been made by the Company with NSDL to facilitate 'Remote e-voting' as well as e-voting at the AGM to be held through VC/OAVM facility. Members shall have the option to vote either through remote e-voting or voting through electronic means at the AGM.

- The Company has appointed Ms. Krupa Joisar, Practising Company Secretary (Membership No. FCS 11117 and Certificate of Practice No. 15263) as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.

- Voting rights of members shall be reckoned on the paid-up value of equity shares registered in their name as on the **'Cut-off date' i.e. Thursday, July 7, 2022**.

- Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **'Cut-off date',** shall be entitled to avail the facility of remote e-voting or e-voting at the AGM, as the case may be.

- The procedure for e-voting on the day of the AGM is identical to remote e-voting instructions as outlined in **ANNEXURE-2** to this Notice.

- Any person who becomes a Member of the Company after dispatch of the Notice of 26th AGM and holds equity shares as on the **'Cut-off date'** may also follow the procedure as outlined in **ANNEXURE-2** to this Notice. Any person who is not a Member as on the **'Cut-off date'** should treat this Notice for information purpose only.

- Members present at the 26th AGM through VC/OAVM facility and who have not cast their vote on resolutions set out in the 26th AGM Notice through remote e-voting, and who are not otherwise barred from doing so, shall be allowed to vote through e-voting facility during the 26th AGM. However, Members who have exercised their right to vote by remote e-voting may attend the 26th AGM but shall not be entitled to cast their vote again.

- Once the vote on a resolution is cast, the Member shall not be allowed to change the same subsequently or cast the vote again.
- Members can opt for only one mode of voting i.e. either through remote e-voting or e-voting at the 26th AGM. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail.
- In case of joint holders attending the 26th AGM through VC/OAVM facility, only such joint holder who is higher in the order of names will be entitled to vote.

q) **Declaration of results of voting:** After conclusion of the meeting, the Scrutinizer will submit the report on votes cast in favour or against and invalid votes, if any, to the Chairman or any other person authorized by him, who shall countersign the same, and the result of the voting will be declared within the time stipulated under the applicable laws.

The voting results along with the Scrutinizer's report, will be hosted on the Company's website, https://www.lntinfotech.com/investors/, website of NSDL, https://www.evoting.nsdl.com/, displayed on the Notice Board of the Company at the Registered Office and Corporate Office, and will be simultaneously forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out material facts relating to Item No. 5 of the accompanying Notice:

Item No. 5

M/s. B.K. Khare & Co. Chartered Accountants (ICAI Registration No. 105102W) ('BKK'), was appointed as Statutory Auditor at the Annual General Meeting held on August 24, 2017 for a term of five consecutive years, commencing from conclusion of the 21st AGM till conclusion of the 26th AGM.

Considering that the tenure of BKK will come to an end upon conclusion of the 26th AGM, the Board of Directors at its meeting held on April 19, 2022, upon recommendation of the Audit Committee, have recommended for approval of the members, appointment of M/s. Deloitte Haskins & Sells Chartered Accountants, LLP ('Deloitte') as Statutory Auditor of the Company for a term of five consecutive years, to hold office from the conclusion of the 26th AGM till the 31st AGM and payment of audit fee of ₹9.5 Mn (excluding applicable taxes and reimbursement of out-of-pocket expenses) to Deloitte for audit of financial statements for each of FY23 & FY24.

Deloitte has given consent to act as Statutory Auditor and confirmed that their appointment, if made, shall be within the limits specified under Section 143 of the Companies Act, 2013 and that they are not disqualified to be appointed as Statutory Auditor.

Brief profile, terms & conditions of appointment and the proposed fee of the proposed statutory auditor, are as follows:

a. **Brief profile:** Deloitte Haskins & Sells Chartered Accountants LLP ('Deloitte') is registered with the Institute of Chartered Accountants of India (ICAI) with Registration No. 117364W/W100739, and is part of Deloitte Haskins & Sells & Affiliates being the network of Firms registered with the ICAI. The registered office of Deloitte is 19th Floor, "Shapath V", S. G. Highway, Ahmedabad – 380 015, Gujarat, India.

   Deloitte was constituted in 1997 (converted to LLP in 2021). Deloitte and the other firms which are part of Deloitte Haskins & Sells & Affiliates being the network of firms registered with the ICAI, have been engaged in statutory audit of large software companies based out of India.

b. **Term of Appointment:** First term of five consecutive years, from conclusion of 26th AGM till conclusion of 31st AGM.

c. **Proposed Fee:** ₹9.5 Mn (excluding applicable taxes and reimbursement of out-of-pocket expenses) for audit of financial statements for each of FY23 & FY24. The Audit Committee and/or the Board of Directors be authorized to decide and finalize the fee for the balance period of the tenure of Deloitte as Statutory Auditor.

d. **Material changes, if any, in proposed fees:** The total fees paid to BKK for FY22 was ₹3.1 Mn and the proposed fee to Deloitte for FY23 is ₹9.5 Mn.

Rationale of appointment including audit fee

Various audit firms were evaluated on diverse parameters like experience, expertise, proven track record, capability of handling diverse & complex business landscape, clientele served, geographical presence, experience of audit of large companies and in particular, IT / ITes sector companies, experience of engagement partner, use of technology, transition experience, etc. Upon recommendation of Audit Committee, the Board of Directors approved appointment of Deloitte as the Statutory Auditor, considering the business growth of the Company and the vast experience, expertise and proven track record of Deloitte in the IT industry, and the above mentioned audit fee. The proposed fee is in line with the industry benchmarks. The fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee as above, and will be decided by the management in consultation with the Statutory Auditor, subject to approval of the Board of Directors and/or Audit Committee, wherever required.

None of the Directors/Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5 of the Notice.

Considering the relevant experience and expertise of Deloitte and upon recommendation of Audit Committee, Board recommends appointment of Deloitte as Statutory Auditor, for approval of the members by way of Ordinary Resolution.

By Order of the Board of Directors
For **Larsen & Toubro Infotech Limited**

May 19, 2022
Mumbai

Tridib Barat
Company Secretary and Compliance Officer

Details of Directors seeking re-appointment pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India

Name of the Director	Mr. Nachiket Deshpande	Mr. R. Shankar Raman
Relevant Item No. of the Notice	3	4
Age (in Years)	48	63
Qualification	Bachelor in Engineering from College of Engineering, Pune	Chartered Accountant and Cost Accountant
Experience and nature of expertise in specific functional area (brief resume)	Has more than 25 years of experience in delivery management, customer relationship management and P&L management.	Has more than 38 years of experience and expertise in finance, taxation, risk management, legal and investor relations.
Date of first appointment on the Board	May 2, 2019	May 3, 2013
Terms and conditions of appointment	Appointed as Whole-time Director, liable to retire by rotation, w.e.f. May 2, 2019 for a period of five years	Appointed as Non-Executive Director, liable to retire by rotation w.e.f. May 3, 2013
Details of remuneration **(last remuneration drawn & remuneration proposed to be paid)**	FY2022: ₹8,99,64,079 (including perquisite on exercise of Stock Options) The remuneration to be paid will be in accordance with the approval accorded by the members at the 23rd AGM held on July 20, 2019	Nil
Shareholding in the Company (number of shares as on May 19, 2022)	12,000	1,00,000
Relationship with other Directors, Manager and other Key Managerial Personnel (*inter-se*)	None	None
Number of Board Meetings attended during FY22	6 out of 6	6 out of 6
Directorships held in other public companies (excluding foreign and private companies as on May 19, 2022)	Nil	1. Larsen & Toubro Limited 2. L&T Finance Holdings Limited 3. L&T Infrastructure Development Projects Limited 4. L&T Metro Rail (Hyderabad) Limited 5. L&T Seawoods Limited 6. L&T Investment Management Limited 7. L&T Realty Developers Limited 8. Mindtree Limited
Membership/ Chairmanship of Committees in other Public Companies as on May 19, 2022#	Nil	Member of Audit Committee: 1. L&T Finance Holdings Limited 2. L&T Infrastructure Development Projects Limited 3. L&T Metro Rail (Hyderabad) Limited 4. Mindtree Limited Member of Stakeholder Relationship Committee: L&T Finance Holdings Limited
Name of listed companies from which Director has resigned in past three years	None	None

#Includes membership/chairmanship of Audit Committee and Stakeholders' Relationship Committee only.

ANNEXURE-1 TO AGM NOTICE
TDS instructions on dividend distribution

Title	Description		
Applicability	In compliance with Income Tax Act, 1961 ('the Act') read with Finance Act, 2020, for any dividend distribution to shareholders on or after April 1, 2020, tax will be deducted at source ('TDS') by the Company. In view of the above, in the current financial year 2022-23, the Company shall be deducting TDS as per applicable provisions and TDS rates, while paying dividend. No TDS will be deducted for the exempted category of shareholders, provided they furnish the requisite documents with the Company's Share Registrar and Transfer Agent (RTA) on or before 'Record date' (mentioned below).		
Record date	**Friday, July 1, 2022**[i]		
Exempted Category	a) LIC/GIC/The New India Assurance Company Ltd / United India Insurance Company Ltd / The Oriental Insurance Company Limited / National Insurance Company Ltd and other Insurance Companies in respect of shares owned by them or in which they have full beneficial interest; b) A "business trust" as defined in section 2(13A) of the Act, by a special purpose vehicle referred to in explanation to section 10(23FC) of the Act; c) Government; Reserve Bank of India; a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income; mutual funds; d) Any person for, or on behalf of, the New Pension System Trust referred to in section 10(44) of the Act; Alternative Investment Fund (Category I&II) or any other exempted entity; e) Resident shareholders furnishing valid Form 15G or Form 15H; f) In case of non-resident shareholders, no TDS shall be deducted subject to furnishing valid self-attested documentary evidence like copy of registration, order or notification issued by the Indian Income Tax Authority; g) Any other person as may be notified by the Central Government in the Official Gazette in this behalf.		
Lower TDS / Withholding tax rates	a) In case of Resident shareholders: TDS shall be deducted at the rate prescribed in the lower tax withholding certificate issued by competent tax authority, if same is submitted with RTA before the Record date. b) In case of non-resident shareholders (including FII/FPI): TDS as per the Act or Tax Treaty rate, whichever is beneficial shall be applied, provided the non-resident shareholder submits the following documents: i) Self-attested copy of Permanent Account Number (PAN); ii) Self-attested copy of TRC for FY2022-23, issued by the tax authority of the country of which shareholder is resident; iii) Self-declaration in Form 10F; and iv) Self-declaration on 'No-Permanent Establishment in India', in the format annexed.		
TDS rates for FY23	**Resident Shareholders**[ii]		**Non-Resident Shareholders**[iii]
	With PAN	Without PAN/ Invalid PAN	
	10%	20%	20% (plus applicable surcharge & cess)

Title	Description
Higher rate of TDS in case of non-filing of income tax return*	TDS shall be deducted at higher rates in case of **Specified Persons** (as defined below): a) Higher of below rate shall be applicable: i) twice the rate specified in the relevant provision of the Act; or ii) twice the rate or rates in force; or iii) at the rate of 5%. b) **Specified person means-** i) a person who has not filed return of income for the financial year immediately preceding the year in which tax is required to be deducted, for which the time limit of filing return of income has expired; and ii) the aggregate of TDS and TCS (tax collected at source) in the said financial year is **₹50,000 or more** in his/her case. c) This does not apply on payment to non-residents who do not have a permanent establishment in India. d) Where the specified person does not hold a valid PAN and has not filed the return; tax shall be deducted at higher of the rate applicable for non-compliance of the requirements to hold PAN and filing of return, as required under the Act. **Government has made available a mechanism/utility on the Income tax reporting portal. The same shall be used by the Company to determine applicability of the above provisions.*
Higher rate of TDS in case of non-linking of Aadhar & PAN	a) An Individual shareholder who is eligible to obtain Aadhar number is required to link PAN with Aadhar on or before March 31, 2023. b) PAN shall become inoperative if the Individual shareholder has not linked PAN - Aadhar on or before the above date & all the consequences under the Income Tax Act 1961 for not furnishing PAN shall apply.
Reporting of dividend paid under Statement of Financial Transactions (SFT)	a) W.e.f. April 1, 2021, dividend paid by a company is a reportable transaction under SFT. b) Accordingly, the shareholder's details such as name, PAN, registered address, email ID, dividend amount would be reported under SFT.

Notes:

[i] No communication in relation to submission of document(s) shall be accepted after the Record date.

[ii] No TDS shall be deducted, if aggregate dividend distributed or paid or likely to be distributed or paid during the financial year to resident individual shareholder does not exceed ₹5,000/-.

[iii] In case of non-resident shareholders, for whom tax is withheld as per the Act, the applicable surcharge & cess for FY23 shall be as under:

Dividend Income	*Individual, AOP, BOI, HUF, Trust, AJP#*	*Registered Co-op. Society or Firm/FII registered as LLP*	*Foreign Company/ FII registered as Foreign Company*	*FII / FPI characterized as AOP*
• *Upto ₹50 Lakhs*	*NIL*	*NIL*	*NIL*	*NIL*
• *Exceeding ₹50 Lakhs but upto ₹1 Crore*	*10%*	*NIL*	*NIL*	*10%*
• *Exceeding ₹1 Crore but upto ₹10 Crores*	*15%*	*12%*	*2%*	*15%*
• *Exceeding ₹10 Crores*	*15%*	*12%*	*5%*	*15%*

 # AOP: Association of Persons, BOI: Body of Individuals, HUF: Hindu Undivided Family, AJP: Artificial Juridical Person

In addition to the surcharge rates as mentioned above, 'Health & Education Cess' @ 4% shall be applicable for FY23 for non-resident shareholders.

General Notes:

I. Tax rate that is applicable to shareholders depend upon their residential status and classification. All shareholders are requested to update their residential status and category in their respective demat accounts if the shareholding is in demat form or with Company's RTA, if the shareholding is held in physical form, as may be applicable, before the **Record date**.

II. Application for exemption from TDS/ lower / beneficial rate of tax is subject to submission of the requisite & valid documents with RTA before the Record date and also verification of the documents submitted to the Company. If the documents submitted by the shareholder are found incomplete or ambiguous, exemption/lower/beneficial rate of tax shall not be applied. Shareholders have the option to claim refund of excess tax deducted from their respective tax authorities, in case the Company has deducted tax at source at higher rate due to non-submission / incomplete submission of documents with the RTA. No claim shall lie against the Company for such tax deducted.

III. If Form 15G/H is already submitted for a particular financial year, revised form is to be shared in case of change in estimated total income or dividend income. In case revised form is not provided by the shareholder, the Company shall determine the TDS amount based on estimated total income and dividend income specified in the latest form available with the Company.

IV. In case the requisite documents are submitted by the shareholder through his/her registered email, the Company has the right to demand the original documents and the shareholder undertakes to abide by such request. Documents received by Registered Post or from registered e-mail ID will only be accepted.

V. TDS certificate will be emailed to the shareholder's registered e-mail ID in due course. Shareholders can also view the credit of TDS in their respective Form 26AS.

VI. In case dividend income is assessable in the hands of a person other than the registered shareholder as on the Record date, the registered shareholder shall furnish a declaration to the satisfaction of RTA / Company, containing the name, address and valid PAN of the person to whom the tax credit is to be given, along with reasons for giving credit to such person. In case the PAN provided as above is invalid, tax credit shall continue to be given to the registered shareholder.

VII. In case of joint shareholders, the shareholder named first in the Register of Members shall furnish the requisite documents for claiming any beneficial tax rate.

VIII. The required documents can be submitted with Company's RTA before the Record date at https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html or through email from the registered e-mail ID or at the following address:

M/s. Link Intime India Private Limited
Kind Attention: Mr. Jayprakash VP
C-101, 247 Park, L.B.S. Marg,
Vikhroli West,
Mumbai-400 083,
Maharashtra, India
E-mail ID: rnt.helpdesk@linkintime.co.in

IX. Shareholders may contact Company for any query related to dividend on Investor@Lntinfotech.com

FORMAT OF DECLARATION FOR NO PERMANENT ESTABLISHMENT IN INDIA

Larsen & Toubro Infotech Limited
Technology Tower 1, Gate No.5,
Saki Vihar Road, Powai, Mumbai-400072, India
E-mail:- Investor@Lntinfotech.com

Subject: Self-declaration for Indian Financial Year (FY) 2022-23 with respect to availment of tax treaty benefits in relation to receipt of dividend income from Larsen & Toubro Infotech Limited

With reference to the captioned subject and in relation to the appropriate deduction of taxes on the dividend payable to me / us by Larsen & Toubro Infotech Limited ("the Company"), I / We hereby declare as under:

- I / We, ______________________ (full name of the shareholder), having Permanent Account Number (PAN) under the Indian Income Tax Act, 1961 ('the Act') ________ (mention PAN), and holding ___________(mention number of shares held) number of shares of the Company as on the record date, I / We am / are a tax resident of ___________ (country name). A copy of the valid tax residency certificate for the period April 1, 2022 to March 31, 2023, is attached herewith.
- I / We, am / are tax resident of ________________ (country name) as defined under Article __ of the tax treaty between India and _____________ ('the applicable tax treaty'). I / We, am / are eligible to be governed by the provisions of the applicable tax treaty as modified by the "Multilateral Instrument (MLI)" and meet all the necessary conditions to avail the benefits under the applicable tax treaty.
- I / We, do not have any Permanent Establishment ('PE') or fixed base in India as construed under relevant Articles of the applicable tax treaty nor do we have any PE or business connection in India as construed under the relevant provisions of the Act.
- As required to claim the benefit of the lower tax rate under the applicable tax treaty in relation to the dividend income to be received by me / us from the Company, I / We specifically confirm that I / We am / are the beneficial owner of the above referred equity shares of the Company and the dividend income receivable from the Company in relation to the said shares.
- I / We, further declare that I/ We have the right to use and enjoy the dividend received/ receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person.
- I / We, specifically confirm that my affairs / affairs of ______________________(full name of the shareholder) were arranged such that the main purpose or the principal purpose thereof was not to obtain tax benefits available under the applicable tax treaty.
- Further, our claim for relief under the tax treaty is not restricted by application of Limitation of Benefit clause, if any, thereunder.

This declaration is valid for the period 1 April, 2022 to 31 March, 2023.

I / We, confirm that the above is true to the best of my / our knowledge and I / We shall be solely responsible for any adverse income-tax consequences (tax, including interest and penalty) arising under Income Tax Act, 1961 in relation to the dividend income to be received from the Company.

Further, I / We, agree and undertake: (1) to indemnify the Company in relation to any income tax consequences (tax, including interest and penalty) arising under the income tax laws if any of the above is questioned and held otherwise by the Income Tax Authorities; (2) to provide all the necessary documentation as sought by the Income Tax Authorities in this regard.

For..(Mention the name of the payee)
Authorised Signatory

Name:
Designation:

Place:
Date:

Notes:

a) In case of the Authorised Signatory being other than Director/ Managing Director, please attach the valid Power of Attorney authorising the individual as an Authorised Signatory.
b) In case of a Company, issue on a letter head.
c) Members are required to provide the declaration strictly as per the specified format given above, failing which the Company reserves the right to deny the treaty benefits.

ANNEXURE 2 - TO AGM NOTICE

Instructions for remote E-Voting and access to 26th AGM

Members are requested to follow the instructions given below to cast their vote through e-voting and to access the Video Conference facility at the AGM:

A. The remote e-voting period begins on Monday, July 11, 2022, at 9:00 a.m. (IST) (Server time) and ends on Wednesday, July 13, 2022 at 5:00 p.m. (IST) (Server time). During this period, shareholders holding shares either in physical form or in dematerialized form, as on the 'Cut-off date' i.e. Thursday, July 7, 2022 may cast their vote electronically by logging to NSDL website at https://www.evoting.nsdl.com/

The e-voting module shall be disabled by NSDL for voting thereafter.

B. Detailed steps on the process and manner for remote e-voting/e-voting at the AGM and to access the VC facility at the AGM, is given below:

How do I vote electronically using NSDL e-Voting system?

The procedure to vote electronically on NSDL e-Voting system consists of "Two Steps" which are outlined below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Type of shareholders	Login method
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and/or CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login method for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below which outlines the process for those shareholders whose email id is not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **"Physical User Reset Password"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Members can attend the AGM through VC/OAVM after following the steps for Login as outlined above. After successful Login, Members will be able to see the VC/OAVM link placed under Join meeting menu against the Company's name. Members are requested to click on the VC/OAVM link placed under Join meeting menu.
2. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scan copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter etc. authorising their representative(s) to vote, to the Scrutinizer by e-mail to krupa@krupajoisar.com with a copy marked to evoting@nsdl.co.in.
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled after five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?"** or **"Physical User Reset Password**?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available in the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Anubhav Saxena at evoting@nsdl.co.in

Process for those shareholders whose e-mail id is not registered with the depositories to procure user id and password and registration of e-mail id for e-Voting for the resolutions set out in this notice:

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of Consolidated Account Statement, PAN (self attested scan copy of PAN card), Aadhar (self attested scan copy of Aadhar Card) to rnt.helpdesk@linkintime.co.in

   If you are an individual shareholder holding securities in demat mode, please refer to the login method explained at Step 1 (A) i.e. Login method for e-Voting for individual shareholders holding securities in demat mode.

   If you are a non-individual shareholder holding securities in demat mode, please refer to the login method explained at Step 1 (B) i.e. Login method for e-Voting for non-individual shareholders holding securities in demat mode.

2. In case shares are held in physical mode please provide Folio No., name of shareholder, scan copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhar (self attested scan copy of Aadhar Card) by email to rnt.helpdesk@linkintime.co.in

   If you are an Individual shareholder holding securities in physical mode, please refer to the login method explained at Step 1 (B) i.e. Login method for e-Voting for individual shareholders holding securities in physical mode.

3. Alternatively, shareholder may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

LTI

Let's Solve

Celebrating 25

No Guts No Story

Integrated Annual Report

2021-22

A Larsen & Toubro Group Company

Guts

NOUN PLURAL /guhts/

The quality of being brave and determined.

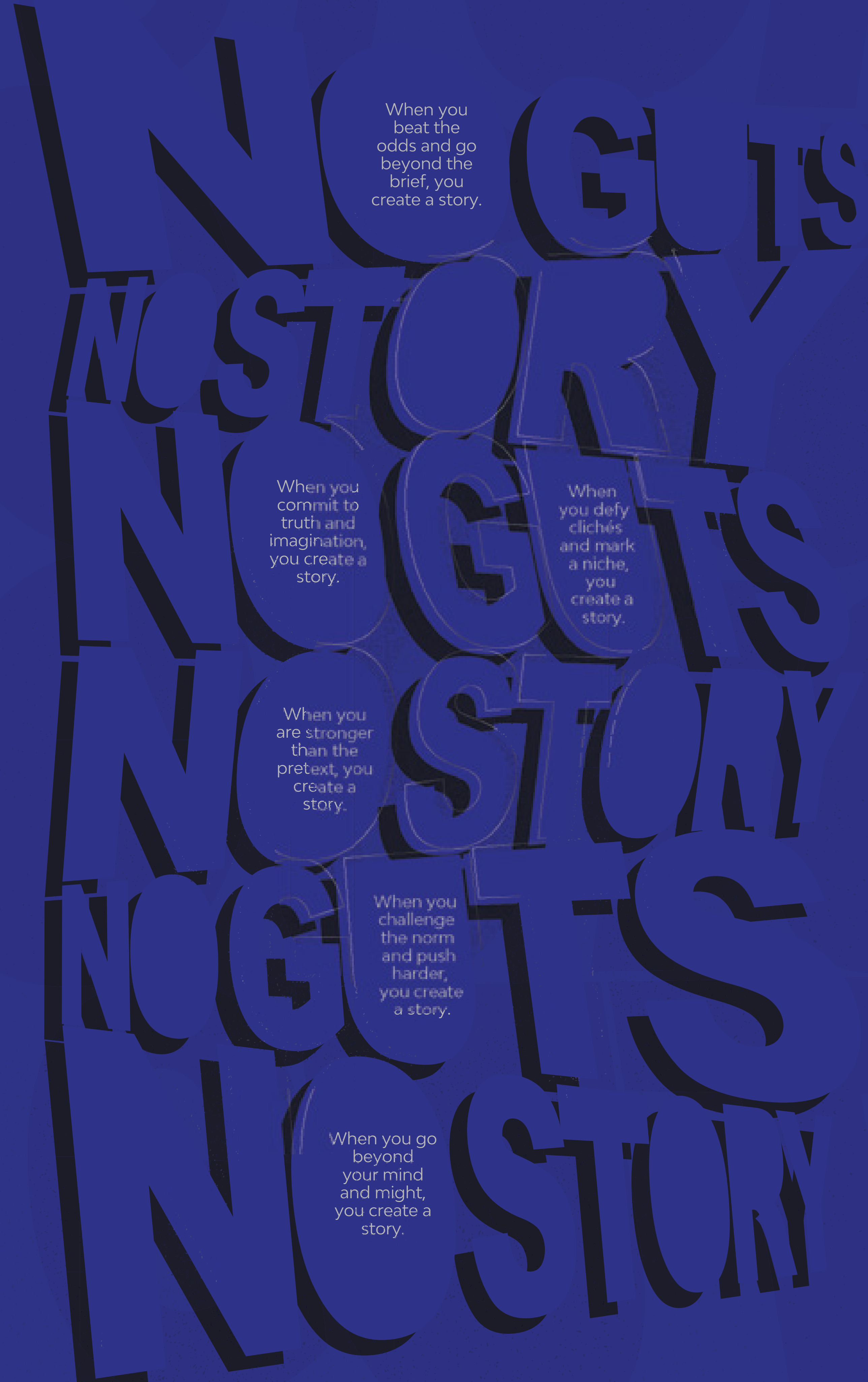
It takes guts to do something:
Guts are the strands of our story.

Story

NOUN /stôrē/

To decorate with scenes representing historical or legendary events.

An anecdote:
We are all made up of stories.



LTItes

NOUN PLURAL /LT ahyts/

A tribe that creates its own stories of courage, resilience, and grit.

Our war cry

No Guts, No Story

We are LTItes; we curate stories of client centricity that are purpose-driven. Stories that scream commitment.

With heart and head at the right place, we are that version of ourselves when no one's watching.

We continue to be excited about our deep engagements with clients. We contemplate their challenges and our solutions to solve them.

We raise the bar on ourselves and deliver to the expectations of all our stakeholders.

P.S. A 'limited edition' 46,000+ solver community who are part-time dreamers and full-time achievers.

LTI

Let's Solve

Beginner's Mind | Infinite Innovation | Engineering DNA

25 years of creating unmatched experiences and being extraordinary every day.

It's about making a difference, it's about thinking lateral and enjoying challenges.

With agility and sensibility, LTI @25 personifies global excellence.

25 years of bolder questions and braver answers.

25 years of Let's Solve.

LTI Celebrates 25

1997
- **Commenced operations** as a subsidiary of L&T.

2004
- 1st large multi-year contract from a **Global Energy Company.**

2007
- 1st acquisition – US-based **GDA Tech Inc**.

2011
- Acquired **transfer agency business unit** of Citigroup services.

2015
- Merged **ISRC** with LTI.

2016
- Positioned in **top 20 IT service providers** by the Everest Group.
- Launched **Initial Public Offering** (IPO) – July 2016.
- Acquired **AugmentIQ** – November 2016.

2017
- Acquired **Syncordis India & Syncordis S.A.** – December 2017.

2019
- Acquired **Ruletronics** – March 2019.
- Acquired **Nielsen+Partner** – March 2019.
- Acquired **Lymbyc** – August 2019.
- Acquired **Powerupcloud** – October 2019.

2020-21
- Entered the **Nifty Next 50 Index.**
- Acquired **Cuelogic** – July 2021.
- Launched **Fosfor**, Data-to-Decisions Product Suite.

2022
- LTI's brand value crossed **$1 Bn**.
- Ranked 22nd among **top 25 most valuable IT services brands** in the Brand Finance IT Services 25, 2022 ranking.

Contents

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To get a copy of this report online, please log on to:
www.lntinfotech.com

About the Report

Integrated Annual Report 2021-22

LTI is proud to publish its Integrated Annual Report 2021-22, with qualitative and quantitative information and disclosures on our organization's financial and non-financial performance for the period between April 1, 2021, and March 31, 2022. We remain committed to disclosing relevant information about material issues with the highest standards of transparency and integrity.

This is our second report prepared following the International Integrated Reporting <IR> Framework, outlined by the International Integrated Reporting Council (IIRC), providing details about our annual performance and future strategy. The IIRC framework showcases our detailed value creation model, performance against the six capitals, governance, risk management, and outlook.

Reporting principles

Along with the framework, the report is in line with the applicable requirements and principles of the following:

- Companies Act, 2013 (and rules made thereunder).
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Secretarial standards issued by the Institute of Company Secretaries of India.
- Indian Accounting standards prescribed by the Institute of Chartered Accountants of India.
- The disclosures in the report also draw inspiration from the Global Reporting Initiative (GRI) framework and the principles of the United Nations Sustainable Development Goals (UN SDGs).

Reporting scope and boundary

This report covers the performance of all our business verticals across our global operations. This includes operations in over 33 countries across the globe.*

Assurance

The content covered in the six capitals of the integrated report section have been independently assured by Bureau Veritas (India) Pvt. Ltd., as depicted in the assurance statement (attested as an Annexure to the report on page 329).

Approach to materiality

This report presents our approach and performance on the issues that are material to us and our stakeholders. Our material topics cover key stakeholder concerns, that can substantively affect the organization's ability to create value over the short, medium and long term. These have been identified, based on our interactions with our internal and external stakeholders.

*The non-financial information (except the data relevant to Natural Capital and CSR activities) covers our global operations.

Forward-looking statements

This report contains forward looking statements that describe our projections and expectations, based on reasonable assumptions and past performance. These are subject to change in light of developments in the industry, geographical market conditions, government regulations, laws and other incidental factors. These statements must not be used as a guarantee of our future performance, as the underlying assumptions could change materially.

About LTI

25 years of conviction and commitment

For over 25 years, LTI has been solving complex business problems as a global IT services and solutions provider, leveraging real-world expertise and client centricity. The IT industry was still in its infancy when the company started, but the vision of the founders was clear and strong. LTI was envisioned as an IT services company that would solve for the exponential technologies and the rapidly changing world. And here we are today, our operations spread across 33 countries, accelerating the digital transformation journey for our clients.

With courage, determination, and perseverance, the founding team created LTI with business knowledge acquired from decades of experience within the globally acclaimed Larsen and Toubro group ($21 Bn turnover). Our unique heritage provides us the confidence and capabilities to solve the most complex challenges of enterprises across all industries.

Vision

Pioneering Solutions in a Converging World

Core Beliefs

- Go the extra mile
- Be agile
- Push frontiers of innovation
- Keep learning
- Solve for society

Quick facts

486 clients including **73 Fortune 500** companies.

Among the Top **20** Global IT services companies.

46,000+ Formidable talent pool working out of **36** delivery centers.

Revenue **$2.10 Bn**.

53 sales offices across **33** locations in the US, EMEA & APAC.

6th largest Indian IT services company.

Enviable client profile

Number of clients	Project worth ($)	Core business
1	$100 Mn+	US-based global bank.
8	$50 Mn+	Large P&C insurer | Professional services giant | Global O&G major.
24	$20 Mn+	Global investment bank | Global tech giant | CPG giant | Big M&E company.
44	$10 Mn+	US tech company | French utility | Global HVAC manufacturer | Global CPG player.
74	$5 Mn+	Large manufacturer | US based M&E company | European bank.

Chairman's Message

The success that LTI has consistently been able to achieve is built on the sound foundations set up in the early 2000s when we first charted the growth path of the fledgling company.

Dear Shareholders,

Industries around the world are rapidly learning to navigate uncertainty and anticipate the unexpected as an unavoidable part of doing business. Just as economies emerged cautiously from successive waves of the pandemic, the fragile process of recovery was upset by the war in Europe. Obviously, in today's interdependent world, a conflict extends beyond its frontline combatants to cause wide-ranging impact, spiking inflationary pressures and causing disruptions in the global supply chain.

I am happy to state that your Company has successfully countered these challenges to exceed the milestone of $2 Bn in revenue this financial year. This is on the back of consistent industry-leading performance year after year. LTI's strategic focus on Digital, Data, and Cloud, as well as its increasing investments in building future-ready capabilities for enterprises is making it the growth leader in the IT industry. You will also be happy to know that during this year, the LTI brand crossed $1 Bn in valuation.

The success that LTI has consistently been able to achieve is built on the sound foundations set up in the early 2000s when we first charted the growth path of the fledgling company. Since then, LTI has drawn extensively from the parent company's experience, expertise and global connect. A talented and innovative team also deserve commendation to making a critical contribution to the Company's performance during a period of challenge and uncertainty.

Your Company has won several accolades from industry influencers and alliance partners. In addition to winning prestigious engagements and delivering complex projects to global clients, your Company has launched new products and offerings including the Fosfor data-to-decisions suite and infinity platform for cloud transformation. I am confident that with its strong customer and employee centricity, LTI will continue its trajectory of profitable growth.

Your Company is conscious of its social obligations and remains strongly committed to giving back to the society. It has supported thousands of citizens with programs designed to enhance empowerment, facilitate education, and protect the environment. This unwavering focus on ESG initiatives has seen the Company emerge among the leaders in CRISIL ESG rating.

We may have learnt to live with the pandemic, but variants of the virus continue to pose a threat. It is therefore of paramount importance that we remain alert and observe all health and safety protocols to keep us physically and psychologically strong.

I am confident that under the stewardship of its astute management team, LTI will continue to scale greater heights and deliver value to all stakeholders.

Regards,

A. M. Naik
Founder Chairman

CEO's Message

25 years of crafting stories of guts and grit

The story of LTI is written with the ink of guts and perseverance, and it is closely aligned with our core beliefs. We are now the 6th largest Indian IT services company, and we are creating a robust framework to institutionalise success for the next 25 years.

Dear Shareholders,

I am delighted to share my thoughts at a very important period in the history of LTI. This year marks the 25th year in our journey as a global technology consulting and digital solutions company.

Starting with a solid foundation and working with unmatched perseverance and dedication, we have created a unique position for LTI. During last two years, the pandemic tested our spirit and resilience further. I am happy to share that despite these challenges, we have been able to meet the expectations of our clients, employees, and create value for all our stakeholders.

We partner with our global clients to help them navigate the era of Great Restructuring and accelerate their digital transformation journey. The result is that we have witnessed wholesome growth across verticals, service lines, and geographies. We are building on the experience and expertise that we have garnered in these 25 years to script new stories of achievement.

The story of LTI is written with the ink of guts and perseverance, and it is closely aligned with our core beliefs. We are now the 6th largest Indian IT services company, and we are creating a robust framework to institutionalise success for the next 25 years.

The year under review has been a landmark year for us. It not only marks the completion of our 25 years, but also the year in which we registered our highest growth since listing. I am happy to announce that we have crossed the $2 Bn revenue milestone this year and finished the year with a strong liquidity buffer.

Our financial performance during the year has once again brought to fore the strength of our portfolio and our execution excellence. We achieved a consolidated revenue of ₹15,668.7 Crores, compared to ₹12,369.8 Crores in the previous year, registering a growth of 26.7% YoY. Our net income stood at ₹2,298.5 Crores in FY22 as against ₹1,938.2 Crores in FY21 with a margin of 14.7%.

We made significant investment in our people and technology, validated the utility of our technology, and fostered new partnerships. During the year, we launched Fosfor, the data-to-decisions product suite which is helping enterprises fundamentally repivot what data can do for them. Fosfor is an integrated suite of products that is uniquely positioned in the market for AI-driven data products. We are confident it will be a quantum leap in unlocking value for our clients.

Similarly, LTI Infinity, our unified multi-cloud platform is powering the cloud lifecycle for enterprises with its technology-led suite of modern engineering tools. This platform hosts solution-focused efficiency kits for simplifying and accelerating the cloud transformation journey. With its cognitive engine, Infinity enables value stream dashboards, recommendations, automated resolutions, intelligent monitoring, and predictive problem management for our clients.

Our relentless strides towards our ambitious targets continue to attract industry recognitions. During the year under review, we received several recognitions from leading observers of our sector, such as Gartner, Forrester, Everest, IDC, Avasant, and ISG. We also received the prestigious 'Golden Peacock National Quality Award 2021' for our consistent endeavour to deliver excellence, while maintaining optimum quality benchmarks. These accolades are a result of deep expertise, excellence, and resilience of LTItes during a challenging period. Our continued commitment to social responsibility is reflected in our signing of the UNGC to promote 10 principles in the areas of human rights, labor standards, environment, and anti-corruption.

Our performance reflects our commitment to meet the needs of our technologically maturing customers and emerge as the catalyst that will accelerate their digital transformation journey. While we are seeing elevated inflation, supply chain challenges and the pandemic across some countries, our optimism is underpinned in the conversations with our clients about their plans to invest in technology-led transformation.

We are well positioned to capitalise on growth prospects, with digital technology being one of the most powerful value multipliers for businesses globally. We are in the midst of a grand technology upcycle and are equipped to play a pivotal role in handholding clients in their transformation journey. We will continue to listen intently to our clients, invest in upskilling our talent pool, and support communities in the best way we can.

I thank all our stakeholders for keeping their invaluable faith in us.

Regards,

Sanjay Jalona,
CEO and Managing Director

Fosfor is Here to Lead the Way!

Data commerce is all about monetizing data at speed and scale. Last year LTI launched Fosfor, the data-to-decisions product suite, to explore unlimited opportunities for enterprises. Organizations must shift their focus from leveraging data as an enabler to directing monetization opportunities. It is crucial to optimize the data-to-insights cycle and facilitate what LTI calls the 'Data Commerce'.

This is the era of data and its value, and organizations that excel at extracting, leveraging, and monetizing that value will become dominant in their respective fields. LTI's Fosfor (derived from 'phosphorescence' — a substance's natural emission of light) intuitively solves the organization's biggest data challenges by naturally bringing insights to light and illuminating the way forward.

The suite consists of five independent yet connected products.

FOSFOR An integrated suite of products across the data-to-decisions lifecycle.

spectra
A comprehensive DataOps product enabling the fastest way to harness data.

aspect
A no-code, unstructured data processing product.

optic
An autonomous data fabric product to facilitate discovery-to-consumption data journeys.

refract
A data science and MLOps product automating operations across entire lifecycle.

lumin
An augmented analytics product that provides a search-like interface for all types of insights.

The Fosfor suite of products helps businesses rule data by providing best-in-class capabilities. They have an extensive set of go-to-market and technology partnerships with leading cloud companies and have been recognized by leading industry analysts.

The Fosfor suite represents the evolution of erstwhile LTI product brands — Mosaic and Leni. These products have seen great success in the market and are now brought together into a more powerful suite — Fosfor. Several marquee clients rely on Fosfor for mission-critical data and AI needs, which speaks for itself.

It's time to **#FosforyourData**.

Partnership Ecosystem, Fuelling Growth

Overview

At LTI, we are committed to curating go-to-market strategies with a select group of partners focused on creating new markets, executing demand generation initiatives, and co-innovating to invest early in emerging tech bets. FY22 had 12 key partnerships aligned to our priorities and strategic growth areas, including Microsoft, AWS, IBM, Google Cloud, Pega, Salesforce, Oracle, SAP, Snowflake, ServiceNow, Cisco, and Microfocus.

We are dedicated to developing a 360-degree relationship with our key partners positioned as global growth engines. Our alliance team collaborates with our strategic partners to define joint go-to-market strategies and business plans, improve capacity and readiness, co-innovate to develop differentiated offerings and spread best practices among customers and ecosystem players. Our focus is primarily on key alliances across channels, including partnerships in cloud, data, security, Industry 4.0, digital, and automation, among others.

LTI elevated its Partnership Tier with AWS and hence has the highest Tier of partnership with all leading Hyperscalers.

aws PARTNER Premier Tier Services

LTI was recognized as the leader across all six quadrants in the ISG Provider Lens™ AWS Ecosystem Partners Report USA 2021.

LTI was also recognized as an AWS Energy competency launch partner at Reinvent.

Google Cloud Partner

LTI expanded its partnership with Google Cloud across key regions in Europe, which further strengthens its existing Premier Partner credentials globally.

During the year, LTI also signed up as a Google Workspace reseller in India.

Gold Microsoft Partner Azure Expert MSP

During FY22, LTI has significantly grown its Microsoft credentials by achieving 5 new advanced specializations — SAP on Azure, Kubernetes on Azure, analytics on Azure, web application modernization on Azure and Windows, and SQL server migration to Azure.

Platinum Business Partner IBM

LTI and IBM have expanded their Global Alliance to help organizations accelerate digital transformation with an open hybrid cloud.

LTI along with IBM launched its first ever partner co-branded, state-of-the-art Innovation & Experience Center for its clients, in Bengaluru (India).

Recognition

- LT has been recognized as the **Global Innovation Partner of the Year by Snowflake**, the data cloud company.
- LTI Syncordis has been recognized as a **Service Partner of the Year by Temenos** at this year's virtual TCF Online 2021.
- LTI was awarded as the **Top Performing Partner — Public Sector at the RedHat Partner Awards — India & South Asia 2021** for delivering significant incremental value to Indian enterprises leveraging RedHat technology.

New partnerships

LTI has expanded its existing partnerships with leading hyperscalers such as AWS, Google Cloud, and Microsoft by signing partnership agreements to be onboarded into additional geographies and included in new program investments.

LTI has also formed new alliances with key players in the Digital, Security, and Data space, including CyberArk, Xm Cyber, Tricentis, Armis, Ignition, Databricks, Securonix, Ilantus Technologies, 1E Software, SecuPi Reseller, Block Armour, Liferay, and Genuine Genius Technologies. We have renewed our Industry 4.0 partnership agreements with PTC and OSI Soft.

It's All Happening on the Cloud!

At LTI, we launched aLTlus.
A dedicated cloud business unit that consists of services from AWS, Microsoft, and Google Cloud. LTI, a top-tier partner for **Microsoft (Azure Gold Partner with 15 Gold Competencies and 5 Advanced Specializations), AWS (Premier Tier Services Partner with 9 competencies), and Google Cloud (Premier Partner with 1 Expertise)**, is a trusted advisor for enterprise cloud transformation with 250 active customers, including 40+ Fortune 500 companies, 70% YoY growth, 50% growth in cloud practitioners, and 100+ successful transformation programs.

To solve our customers' toughest challenges in adopting cloud @ scale through a purposeful, efficient, and hyperscaler aligned approach, LTI created **C=BT² — Cloud Transformation @ Exponential Speed Strategy**, which follows the fundamental dimensions of:

Purpose-led
Purposeful cloud (industry, function, platform) enabled by LTI's North Star framework and Cloud Ways of Working.

Productized
Packaged service offerings across the life cycle of cloud transformation.

Platform enabled
A unified multi-cloud platform, **LTI Infinity** is powered by a technology-led suite of modern engineering tools and processes that enable cloud lifecycle excellence from decisions to operations.

Partner aligned
GTM and competency teams dedicated to AWS, Microsoft, and Google Cloud.

Practitioner delivered
Elite rainmakers driving cloud adoption across customers.

Cloud is the new and the next — FY22 snapshot

We have invested in partnerships, competencies, and capabilities to accelerate our customers' purposeful cloud journeys.

- Expanded strategic relationship with Amazon Web Services.
- Earned AWS IoT Competency.
- Earned AWS Energy Competency (Launch Partner).
- Deployment Partner for AWS Refinery Monitoring & Surveillance solution.
- Ranked 1st among all AWS SI partners for the highest number of accreditations in CY 2021.
- Global reseller and PLES (Partner Led Enterprise Support) partner for AWS.
- Strengthened partnership with Microsoft by expanding the strategic relationship through Project YODA.
- Successfully renewed the Azure Expert MSP accreditation.
- Ranked among top 10 Microsoft NLS and GSI partners within US.
- Security partner MSSP and MISA (both invitation programs).
- Strengthened partnership through inclusion to Google Cloud's GSI program.
- Expanded the Google Cloud partnership in Europe.
- Became a Google Workspace reseller in India.

Our tier 1 partnerships with hyperscalers recognize our proven ability to deliver the best seamless-in-class cloud services at scale across the globe.

Let's cloud!

In the Top League

We performed impressively in analyst ratings and rankings across a broad spectrum of capabilities during the year. Prominent analyst firms recognized the Company with 50+ leadership positions and identified it as one of the few select providers for a wide range of services and solutions.

Key industry analyst coverages 2021-2022.

Gartner

- LTI positioned in the Niche Players Quadrant in Gartner® 2021 Magic Quadrant™ for Oracle Cloud Application Services, Worldwide.
- LTI positioned in the Niche Players Quadrant in Gartner® 2021 Magic Quadrant™ for SAP S/4HANA Application Services, Worldwide.
- LTI recognized in Honourable Mentions category in the 2022 Gartner® Magic Quadrant™ for Data and Analytics Service Providers.

Forrester

- LTI recognized in the Forrester Wave™: Application Modernization and Migration Services, Q3 2021.
- LTI recognized in The Forrester Wave™: Continuous Automation and Testing Services, Q3 2021.
- LTI recognized in The Forrester Wave™: Data Management Service Providers, Q4 2021.
- LTI's fosfor Optic recognized in The Forrester Now Tech: Enterprise Data Fabric, Q1 2022 report.
- LTI's fosfor Refract recognized in The Forrester Now Tech: AI/ML Platforms, Q1 2022 report.

HFS

- LTI ranked 5th in HFS Energy Services Top 10, 2021.

Everest

- LTI positioned as a Leader in Everest Group's Insurance Platforms IT Services PEAK Matrix® Assessment 2022.
- LTI recognized as a Leader in Everest Group's Temenos IT Services PEAK Matrix® Assessment 2022.
- LTI in ITS Top 10 list in Everest Group's PEAK Matrix® IT Service Provider of the Year 2022.
- LTI ranked #1 in Top ITS Challengers list in Everest Group's PEAK Matrix® IT Service Provider of the Year 2022.

ISG

- LTI recognized as a Leader in ServiceNow Consulting Services — US in ISG Provider Lens™: ServiceNow Ecosystem Partners 2021.
- LTI recognized as a Leader in Digital Business Consulting Services — US in ISG Provider Lens™: Digital Business — Solutions and Service Partners 2021.
- LTI recognized as a Leader Across All Quadrants in the ISG Provider Lens™ AWS Ecosystem Partners Report 2021 for the US.

IDC

- LTI Positioned as a Major Player in IDC MarketScape: Worldwide Managed Multicloud Services 2021 Vendor Assessment.

These recognitions have helped LTI cement its place in the top league of IT service providers.

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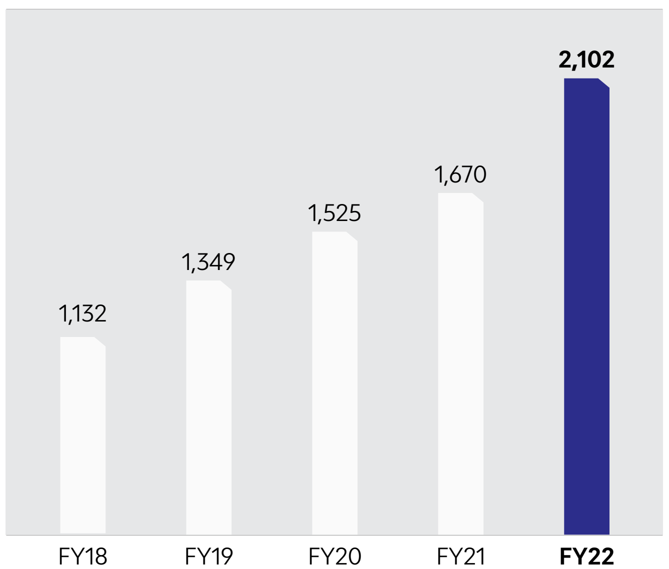
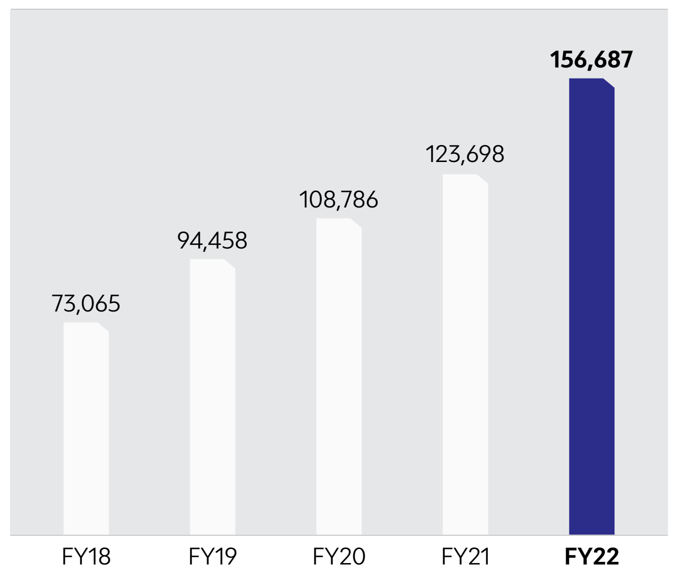
Key Highlights

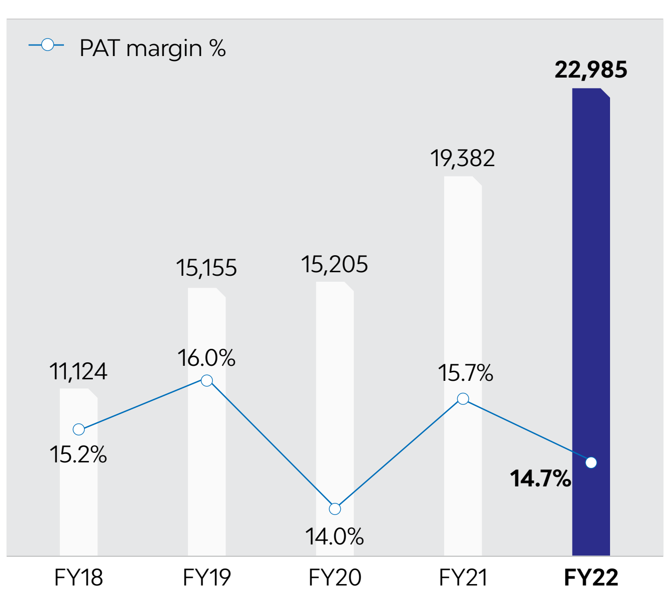
Revenue
($ in Mn)



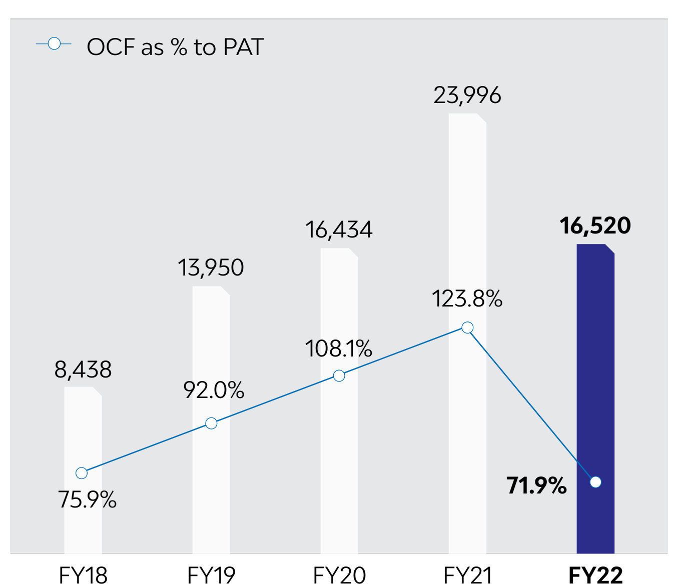
Revenue
(₹ in Mn)



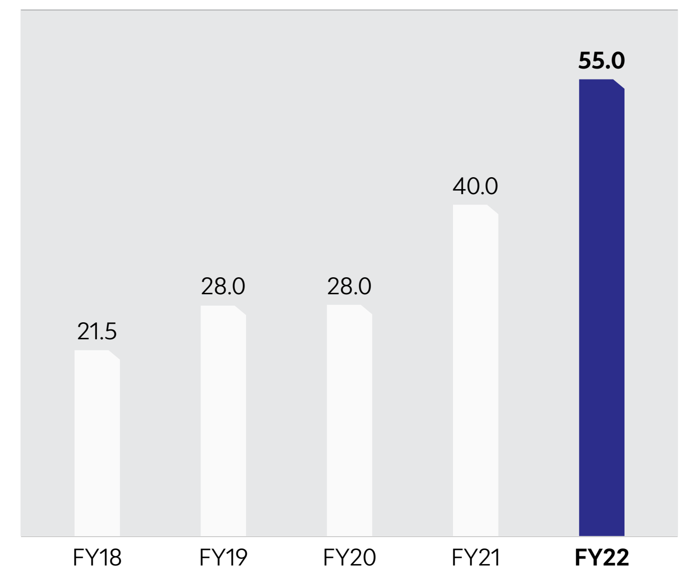
Profit after tax
(₹ in Mn)



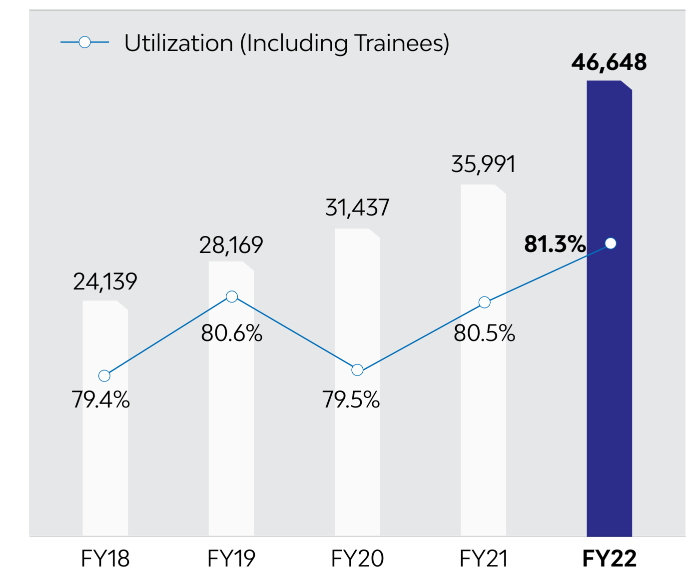
Operating cash flow
(₹ in Mn)



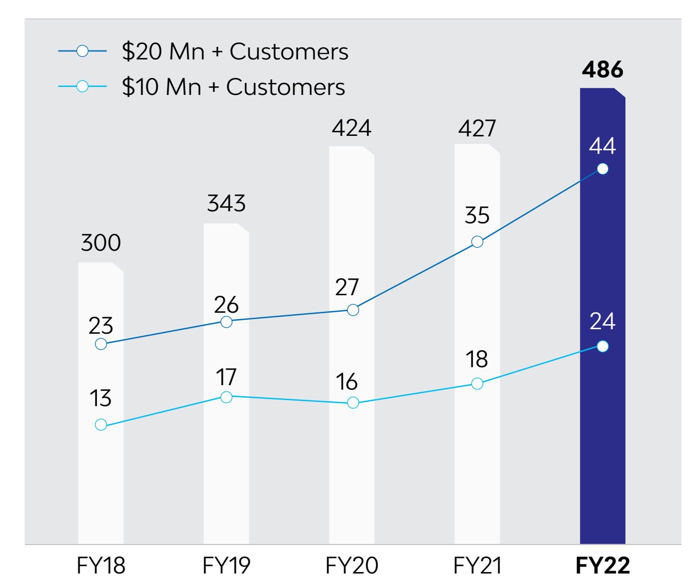
Dividend per share
(in ₹)



Employee metrics
(in Nos.)



Client Metrics
(in Nos.)



Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs), as adopted by all UN member states, outline the universal goals to end poverty, protect the planet and drive shared prosperity by 2030.

Our contribution against 12 SDGs is highlighted below:

1
- Economical value created through IT jobs: **₹6.77 Crores** p.m.
- **2,952** women trained on artisans and tailoring skills empowering them to be financially independent.

2
- Providing **mid-day meals** to students in government schools and contributing towards enhancing access to safe, nutritious and sufficient food.

3
- Striving to ensure **zero** work-related accidents.
- An array of initiatives such as **'help yourself'** and creation of **online medical platforms** are undertaken to ensure health and well-being of employees.

4
- Providing **quality education** to the underprivileged and students with disabilities.
- **379,000+** digital learning hours provided to students.

5
- Building a diverse and inclusive workforce under of initiative **'LTI Belong'**.
- **Empowering women** in the communities in which we operate through various societal initiatives.

6
- **Reduce, reuse** and **recycle** waste water for consumption.

7
- Increasing the **mix of renewable energy** and undertaking energy conservation initiatives.
- **8.4 Lakhs kWh** of yearly energy savings possible through initiatives implemented during FY22.

8
- Contributing towards the overall **growth of the economy**.
- Our USA, Poland, France and Denmark offices recognized as **'Great Place to Work'** for FY22.

9
- Continuously investing towards bringing **new technologies and platforms** as well as strengthening our internal operations through adoption of state-of-the-art technologies.

10
- We are an equal opportunity employer and undertake initiatives such as **Ref(H)er** and **'revive with LTI'** to provide equal opportunities to all.

12
- Being a responsible company, we ensure sustainability through optimum consumption of the resources and implementing the **3R** (Reduce, Reuse & Recycle) policy.

13
- In line with our commitment to attaining **carbon neutrality** by 2030, we continue to undertake initiatives in reducing our carbon footprint as well as assist our clients and end customers and value chain partners to achieve and maintain their carbon emission levels below the prescribed limits.

15
- Initiatives such as **tree plantation** and **freshwater replenishment** through rainwater harvesting help us restore biodiversity.
- We have planted trees across **680 acres** of land.

16
- Ensuring effective and **transparent dialogues** with various stakeholder groups.
- Upholding **ethical code of conduct** at all time.

17
- We are the signatory to **United Nations Global Compact (UNGC)** and UN **Women Empowerment Principles (UNWEP)** and have aligned our commitments with **Science Based Targets Initiative (SBTi)**.

Our ESG Roadmap

At LTI, we strive to maintain an excellent track record and strong credentials in addressing ESG-related priorities. As our ESG journey continues, we work towards identifying newer and improved methods of achieving our bold sustainability aspirations.

2030 goals

12% reduction in attrition rate.

Maintain **zero work-related accidents.**

50% of new role requirements to be fulfilled by internally developed team members by IJP.

30% increase in diversity.

Leverage technology to create opportunities for growth and prosperity through meaningful interventions in Education, Empowerment and Environment.

Reaching out to more than **1 Mn** lives through our CSR initiatives.

Achieve **carbon neutrality** for of our India operations.

Achieve **water neutrality** for our India operations.

50% increased share of renewable resources.

30% reduction in electricity consumption than business as usual.

FY22 progress

2.43 Lakhs trees planted.

24.0% attrition rate.

52% Internal Job fulfilment.

~30% women in workforce.

Zero LTIFR and loss time.

165,820 beneficiaries of our community initiatives.

32.5% share of renewable energy used in total energy mix.

67.5%* reduction in electricity consumption.

83.5%* reduction in travel emissions.

*The reduction was significantly higher owing to WFH and Covid restriction

Board of Directors

Standing — Left to Right: **R. Shankar Raman** (Non-Executive Director), **Sudhir Chaturvedi** (Whole-time Director and President Sales), **S. N. Subrahmanyan** (Non-Executive Vice Chairman), **James Abraham** (Independent Director), **Nachiket Deshpande** (Whole time director & COO), **Sudip Banerjee** (Independent Director), **Vinayak Chatterjee** (Independent Director).

Sitting — Left to Right: **Sanjeev Aga** (Independent Director), **Rajnish Kumar** (Independent Director), **A. M. Naik** (Founder Chairman), **Sanjay Jalona** (Chief Executive Officer and Managing Director), **Aruna Sundararajan** (Independent Director).

Corporate and Vertical Heads

Sanjay Jalona
Chief Executive Officer and Managing Director (upto 03.06.2022)

Sudhir Chaturvedi
Whole-time Director and President Sales

Nachiket Deshpande
Whole-time Director and Chief Operating Officer

Anil Rander
Chief Financial Officer

Peeyush Dubey
Chief Marketing Officer

Tridib Barat
Company Secretary and Compliance Officer

Balaji Kumar
Chief Human Resources Officer (upto 24.05.2022)

Arun Sankaranarayanan
Nordic Region

David Altoff
Insurance Americas

Deepak Khosla
Emerging Markets

Dibyendu Halder
Media and Entertainment

Harsh Naidu
Banking and Financial Services, Americas

Ashish Deshpande
Life Sciences

Ramesh Kannan
Oil and Gas

Rohit Kedia
Manufacturing and Intelligent Enterprise

Siddharth Bohra
Retail, CPG, Hi-Tech, Utilities, Americas, Data Products, Cloud Global

Srinivas Rao
Europe

Corporate Information

Board of Directors

A. M. Naik
Founder Chairman

S. N. Subrahmanyan
Non-Executive Vice Chairman

Sanjay Jalona
Chief Executive Officer & Managing Director (upto 03.06.2022)

R. Shankar Raman
Non-Executive Director

Sudhir Chaturvedi
Whole-time Director & President Sales

Nachiket Deshpande
Whole-time Director & Chief Operating Officer

M. M. Chitale
Independent Director (upto 31.03.2022)

Sanjeev Aga
Independent Director

Sudip Banerjee
Independent Director (upto 19.05.2022)

Aruna Sundararajan
Independent Director

James Abraham
Independent Director

Rajnish Kumar
Independent Director

Vinayak Chatterjee
Independent Director (w.e.f. 01.04.2022)

Other Information

Registered Office
L&T House
Ballard Estate
Mumbai – 400 001

Corporate Office
Technology Tower 1
Gate No. 5
Saki Vihar Road, Powai
Mumbai – 400 072

Statutory Auditors
M/s. B. K. Khare & Co.,
Chartered Accountants

Registrar and Share Transfer Agent
Link Intime India Private Limited

Bankers
Citibank N.A.
Standard Chartered Bank
Barclays Bank PLC
ICICI Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

Integrated Report

26—88

Business Model

Refining our value-creation approach

Inputs

Financial Capital
- Net worth ₹88,203 Mn.
- Cash and cash equivalents ₹39,139 Mn.
- Robust governance framework.

Human Capital
- 46,000+ workforce.
- Added 10,600+ people on net basis, headcount up ~30%; added more people in FY22 than net aggregate additions of prior 2 years.
- Yin-Yang Model to facilitate hybrid working model.
- Learning and development programs to create top talent in the industry.

Manufactured Capital
- 36 delivery centers, 53 sales offices across 33 countries.
- Added satellite centers in Tier 2 cities.
- Strengthened presence in the US through Hartford Engagement Center, part of localization strategy.

Social and Relationship Capital
- Introduced new sales strategy — CHIP framework.
- 50+ strategic partnerships with global service providers.
- Well-defined investor relations program.
- Strong marketing, branding and communications strategy.
- CSR spend ₹393.45 Mn.
- Signatory to Ten Principles of UN Global Compact.

Intellectual Capital
- Set up of Global Technology Office for focus on 'Beyond-the-Horizon' capabilities.
- Fosfor, Data to Decisions Product Suite (Spectra, Optic, Refract, Aspect, Lumin) for Monetizing Data.
- Capability-led acquisitions — Cuelogic Technologies, a Digital Engineering firm.

Natural Capital
- Commitment to make India operations carbon and water neutral by 2030.
- Committed to source 50% of energy requirements from renewable sources by 2030.
- Promoting responsible use of water in-house and through community initiatives.
- Optimizing business travel.

Value creation model

Purpose
Let's Solve

Vision
Pioneering solutions in a converging world

Mission
Powering the Breakaway Enterprise: O2T^, D2O@, DTC#, EX*

Core Beliefs
Go the Extra Mile, Be Agile, Push Frontiers of Innovation, Keep Learning, Solve for Society

Strategy
Solving for the Great Restructuring

Culture
Shoshin, Mission Ubuntu

Governance
Robust Governance

^O2T (Operate to Transform) @D2O (Data-Driven Organization)
#DTC (Digitizing the Core) *EX (Experience Transformation)

Outputs

Financial Capital
- Strongest growth since listing with revenue at $2,102 Mn, up 25.9% YoY.
- Added over $430 Mn in FY22, 3x of FY21 addition and more than aggregate added across FY21 & FY20.
- PAT: ₹22,985 Mn; 18.6% YoY growth.
- Dividend pay-out ratio of 41.9%, dividend per share of ₹55; highest since listing.

Human Capital
- 52% positions filled internally.
- Approx. 30% women in workforce.
- 27,000+ employees reskilled in new technologies.
- LTI Shoshin school providing access to 500+ 'Subject Matter Expert' curated learning pathways.

Manufactured Capital
- ISO certifications of facilities drive quality, information security, health and safety.
- Past investments ensuring success in new Yin-Yang Model (hybrid working).

Social and Relationship Capital
- New client additions of 100 in FY22, highest since listing.
- Additions in client buckets FY22: $50 Mn up by 3, $20 Mn up by 6, $10 Mn up by 9, $5 Mn up by 11, $1 Mn up by 31.
- Strong broad based growth across verticals, service lines & geographies.
- Total CSR beneficiaries 165,820.

Intellectual Capital
- 230+ homegrown IPs, Data products on Data to Decisions cycle.
- Strong capabilities in cloud, data and digital as well as pioneering new frontiers like sustainability and metaverse.

Natural Capital
- 4,702 tCO_2 emissions mitigated through renewable energy.
- 8.4 Lakhs kWh yearly energy savings possible through initiatives implemented.
- 32.5% energy requirements from renewable sources.

Outcomes

Financial Capital
- Industry-leading revenue growth.
- Significant increase in market capitalization since listing.
- Superior value to shareholders.

Human Capital
- Culture of diversity, inclusion and transparency.
- Future-ready and skilled workforce.
- LTI USA recognized Great Place to Work® certified & LTI UK recognized as 'Top Employer 2022', both for 2 consecutive years.
- Certified as Great Place to Work™ in Denmark, Poland & France.
- Gold recognition from EcoVadis for ESG including environment, labor and human rights, ethics and sustainable procurement.

Manufactured Capital
- LEED-certified Platinum Powai and Bengaluru campuses.
- Fosfor Experience Center, IoT Center of Excellence, Design Studios, LTI Borderless Innovation and Experience Theatre for Oracle Cloud.
- 70% of India offices are operating from certified Green Buildings.
- Supported strong domain expertise and flawless execution.

Social and Relationship Capital
- Recognized as 'Global Innovation Partner of the Year' by Snowflake.
- LTI Syncordis has been recognized as 'Temenos Service Partner of the Year'.
- Ranked 22 among the Top 25 most valuable IT services brands in the Brand Finance IT Services 25 2022 ranking.
- Won multiple accolades at the Institutional Investor 2021 Rest of Asia ex-Mainland China Executive Team rankings.
- Significant contribution in solving for society.
- LTI ranks among Top 10 companies in CRISIL ESG Compendium 2021.

Intellectual Capital
- Recognition as industry thought leader through premier partnerships.
- Partnerships with leading hyperscalers, platform players, industry solution providers.
- Tech analyst recognitions: Topped list of 'IT Services Challenger 2022' in Everest Group's PEAK Matrix Service Provider of the Year™ Awards.
- Awarded Golden Peacock National Quality Award 2021.
- Several industry recognitions for Fosfor.

Natural Capital
- Transitioning to a low-carbon business model.
- Driving resource conservation within our organization and communities.

SDGs

Stakeholder Engagement

Shaping together a better tomorrow

Delivering best-in-class solutions and services for our stakeholders is the core to how we operate.

Over the years, we have evolved a robust stakeholder engagement mechanism to maintain enduring relationships with our growing stakeholder fraternity in a changing business landscape. Detailed stakeholder interactions are conducted periodically to address their aspirations.

Key stakeholders	Why they are important to us	Communication channels	Frequency
Clients	Our entire business revolves around the needs of the clients. They are the end users of our services and our operations are designed to meet their expectations.	Client satisfaction survey Community initiatives Customer visits Media and digital communication	Annual As required
Employees	Our most valuable resources, contributing to delivery excellence and profit.	Employee forums Leadership forums Employee surveys 'Workplace' platform Unified helpdesk	As required As required As required As required As required
Investors	Providers of the capital.	Investor meets Website AGM Media and digital communication Annual report Sustainability report Earnings calls Investor meetings	Annual As required Annual As required Annual Annual Quarterly As required
Service Providers	Integral part of the value chain for smooth functioning of our operations.	Meetings	As required
NGOs/ Communities	Communities form the pillars upon which our clients' success is built, and our NGO partners are instrumental in helping us make a difference.	Face-to-face meeting Focused group discussions	Quarterly Monthly
Regulators	Enforce policies which impact our operations and long-term business objectives.	Public policy advocacy	As required
Academic Institutions	Provide us with the required human capital and collaborate with us for projects.	Recruitment drives	Periodically

Materiality Assessment

Defining our priorities precisely

Materiality assessment helps us identify, prioritize, track and report the most important sustainability issues. The materiality topics provide insight into our stakeholder concerns as well as the internal and external risk factors that impact our business. We also ensure that these topics are thoroughly reviewed in line with the evolving global business environment.

Material topics selection

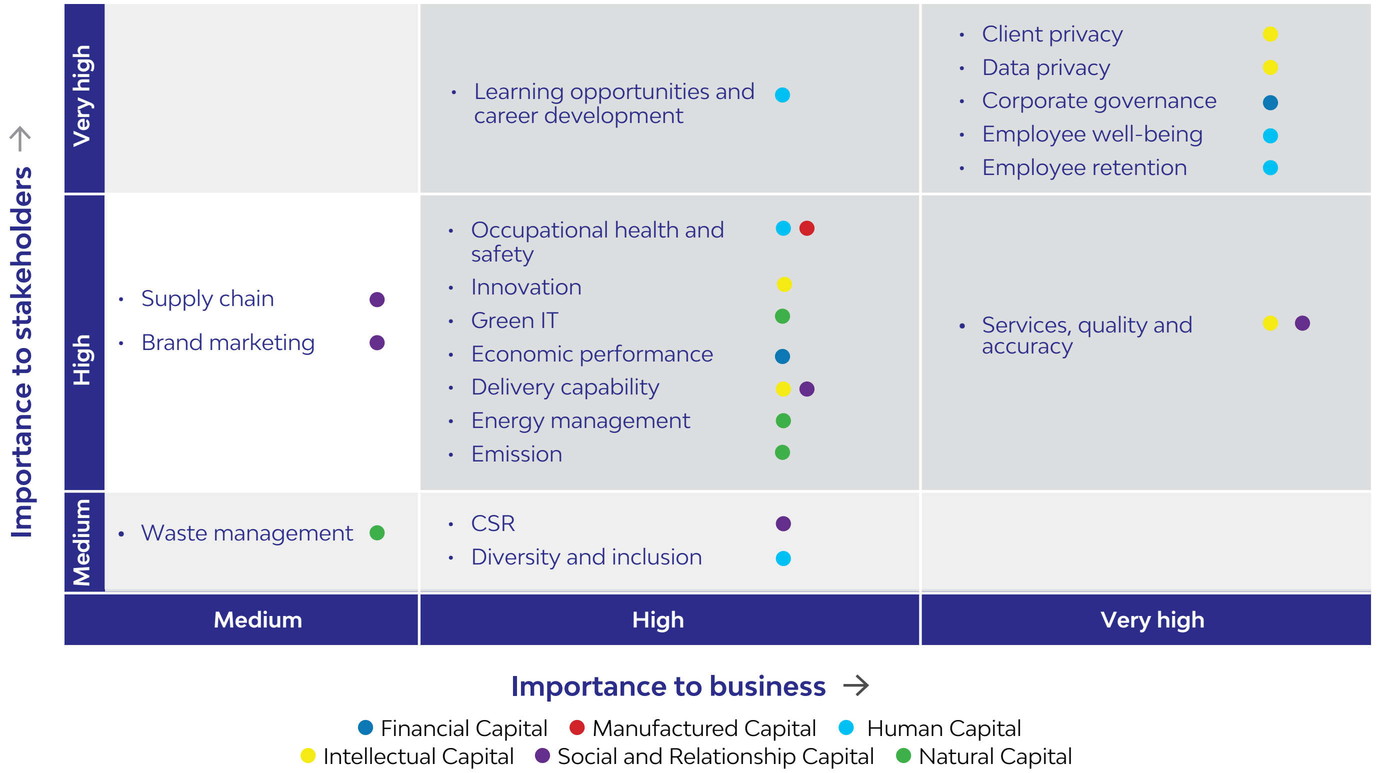
- Sustainability topics identified from peer review, Global Reporting Initiative and other relevant frameworks.
- Identification of topics based on risks and opportunities at an organizational level.

Material topics assessment

- Shortlisting topics based on significance of the economic, environmental and social impacts and substantive influence on the assessments and decisions of the stakeholders.

Material topics prioritization

- Interaction with functional heads and senior management.
- Inputs from internal and external stakeholders.



Financial Capital

Material issues addressed

- Economic performance
- Corporate governance

SDGs covered

In a dynamic operating environment, our constant focus is always on optimising returns for the capital that we deploy for our business. Our financial capital is generated from our business operations, financing activities and strategic planning, which we invest in various growth opportunities.

Highlights for FY22

25.9%
USD Revenue growth

18.6%
Net profit growth

17.3%
EBIT margin

14.7%
PAT margin

41.9%
Dividend payout

Financial Capital (contd.)

Creating value for our stakeholders

We strive to deliver quality services and cater to the evolving needs of clients. Our growth figures corroborate our efforts towards delivery excellence. On a consolidated basis, economic value generated (revenue from operations and other income) for FY22 increased by 27.6% to reach ₹161,354 Mn, compared to ₹126,442 Mn in FY21.

A snapshot of our value creation and distribution (in Mn) is depicted below:

₹156,687 Net income from operations + **₹4,667** Other income = **₹161,354** Value added

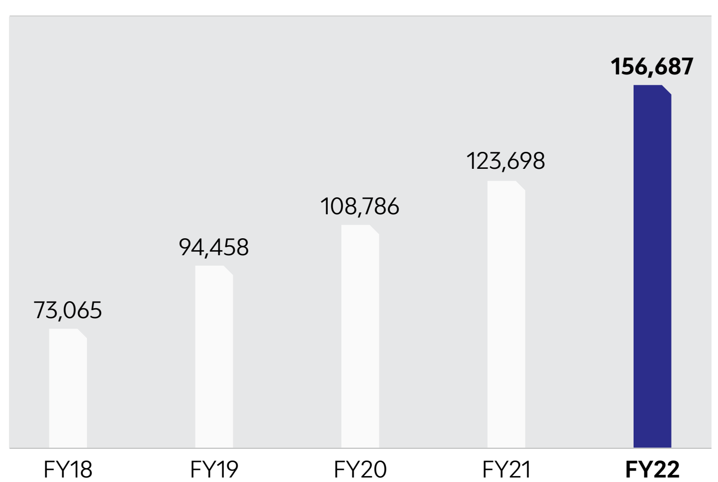
₹161,354 Value added − **₹147,118** Total expenses = **₹14,236** Retention for growth

Particulars	FY22	FY21	FY20
Income from operations	156,687	123,698	108,786
Other income	4,667	2,744	3,292
Employee benefit expense	97,007	74,289	65,166
Other expense (includes CSR spend)	33,373	26,271	26,883
Government tax	7,989	6,500	4,824
Dividend paid	8,749	5,319	4,864
Tax on dividend paid	-	-	815
Retention for growth	14,236	14,063	9,526

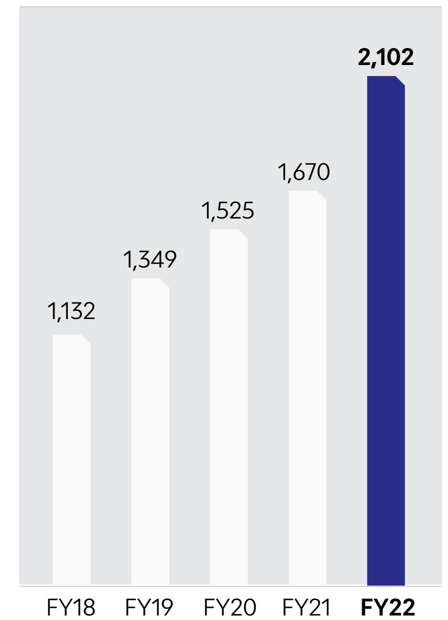
Industry-leading revenue growth

Since our inception, we have been committed to create superior value for all our stakeholders. We have delivered on that commitment with a 9.1x growth in market capitalization since our Initial Public Offering (IPO) in FY17. FY22 saw us cross the $2 Bn revenue milestone. We added over $430 Mn of revenue during the year. This is almost 3 times of what we added in FY21 and more than what we have added in aggregate across FY21 and FY20. The revenue for FY22 stood at $2,102.5 Mn, growing at 25.9% YoY against the backdrop of a constant currency growth of 25.8%. This helped us conclude the year with a 5-year CAGR in USD revenue of 16.7%. In rupee terms, the full-year revenue stood at ₹156,687 Mn, registering a YoY growth of 26.7% and a 5-year CAGR of 19.2%.

Revenue
(₹ in Mn)



Revenue
($ Mn)

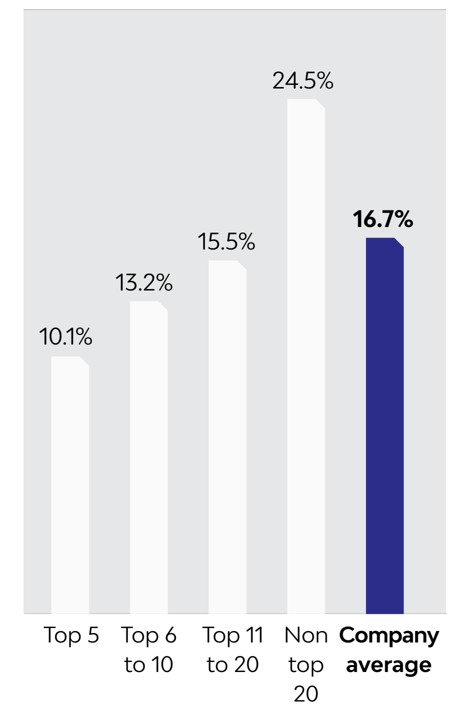


Partnering with our clients

We have achieved a consistent track record of growth by leveraging enduring relationships with our clients across industries. We have a proven track record of high client retention and continue to derive a significant proportion of our revenue from repeat business, built on the successful execution of prior engagements. In the year FY22, we generated 96.7% of our revenue from existing clients, compared to 95.9% in FY21. Through our 'Minecraft' program, we have been focusing on reducing client concentration and growing contributions from clients beyond our top 20 accounts.

As a result, the 5-year CAGR growth from our non-top 20 clients is above the average company growth rate. As client relationships mature, we seek to maximize our revenue and profitability by expanding the scope of services offered to that client with the objective of winning more business, particularly in relation to our value-added offerings. At the same time, we continue our efforts to add new clients and expand client relationships.

5-year CAGR
(in %)



Stable profit margins and healthy cash flows

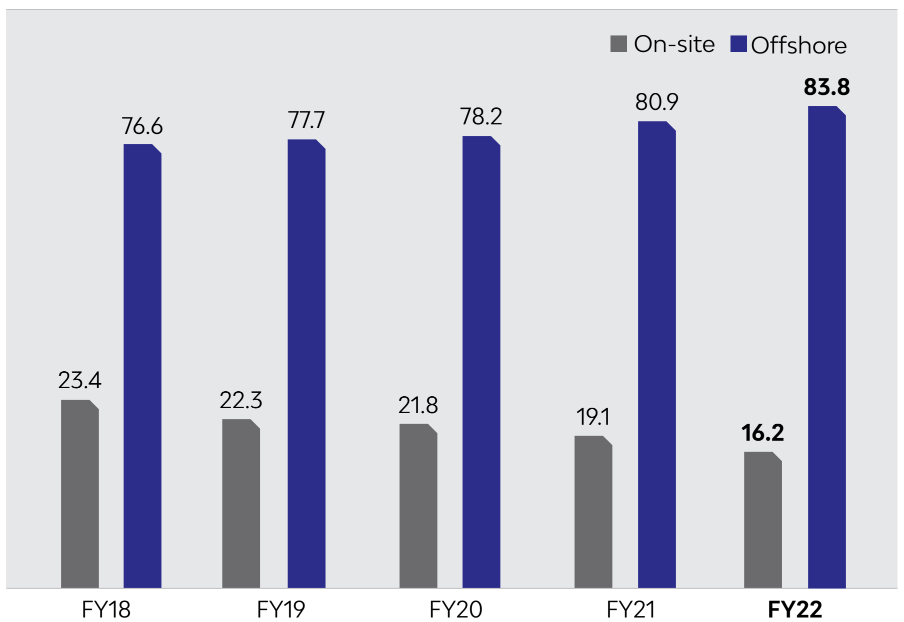
Our industry-leading revenue growth has been accompanied by stable margins as well. Significant investments in exponential technologies, coupled with rising protectionism, localisation, and wage inflation, caused margin headwinds in some of our operating years. Wage costs in India, including in the IT services industry, have historically been more competitive than wage costs in the United States, Europe, and other developed economies.

In addition, we continue to invest in the recruitment and retention of sales and administration personnel in line with our growth and expansion plans. Our employee benefit expenses increased by 30.6% to ₹97,007 Mn for the year ended March 31, 2022 from ₹74,289 Mn for the year ended March 31, 2021. The increase is majorly due to the increase in employee count in line with business growth, changes to employee mix and increments. This has also resulted in higher contribution to the provident and other funds, social security and payroll taxes.

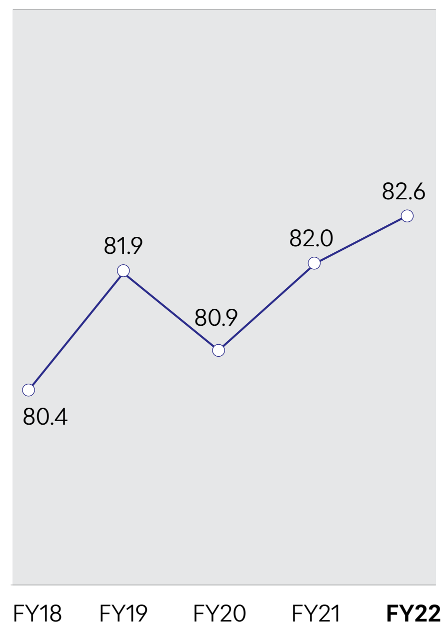
Stability in our margins has been sustained by our focus on various operational levers and our consistent hedging strategy. We have been working on improving our operating levers over the past few years. While our headcount has increased from about 21,000 to over 46,000, with a CAGR of 17.3% over the past 5 years, our utilization has also improved from 79.4% in FY18 to 81.3% in FY22. Our on-site ratio has declined from 23.4% to 16.2% during the same period. Our subcontracting cost is among the lowest in the industry and we would strive to use it strategically going forward. We remain focused on maintaining stability in our profit margin. We have put in place an active foreign exchange hedging policy to mitigate the risks associated with foreign exchange fluctuations. Our hedging policy runs on a net exposure basis, typically for a period of up to three years.

Financial Capital (contd.)

Efforts mix
(in %)



Utilization (excluding trainees)
(in %)

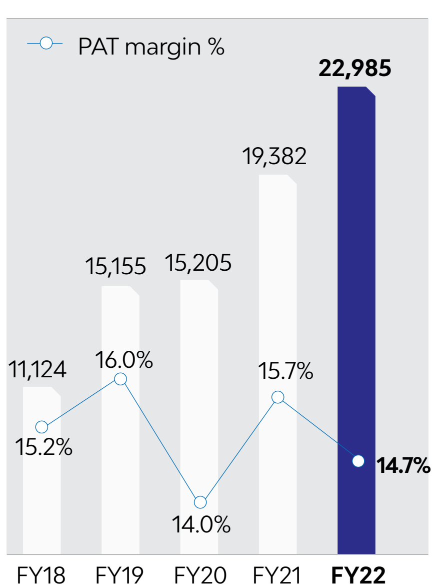


For FY22, our operating margin stood at 17.3%, compared to 19.3% in FY21. Our full-year PAT stood at ₹22,985 Mn, helping us deliver a full-year PAT margin of 14.7% and a 5-year CAGR of 18.8%. In FY21, our other income included a write-back of certain earn outs payable towards an earlier acquisition amounting to ₹571 Mn. If we exclude this, PAT margin for full year FY21 was 15.2%.

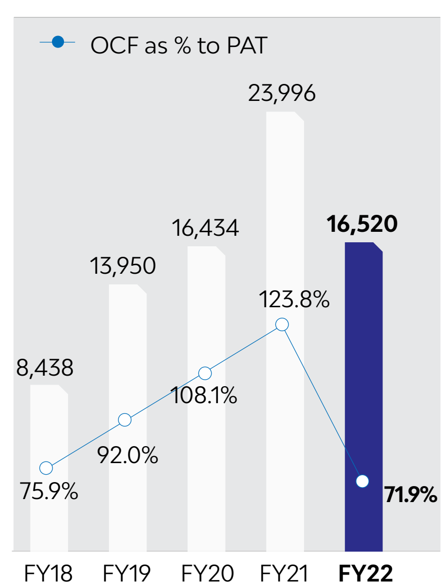
For the full year, the net cash flow from operations stood at ₹16,520 Mn at 71.9% conversion of the net income. We have a comfortable liquidity position, apart from having access to bank lines and overdraft facilities. Our long-term AAA rating from CRISIL reflects our established market position in several segments that we operate in, as well as our strong financial risk profile marked by a debt-free balance sheet, healthy cash generating ability, and robust liquidity.

We had cash and liquid investment of ₹39,139 Mn as on March 31, 2022.

Profit after tax
(₹ in Mn)



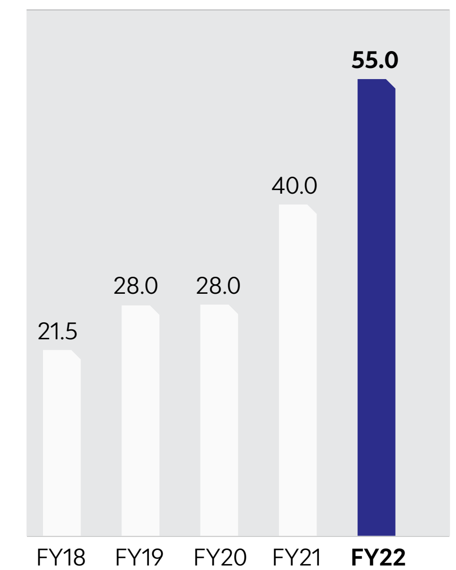
Operating cash flow
(₹ in Mn)



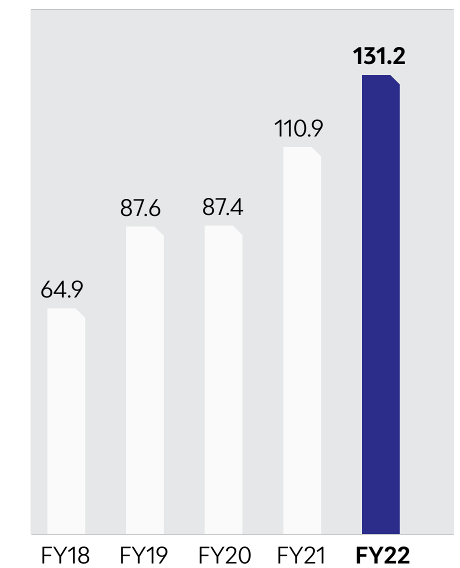
Creating shareholder wealth

Our consistent double-digit revenue growth and stable profit margins have helped us double our EPS from FY18. EPS and diluted EPS for the full year stood at ₹131.19 and ₹130.81 per share, respectively. The Board of Directors recommended a final dividend of ₹30 per share, bringing the total FY22 dividend payment to ₹55 per share, including the interim dividend of ₹15 and special dividend of ₹10 per equity share declared in October 2021 and July 2021, respectively. Dividend for FY21 was ₹40 per share. Further, our dividend payout ratio for FY22 stood at 41.9%.

Dividend per share
(in ₹)



EPS
(in ₹)



Focus areas

01
Building next-gen capabilities
Focus on next-gen capabilities & services to maintain industry leading growth.

02
Partnerships & alliances
Strategic collaborations to enhance our capabilities.

03
Talent management
Continue to build a diverse and inclusive workforce with focus on re-skilling.

04
ESG
Committed to sustainable development through Sustainability Roadmap 2030.

Manufactured Capital

At LTI, our tangible assets comprise the physical infrastructure that make up our manufactured capital. We consistently modernize and upgrade our telecommunication equipment, IT support systems and hardware, all integral elements of our manufactured capital. It enables us to seamlessly conduct operations and enhance value creation for our clients.

Highlights for FY22

70%
of our India offices are operating from certified green building

Expanding footprint
to accommodate a growing workforce — offices across 10 cities in India

₹ 4,968 Mn
Tangible assets

₹ 7,430 Mn
Investment in infrastructure

State-of-the-art Engagement Center Hartford

Material issues addressed

- Occupational Health and Safety

SDGs covered

9 Industry, Innovation and Infrastructure
13 Climate Action

Manufactured Capital (contd.)

Building capabilities to remain future-ready

Equipped to meet diverse client and end customer expectations, our workspaces are continuously modified to deliver uninterrupted services to clients across geographies and sectors. To improve productivity and bolster cross-team collaborations, we endeavour to create smarter and future-ready workspaces.

1. Delivery centers (DCs) and sales offices

- To ensure seamless services are provided to our clients worldwide, we added two more sales offices during the year under review, resulting in cumulative 53 sales offices and 36 DCs equipped with state-of-the-art infrastructure.
- LTI's new Hartford office, with capacity of 200 people, is equipped with the latest video conferencing technologies, such as the WebEx teleconferencing boards, Samsung Flip devices, and high-speed low latency Fiber Optic internet connectivity. The space was designed with configurability in mind, to support multiple business needs.
- We upgraded our infrastructure set-up by adding new satellite offices in Tier 2 cities such as Noida, Nagpur, Coimbatore and Mysuru.
- Aggressively expanding our footprint in India with majority offices situated within Special Economic Zones spanning across 10 cities as compared to 5 cities in the previous years.

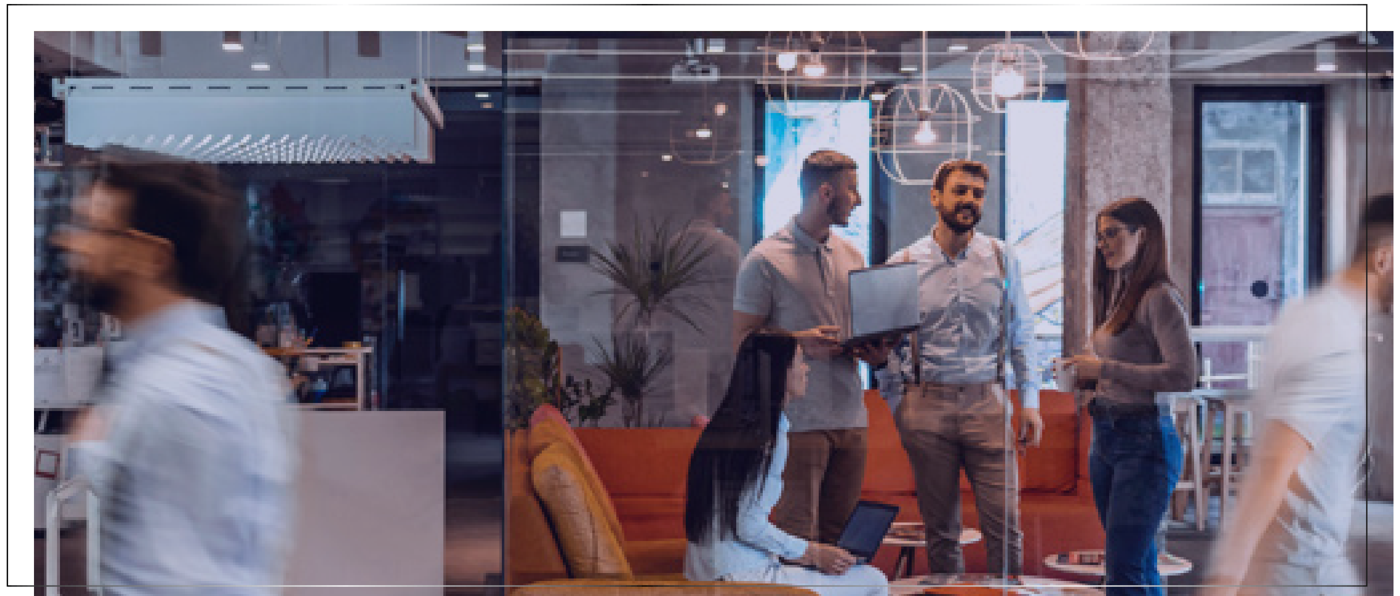
2. LTI design studios

- Virtually enabled 6 design studios.
- Providing incredible experiences by the confluence of design, technology and talent pool into products, services, and process.
- Conducting workshops and co-ideation sessions as a part of our customer engagement initiative.

3. Greener and leaner operations

- Making strides towards carbon and water neutrality for India operations by 2030.
- Making sustained investments in energy-efficient equipment, replacement of old or inefficient conventional equipment and adoption of energy from renewable sources.
- LTI headquarters at Powai has 100% of power sourced from renewable energy and since July 2021 we opted for Green Tariff at our Airoli office.
- Reduction in power consumption on the back of various investments and initiatives has resulted in significant cost savings.

For details of environmental footprint, refer to **Natural Capital** section of the report.



4. IT infrastructure

a. Cloud connectivity

- Cloud-agnostic applications development and DevOps, ensuring seamless experience across devices and locations.
- 100% operations of Management Information System (MIS) on cloud infrastructure.
- Enterprise applications utilize an optimum mix of IaaS, PaaS and SaaS platform across different vendors and solutions to provide best-in-class user experience.
- For faster on-boarding of users in customer-facing developments and client support projects, we adopted Citrix Cloud Virtual Desktops on Azure with LTI Hardened Images.
- Cloud-managed gateway for secure internet access, patches deployments and next-gen antivirus across LTI endpoints for continuous protection.

b. Rewired network

- Invested in network rewiring for optimal performance and supporting critical business applications hosted on the cloud, on-prem and network sensitive applications.
- Leveraged best-in-class technologies to refresh network switches at offshore locations as part of the SD-LAN project.
- Secure multiple VPN Gateways with Network Access Control for compliance and posture assessment of all LTI Endpoints using Cisco Technologies with Multi-Factor Authentication.
- Expansion of IT Clinic to all locations, providing one-stop-support for new laptop users.
- Service desk enhancements for user support, automation for on-boarding new users using BOTs, dynamic configuration for enabling agile desking with Cisco ISE/DNAC.

c. Data protection and information security

- Deployed Cloud Security Posture Management (CSPM) solution and cloud-based NextGen Firewall (NGFW) services for all LTI cloud providers and subscriptions for unified controls compliance framework assessment and risk reporting to plan timely mitigation and track to closure.
- Revised and baselined enterprise security policies, procedures, standards and guidelines to incorporate control requirements compliance in line with SOC 2 Type II, CIS, NIST 800-53, NIST CSF frameworks in addition to current existing compliance for ISO27001 standard.
- Included all LTI international global delivery sites into enterprise SOC 2 Type II attestation program and successfully achieved compliance certificate from our attestation partner, demonstrating LTI's commitment to cyber security posture management and governance.
- Upgraded our attack surface monitoring capabilities by adding newer modules related to Verizon Data Breach Investigation Report (DBIR) and recorded future incident and threat repository for deeper insights on deep and dark web intel on LTI related risks / vulnerabilities/exploits.
- Implemented state-of-the-art next-gen Security Incident and Event Management (SIEM) solution integrated with Security Orchestration and Automated Remediation (SOAR) solution for faster cyber threat response and protection/recovery. This is supervised by threat experts team based in LTI's Cyber Defence Resiliency Center (CDRC).

Back to office

The Yin-Yang model (Y2M)

In the preceding 18 months, our business has evolved considerably. At the same time, these changes have pushed us to re-think the way we do business and re-imagine the future. We realized that it is important to start imagining how our workplace will look like in view of the dynamic external environment, including that of our clients and the customers.

Significant efforts were put in to prepare the groundwork for such a workplace pivoted around balance and flexibility, keeping in mind the interests of our clients and employees. This has resulted in our Yin-Yang model.

Under this, all roles were categorized under different persona on the basis of role, client/project requirements and personal preferences. This will allow us to find the right balance between working from office and remote location based on the business requirements.

Manufactured Capital (contd.)

This will give LTItes flexibility as well as collaboration opportunities, while reinforcing inclusion and accountability. We will continue to evolve this new model to find more efficient and effective ways of working.

The preceding 18 months have also demonstrated that, at LTI, our purpose, inclusivity, care and continuous learning continue to guide us. Notwithstanding challenges, we created the right ecosystem for LTItes to ensure that they remain productive, engaged and committed.

While swiftly meeting the IT infrastructure demands for remote working, we also scaled up engagement, learning and growth through leadership connects, Shoshin School, My Career My Growth, Talent Central and Leena AI. We also ensured the safety of our colleagues and their families through regular vaccination drives. This gives us the confidence in our readiness capabilities to meet the demands of the evolving workplace.

Creation of the optimal Y2M ecosystem

Facilities

- Seat booking made easy through iRequest – seat allocation app.
- Strict adherence to safety guidelines at office premises. Covid safety protocols followed at office premises.

Productivity

- Seamless onboarding on virtual platforms.
- Collaboration enablers (e.g. ergonomic headsets).
- Support through AI-enabled platforms such as DIA.

Engagement

- Enhanced leadership connects.
- Meritocratic philosophy-based Performance Management System.
- Focused health and wellness initiatives.
- Comprehensive learning through Shoshin School.
- Employee listening systems through Leena AI.
- Career development and growth opportunities through My Career My Growth and Talent Central platforms.

Enabling pillars of Y2M

At LTI, our past investments in digital technologies, information security, data privacy as well as focus on setting-up a robust business continuity management framework have been key enablers to help us tide the pandemic. They have also facilitated us to successfully enable hybrid working and seamlessly implement the Y2M model.

Information security

- Migration of our current cloud and on-premises proxy to a complete cloud-based roaming proxy environment to have continual, consistent, and secure internet access with remote browser isolation for threats detected during delivery of site.
- Implemented Mobile Device Management (MDM) for all LTI endpoint assets to have continual visibility and control of assets in terms of baseline image, security posture compliance, patching, among others.
- Implemented always on VPN for enterprise assets for continual security posture check on connect to enterprise VPN before allocation of internal network IP range.
- Provided device access and support such as laptop repair/ update as well as ensured best-in-class tools for team collaboration.

Digital technologies

- Undertook cloud-native approach (100% of our production and non-production enterprise systems have been moved to cloud) which ensured remote availability of operations and applications for uninterrupted services.
- We enable a 360-degree view of application ecosystem from core personal identification of each employee to time sheet booking, compliance checks and work life balance.
- To address higher productivity demand, there has been a significant improvement in the usage of cognitive services and AI/ML in applications landscape, resulting in improved user experience, predictive analytics and robotic automation.
- Our mobile-first approach to 45+ enterprise apps has further enhanced agility, giving more flexibility and control to users.
- Pervasive collaboration technologies (WebEx, MS Teams, Workplace and other bespoke in-house tools) helped maintain effective communication with minimal operational disruptions.

Business continuity management

- Upgraded our business continuity plan to address resource planning and cyber-attack scenarios which is now aligned to ISO22301 standard and various processes within the program has been improved significantly through a well-defined organizational structure.
- Our tools have been customized to meet client requirements and we have established crisis monitoring services to pro-actively monitor business continuity related risks.
- A robust governance mechanism has also been put in place.

Focus on data privacy

- To prevent data leakage and protect sensitive information, we abide by the highest standards of security compliance.
- We have a Data Protection Officer and Data Protection Office, along with external experts to regularly update privacy policies.
- Implemented the principles of data protection with design controls and have established a robust privacy governance framework.

Intellectual Capital

Our extensive knowledge base, culture of innovation and collaboration enable us to partner with global clients, as well as help them improve the effectiveness of their business and technology operations. This ecosystem, in its entirety, represents our intellectual capital. We have invested significantly in strengthening our intellectual assets, and will continue to do so to remain ahead of the curve in an essentially knowledge-based industry.

Our problem-solving abilities, along with an emphasis on developing ingenious solutions allow our clients to remain competitive, profitable and secured in an evolving business environment.

Our intellectual capital forms the cornerstone for developing strategic partnerships with diverse clients. It also acts as a force multiplier for businesses in their transformation journeys.

Highlights for FY22

230+
Home grown IPs

Highest Tier Partnerships
With all the hyperscalers

Capability-led acquisition
Cuelogic Technologies

Launch of **Fosfor**
Data-to-Decisions Product Suite for Monetizing Data

LTI Ranked #1 in Top ITS Challengers list in Everest Group's PEAK Matrix® IT Service Provider of the Year 2022

LTI in ITS Top 10 list in Everest Group's **PEAK Matrix®** IT Service Provider of the Year 2022

Material issues addressed

- Data privacy
- Client privacy
- Services, quality and accuracy
- Innovation
- Delivery capability

SDGs covered

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Intellectual Capital (contd.)

Building the right foundation and capabilities

Culture of innovation

We are building a robust framework to institutionalize success for the next 25 years and empower our clients. Backed by the culture of a 'beginner's mind' or Shoshin, we remain motivated to explore solutions that drive the success of the present, as well as future business leaders. This, combined with the L&T Group's engineering DNA, has helped us power industry leaders of the present and future.

Employee development

The strength of our intellectual capital lies in our people. Through the adoption of modern ways of working and regular training, we continue to enhance their skills sets and enable them to remain competitive.

Innovation spaces

We have established several physical and virtual spaces that facilitate driving an inclusive and innovative culture. They augment the strong domain and technology expertise of our people, thus enhancing our capability for innovation and enabling high performance.

Our enhanced capabilities aligned with evolving digital landscape strengthens our leadership position, culminating in several significant digital transformation deals and new logo wins. During the year under review, we added three new innovative spaces.

Design studios

Leveraging the principles of design through the U-First (User First) methodology, these creative spaces help us to deliver impactful and compelling customer experiences.

IBM innovation & experience center

LTI, in association with IBM, inaugurated 'IBM Innovation & Experience Center' at LTI Bengaluru. The endeavour of the center is to showcase our solutions that have been co-created using IBM technologies and empower customers to experience new and unique solutions before adopting them, in turn helping them predict, automate, secure, and modernize their business operations.

Fosfor experience center

Delivering first-hand experience of our digital transformation capabilities to clients, it showcases the impact of LTI's flagship solutions on businesses.

LTI borderless innovation and experience theatre

We have inaugurated the 'LTI Borderless Innovation and Experience Theatre for Oracle Cloud' at our campus in Mumbai, India. The state-of-the-art experience theatre will assist enterprises in reimagining their business models by modernizing operations and accelerating their Oracle Cloud transformation journeys.

'Le LAB' (innovation center)

It creates an interactive environment for designing practical solutions based on technologies such as Connected Devices, Automation and Big Data.

Hartford Engagement Center

The center is in the heart of Hartford, Connecticut located in the iconic 'boat' building. Its futuristic design is built in collaboration with 'we' spaces with open, pod style and lounge seating.

It has a security operations center and two innovation labs, which are operated in collaboration with AWS and ServiceNow.

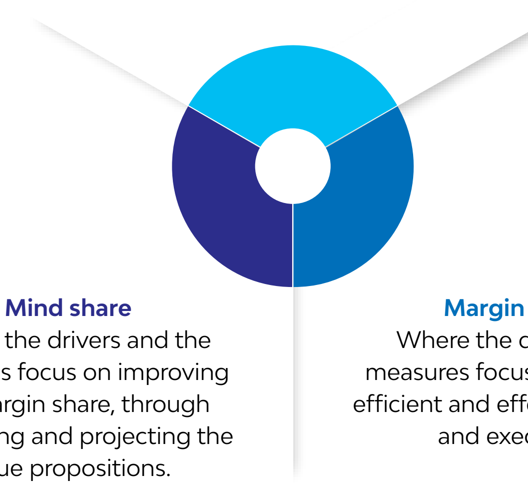
Global technology office

The strengthening of technology systems for business outcomes is of strategic importance for LTI. The emergent business world is experiencing unprecedented degree of interventions and technologies as enablers.

Our Global Technology Office (GTO) is a centralized function which is chartered to strengthen the technology office's role and to prepare the organization for 'Beyond-the-Horizon' capabilities in a deterministic, accelerated, fail-fast, and fail-safe way. We are moving from a competence-based structure (erstwhile NWOW) to a strongly outcome-driven organizational structure.

During the year under review, we started six charters with a high degree of accountability interlock with external and internal stakeholders. The GTO charters have drivers and measures defined across the following dimensions:

Market share
Where the drivers and the measures focus on improving the market share, through sales and revenues, enabling the delivering units.



Mind share
Where the drivers and the measures focus on improving the margin share, through influencing and projecting the value propositions.

Margin share
Where the drivers and measures focus on enabling efficient and effective delivery and execution.

Intellectual Capital (contd.)

To drive thought leadership and amplify the above dimensions, we have built a strong and committed team of 300+ technical practitioners and tech architects. The team identifies 'Beyond-the-Horizon' capabilities relevant for LTI through a proven process, methodology and all-inclusive collaboration across various delivery and practice units.

300+
Technical practitioners and architects at our GTO

Our innovation approach

- Engage and identify business challenges
- Collaborate with internal and external stakeholders
- Organize hackathons/Design thinking/Innovation workshops to generate ideas
- Present the solutions ideas/ deep research outcomes to the deliberation committee
- Develop, deploy, manage and industrialize the solution via the Blue Book
- Protect the intellectual property

Nurturing and investing in cutting-edge capabilities to stay ahead

AT LTI, we have always been at the forefront of evolving technological landscape and deploying our expertise in nurturing capabilities. We have built strong capabilities in cloud, data and digital as well as pioneering new frontiers like sustainability, Industry 4.0 and Metaverse. We believe, this enables us to stay ahead of the industry curve and serve our clients and customers better.

1. Data

The Data Practice, at LTI, enables our clients to achieve enhanced business agility by leveraging our business first approach, rich technology experience and innovative solutions powered by reusable artefacts and accelerators. As part of transformation, we are following Services-as-Software approach i.e. a blend of people and software approach for different classes of problem such as Cloud Modernization, Next Gen Data Management, AI and Data Science. Here are a few of the IP assets where LTI is investing, helping our customers with their digital transformation journey:

Data on cloud

LTI Canvas — Modernizing data ecosystem using software engineering

PolarSled	Scarlet	Sunshine	Eureka	Plex
Simplifying & accelerating adoption of Snowflake by leveraging pre-built utilities	Pre-built data utilities across AWS Redshift platform to ease adoption	Intelligent cloud adoption migration to Azure data ecosystem	GCP Smart Analytics using tools & utilities across data value chain	Unified data analytics and AI at scale using automated utilities and frameworks
snowflake	aws	Microsoft Azure	Google Cloud	databricks

iMaster
Multi-domain, AI-enabled MDM with stewardship process

DQ Anywhere
AI-enabled DQ with auto rule creation and discovery

AInA
End-to-end re-usable templates for model operationalisation, monitoring, governance & testing
aws Microsoft Azure Google Cloud

ReCast
BI Tool conversion from legacy technologies to self-service next-gen technologies
tableau Power BI Qlik looker

PrivateEye
Intelligent, AI-enabled data privacy solution for a comprehensive adherence of regulations

(GDPR, Data/AI Regulations etc.)

Next-gen data management

2. Cloud & cybersecurity

We leverage our cloud practice to empower digital enterprises innovate, experiment and scale to market demands swiftly. We provide full spectrum of services across the cloud transformation journey from strategy to monetization. aLTIus is LTI's cloud strategy to deliver business transformation at exponential speed. Moreover, we offer a portfolio of mature cloud computing service for successful enablement and adoption of cloud computing technologies in order to help enterprises innovate faster with cloud enabled business models.

We, at LTI, have devised unique offers across cloud strategy, migration, modernization, engineering, Connect at Edge, ways of working and autonomous operations. These offerings empower organizations to adopt and manage cloud and to unlock limitless potential. LTI has the highest tier partnerships with all hyperscalers – GCP, Azure, AWS & IBM.

For more details, please refer to the section 'Partnership Ecosystem, fuelling growth' on **page 13**.

Intellectual Capital (contd.)

LTI also offers cybersecurity strategy and consulting, engineering and global cyber defence categorized under cyber defence, cloud threat defence, digital trust and digital defence. We have our own LTI Cyber Defence Resiliency Center (CDRC) in Canada, Poland, India and USA that deliver an array of services. The services include security orchestration and automation, cyber defence response and recovery, threat prevention and detection, active threat intelligence and advance threat and vulnerability management to name a few.

aLTIus is LTI's cloud strategy to deliver Business transformation at exponential speed. It is achieved through these key pillars.

1. Purpose-led — C4X — Purposeful Cloud (Industry, Function, Platform) enabled by LTI's North Star framework and Cloud Ways of Working.
2. Productised — Cloud Offers — Packaged service offerings across the life cycle of cloud transformation.
3. Platform enabled — Infinity Cloud — LTI's delivery excellence platform providing scalability, automated and scalable paths to achieve true cloud innovation, consistency & visibility across cloud lifecycle.
4. Partner aligned — AWS I Azure I GCP — GTM & competency teams dedicated to partners driving business outcome-based partnership models & growth strategy.
5. Practitioner delivered — Rainmakers — Elite team of consultants bringing a holistic approach for cloud journey.

Digital defence services

We have a deep technical know-how of industry domains from corporate heritage of engineering, infrastructure and construction, to digital transformation of engineering engagements at scale and cyber operations of large and complex projects across airports, power plants and oil rigs. We have solutions to identify, track and report Scope 1, Scope 2 and Scope 3 emissions.

Cloud threat defence services

We leverage our comprehensive cloud security framework and cloud threat defence framework for multi cloud monitoring and incident response; Security Operations Center (SOC) Framework to integrate and monitor multiple cloud services provider and managed security services provider; automation templates for DevSecOps; and Security-as-a-Code and Securing Infrastructure-as-a-Code initiatives for Cloud Threat Defence Services.

Digital trust services

We enable the right user, under the right conditions to have the right access to the right data through our digital trust services.

Digital identity services

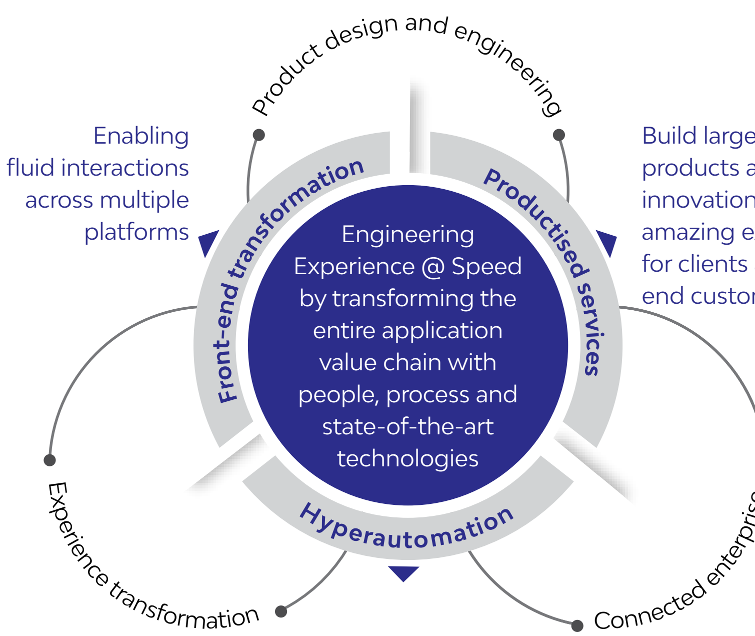
We leverage our orchestration framework and reusable artefacts, self-service chatbots, DevOps framework for implementation, application, integration factory framework, SOD library and operations accelerators for digital identity services.

3. Digital

We leverage our robust platform and product engineering expertise to support the digital transformation journey of our clients. Organizations are realizing the importance of delivering seamless, contextualized, and hyper-personalized experiences on the multiple channels through which their customers interact with them.

At LTI, we mindfully design user experiences that optimize customer engagement, with 'convenience' at the forefront of the services being offered, coupled with a keen eye on the latest trends to engineer and deliver Experience @ Speed. We aim to deliver solutions that are agile with a faster time-to-market, helping clients and customers maximize revenue and productivity.

Digital engineering



Experience transformation — Customer expectations are rapidly evolving, with increasing digital adoption. We take a user-centric approach to help companies define the strategies necessary to tackle evolving customer expectations and deliver superior experiences.

Product engineering — Our engineers utilize cutting-edge technologies to build software applications that can provide its users excellent product experience. We craft future-ready products and platforms that deliver your needs through an end-to-end frictionless product that provides end-users with a delightful experience. These products and platforms are an outcome of leveraging the Program development life cycle in tandem with our Pods that comprise of cross-functional engineers who leverage our engineering frameworks.

Connected enterprise — In today's scenario, with greater usage of cloud infrastructure and cloud applications, it's imperative that all systems and applications of an enterprise must work together as a well-oiled machine. We support organizations in their integration modernization journey by 'digitizing the core' powered by innovative in-house digital solutions.

Cross-functional pods for all needs across PDLC — LTI has three pods – Consulting, Innovation and Engineering. These pods fit into different stages of the product development lifecycle, as per their use case, right from visioning, defining, ideation and designing stages to prototyping, sustenance and modernizing stages.

Intellectual Capital (contd.)

Our product engineering frameworks

LTI-Cuelogic product engineering frameworks have unique intellectual properties that help us approach your business goals and push them forward on the technology ladder. We leverage three IPs/frameworks to make us product engineering thought leaders of the industry.

Compass (Research framework)

Our automated research framework that scans the horizon to detect trends across technology, markets, and domains. The Compass in LTI — CG is looked upon as a method of choosing the right technology intel that regulates a data mountain into actionable insights.

Atlas (Engineering blueprints)

The team moves onto the Atlas Framework, where a scalable and customizable set of Lego-style boilerplates for businesses are provided which can be adopted in any software product life cycle phase. The outcomes of the framework provide various benefits such as reduced development risks, shorter learning cycles, and accelerated time of deployment.

Tenet (Engineering framework)

Tenet is our core engineering framework which aims to improve product engineering maturity, continuous improvement, enhanced visibility, and reduced tech debt. Tenet allows teams to automate their efforts, hence increasing roll-out speed and decreasing maintenance costs.

4. Solving ESG challenges for enterprises

Ensuring business continuity in an operating environment fraught with multiple risks (environmental degradation, climate change, societal and governance challenges) enterprises are expected to undertake practices and report KPIs, much beyond the simple bottom line. We have created solutions to address ESG concerns of enterprises and help them create a more valuable impact, based on data and insights.

It is focused around reimagining possibilities and providing solutions for issues that need urgent attention. We believe it is imperative for clients today to leverage innovation while they continue to grow responsibly and deliver value across the triple bottom line. We are leveraging our expertise of implementing complex systems spanning enterprises, our IPs and partner network to delivery-comprehensive capabilities to support 'digital-first' approach to holistic ESG reporting.

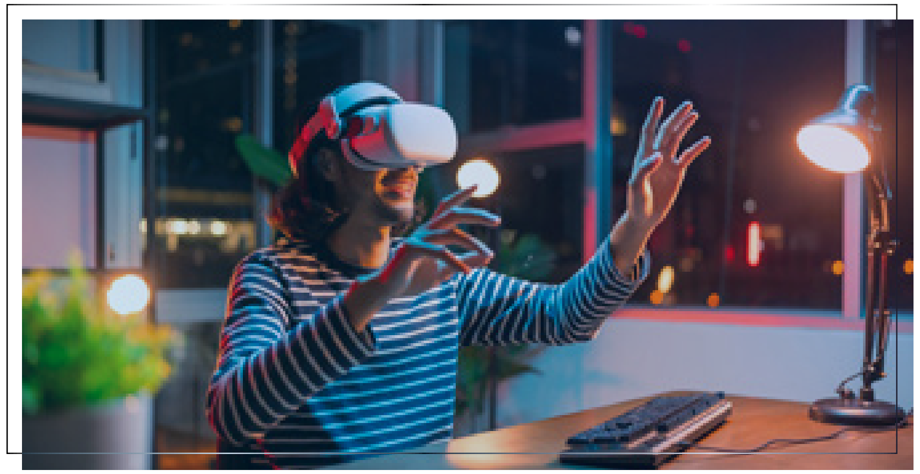
ESG concerns	Our solutions
Emissions and energy management Tightening emission and energy management regulations requires businesses to follow stringent controls. Businesses today face significant challenges in identifying emission inventory and measuring carbon emissions. Most businesses are monitoring their carbon footprint as a part of their focus on sustainable operations. To do so, it is imperative to adopt systems and tools that would help identify, track and report Scope 1, Scope 2 and Scope 3 emissions.	**Integrated emissions management framework** The platform allows business to apply digital interventions in an unprecedented manner that will ease the process of achieving net-zero objectives. **Carbon accounting and trading** Comprehensive carbon accounting to monitor track, report and trade carbon emission at every stage of operations.
Renewable energy Electricity generation is now transitioning from carbon intensive to carbon neutral technology, shifting away from coal fired to Solar PV-based and wind energy-based electricity. The growing scale of renewable energy sources has made it an imperative for asset managers to operate their assets at optimum efficiencies. Renewable energy assets face a major challenge of being geographically distributed, limiting their visibility and operability to standalone assets rather than single large-scale entities with standard operations, maintenance and trade strategy.	**Integrated digital command center** Our integrated digital command center powered by IoT, edge technology and advanced analytics will help developers and asset managers visualize and operate distributed assets as a single integrated power generating asset. **Micro grid management** Comprehensive visualization and analytics platform to help operate micro-grid for optimum performance as well as trading.
Energy storage Efficient energy storage is the missing link between the intermittent renewable power source and a stable grid system with a 24*7 power supply. Energy storage has wide implications in power (renewable energy) and transportation (electric mobility) sectors. Energy storage technologies will become the backbone for both EVs and renewable power landscapes with advanced analytics for improving storage and dispatch efficiency, track and trace technology for monitoring assets, integrations for fleet management, theft prevention, and so on.	**Battery 360** The platform addresses the problem at its root by leveraging the power of IoT and advanced analytics. **Energy management** Comprehensive energy management solutions to optimize energy consumption and trade.
eMobility Global trends, such as urbanization, climate change and digitalization, pose significant challenges to automotive industry. Mobility has become both shared and autonomous. A new evolving ecosystem that includes charging infrastructure developers, new mobility service providers and battery manufacturers is pushing OEMs to work with new players to develop a consistent offering of vehicles, services and charging experience.	**Smart charging** Data acquisition and analytics across charging ecosystem and infrastructure for operations and supply chain optimization. **EV fleet management** Monitoring of electric fleet charge and analyse the routes to make recommendations for vehicle assignments. **Intelligent charging point network** Energy analytics across charging infrastructure using predictive models to drive efficiency in operations and management.

Intellectual Capital (contd.)

5. Metaverse

The past few years have set off a new trend for us through extended virtual connectivity. This virtual connectivity is now taking the world by storm as it is embracing virtual reality. From real to virtual, our interactions are at the cusp of an experiential transformation. The recent advances in Metaverse have only accelerated our dimensions beyond our physical world. The Metaverse practice at LTI has been created with a focused intent to unlock the next frontier of immersive digital experiences.

Metaverse promises to unveil huge business opportunities across every industry; and we will leverage our investments in design, domain, and digital technologies to deliver awe-inspiring experiences to our clients and customers, across industries. LTI is working with its clients to decipher the art of possible in the Metaverse realm and in its quest to do so, has setup its own Metaverse ecosystem to further fuel research in Metaverse. As part of its Metaverse offerings, LTI will focus on helping companies build a Metaverse strategy and identify metart-of-possibilities aligned to their industry and domain.



6. Industry 4.0

With increasing interconnectivity and smart automation, we have formulated Industry 4.0 practices to create value at the intersection of domain, digital engineering, and smart technologies and accelerate digital transformation journeys of our clients and customers. We have established a dedicated Center of Excellence to develop technology accelerators, industry-specific solutions and Proof of Concepts (PoCs) for use cases in next-generation technologies such as 5G and blockchain.

Aligning ourselves with the customers' key transformation goals around Factory of the Future, servitization for new revenue models and sustainability, we have pivoted our Industry 4.0 practice around three broad solution themes:

Smart manufacturing

An array of solutions under our IXC (Industry X.0 Canvas) framework, powered by IoT, edge and cloud computing and other smart technologies (computer vision. AR/VR) to drive efficient, agile, safer and sustainable manufacturing operations.

Connected solutions

An end-to-end solution for realization of connected vision of our customers. It includes onboarding IoT devices, data acquisition and integration of different data sources (engineering design, PLM, ERP and asset management) in a contextualized manner to create asset digital twin for remote asset monitoring, predictive maintenance, automated regulation, and cognitive assistance.

Smart spaces

On-campus real-time view for different building systems (HVAC, lighting systems, sewage and water treatment plant, air quality, security and access, DG sets, solar, and so on), powered by digital twin and AR/VR for energy optimization and smarter and safer operations.

Accomplishing excellence and competitive edge with IP development

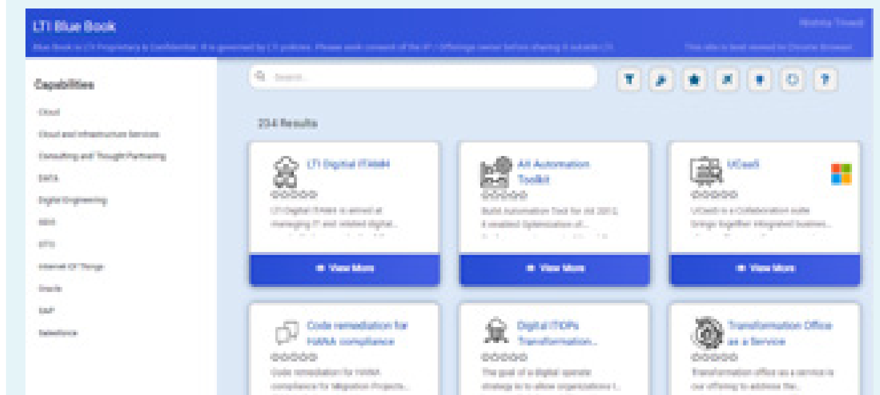
As an integral aspect of our IP and platform portfolio enhancement strategy, we have devised 230+ innovative IPs and 5 core platforms that enable us to deliver exceptional services and ensure robust revenue growth.

Staying ahead with strategic platforms

We put significant emphasis on various facets of organizational productivity by developing innovative data, cloud and Artificial Intelligence (AI)-powered solutions that offer a competitive edge to our clients in an evolving digital landscape.

Driving convenience and efficiency in navigating IPs

We can provide our clients the right intellectual properties out of our strong portfolio of 230+ IPs. We have established the Blue Book — our own internal marketplace. It is a one-stop destination to navigate across all our IPs in one place. It is a single-source platform to get updates and the most trending tools to help track usage and improve efficiency.



Screen view of Blue Book

Intellectual Capital (contd.)

LTI Canvas

LTI Canvas is a modern software engineering platform based on our xFH framework. It is a curated platform consisting of LTI solutions, Microsoft technologies and select third-party tools. It brings together various processes, tools, and methodologies to drive technology and business outcomes for teams operating in a distributed environment.

Canvas has the following platform components and solutions:

LTI Canvas DevOps

Encompassing a comprehensive suite of accelerators, it is a self-service DevSecOps platform for automated enablement and persona-based governance.

LTI Canvas Resilience

It is built for hardening applications to deliver business resilience through chaos engineering, continuous observability, and proactive resilience insights. It helps improve system availability by identifying the potential failures during early phases of SDLC and in production.

LTI Canvas Insights

AI-powered agile platform to boost software development productivity. It empowers software engineers with rich insights for better decision-making, enabling improved delivery quality, higher productivity, faster and more frequent implementations.

LTI Canvas CX

This platform helps measure and enhance digital customer experience by evaluating against 120+ parameters and has sentiment analysis embedded with design thinking techniques.

LTI Canvas Studio

Integrated with leading open-source industry standard IDEs, it is a rapid application development tool that creates ready-to-deploy, end-to-end cloud applications, based on 12-factor-app principles.

LTI Canvas Transition

With a capacity for multi-channel compatibility, it is a persona-driven, one-stop governance platform for transparent, real-time tracking and reporting of transition. It offers 20+ comprehensive pre-set reports.

LTI Canvas PolarSled

Simplifying and accelerating the adoption of Snowflake by leveraging pre-built utilities. Canvas PolarSled addresses the core challenges of designing, accelerating, and governing a data transformation journey.

LTI Canvas Sunshine

Accelerating data-driven cloud transformation on Azure Synapse Analytics through an automation-first approach towards the whole migration/modernization value chain. Canvas Sunshine reduces the overall manual efforts required to move from on-premises to the cloud, by making the data migration journey timely, predictable, and cost-effective.

LTI Canvas Eureka

Canvas Eureka is a mindful automation framework and tool kit for GCP Smart Analytics services, to forge end-to-end transformational change at scale and speed. Canvas Eureka with its automated dataflows enables an optimized pathway to BigQuery, eliminating operational complexities and de-risking modernization.

LTI Canvas Workplace

Canvas Workplace accelerates workplace digitization by templatizing team onboarding and enabling insights-driven collaboration. It is designed for the workforce to be productive from day 0, collaborate and deliver excellence from anywhere, anytime and on any device.

LTI Canvas Scarlet

Canvas Scarlet provides an ability to accelerate the data modernization journey to AWS.

LTI Canvas Glide

Canvas Glide helps organizations manage all financial aspects related to cost allocation, charge-back, monitoring, and planning of Amazon Redshift clusters. Canvas Glide with its 360-degree approach to cloud governance streamlines operations and saves on cost by providing insights into cluster usage, providing reports, predicting spend, and sending notifications on events.

Intellectual Capital (contd.)

Fosfor

We are in the age of Data Commerce, where the opportunities are limitless. To help enterprises capitalize on the ever-growing opportunities and emerge as an unlimited enterprise, we have launched **Fosfor** – the Data-to-Decisions Product Suite – an integrated suite of products across the data-to-decisions lifecycle.

The launch of the platform also signifies our focus on the multi-billion-dollar AI and data products market. As **Fosfor**, LTI brings together the synergies of erstwhile Mosaic and Leni products to unleash unlimited opportunities for enterprises with next-generation AI products.

Fosfor is a complete re-imagination of the data-to-decisions journey that brings method, speed and amplification to data monetization, what LTI defines as Data Commerce for the Unlimited Enterprise. Products within Fosfor suite assist in organizing data, mining information from unstructured data, building a data fabric for information discoverability, build and deploy ML models at scale and perform experience driven insight generation.

Fosfor growth

30+
Global clients

8+
Patents filed

3x
Increase since FY21

1,000+
Users across products

10+
Cross-industry applications

Fosfor product suite:

FOSFOR

Data-to-Decisions Product Suite — an integrated suite of products across the data-to-decisions lifecycle.

spectra

aspect

optic

refract

lumin

Awards, accolades and customer recognition

LTI rated 4.8/5 for its Lumin by Fosfor solution as of May 16, 2022 from 6 reviews.

Optic by Fosfor wins Data Breakthrough Award for 'Data Catalogue Solution of the year 2022'.

Industry recognitions

The Fosfor suite of products has an extensive set of go-to-market and technology partnerships with leading cloud companies and has been recognized by industry analysts.

- **Lumin by Fosfor** (formerly LTI Leni) recognized as a sample vendor in **The Forrester Tech Tide™: Customer Insights Methods, Q2 2021.**
- **LTI (Fosfor Lumin**, Formerly LTI Leni) recognized as a Representative Vendor in 2021 **Gartner Market Guide for Augmented Analytics Tools**, Austin Kronz, etc.
- **Aspect by Fosfor** recognized as 'Disruptor' in **Avasant's Intelligent Document Processing Platforms 2021-2022 Radarview™.**
- LTI recognized in **2022 Gartner® Market Guide for Intelligent Document Processing Solutions** for its Aspect by Fosfor solution.
- **LTI's Fosfor Optic** recognized in **The Forrester Now Tech: Enterprise Data Fabric, Q1 2022 report.**
- **LTI's Fosfor Refract recognized in The Forrester Now Tech: AI/ML Platforms, Q1 2022 report.**

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Infinity

A unique and unified platform that delivers industry-aligned cloud transformations at exponential speed. It comprises advanced solutions and processes, enabling industry blueprint-based cloud lifecycle excellence from decisions to operations. It offers accelerated assessment, migration and modernization, better governance, operations and FinOps at cloud speed for agile, scalable and consistent outcomes.

Infinity's exclusive offerings

A **marketplace** equipped with 75+ best-in-class cloud lifecycle solutions.

Ready-to-use efficiency kits delivering **speed and value**.

Cognitive dashboards powered through **AI-based** knowledge engine.

Industry, platform and function-specific North Star blueprints for purposeful **cloud transformations**.

Multi-cloud governance and FinOps.

Green Cloud Advisor for sustainable cloud.

Business process lens to devise the right **cloud strategies**.

Value **stream-based visibility** into business performance and operations.

Intellectual Capital (contd.)

Efficiency kits

The platform is equipped with efficiency kits that deliver plug-n-play capabilities, supporting heterogeneous tools available in the enterprise ecosystem.

Key facts

60%
Faster assessment

2x
Faster cloud migration

Enhanced
governance and visibility on cloud

40%
Reduction in TCO

Infinite
on-demand scaling

Unitrax®

Unitrax®, the flagship product of LTI Canada, is the focal point of Canada's Leading Wealth Platform ecosystem. This SaaS-based solution specializes in exceeding the record-keeping needs of fund managers, banks and insurance providers. Leveraged by more than 190 clients with over $1 Trillion in Assets Under Administration, Unitrax® is Canada's premier TA record keeping platform. It streamlines the maintenance of client records and facilitates administrative processes including handling of transaction entries, generating account investment values, interfacing with external systems, and communicating with clients.

LTI's digital banking platform

A comprehensive banking software, powered by Temenos, has been developed to provide 'digital to core' banking capabilities, with infinity front-end solutions. With comprehensive financial crime mitigation capability, it seeks to modernize legacy core banking systems in the Nordic region and continental Europe. It allows financial institutions to make their operations scalable and agile, to reduce their operating costs. It also facilitates faster launch of new products and services.

It also facilitates fintech solutions like regulatory reporting, authentication, KYC solutions, card services, and payment solutions available on Temenos Exchange.

LTI recognized as a Leader in Everest Group's Temenos IT Services PEAK Matrix® Assessment 2022

Publications

Our intellectual capital is further enriched by our extensive knowledge base and diverse perspectives. Various publications and thought leadership papers have mentioned our contributions and we saw over 280 publications.

Some of the dominant themes revolved around embracing the new normal, business resilience, focus on cloud, data, digital while scaling business, focusing on innovation, and achieving sustainable goals to name a few. PoVs on emerging next-gen trends like Metaverse, Quantum and Web 3.0 are in progress as well.

280+
Whitepapers, blogs, and podcasts released in FY22

Analyst recognitions in FY22

1. LTI positioned itself as a **Leader** in Managed Digital Workplace Services for Mid-markets — US in ISG Provider Lens™: Future of Work — Services and Solutions 2021.
2. LTI positioned as a **Leader** in Digital Business Consulting Services — US in ISG Provider Lens™: Digital Business — Solutions and Service Partners 2021.
3. LTI recognized as **Leader** Across all Six Quadrants in the ISG Provider Lens™ AWS Ecosystem Partners Report USA 2021.

These significant milestones recognize LTI's deep expertise and industry capabilities to deliver a wide range of digital solutions globally.

Building a powerful innovation ecosystem

We complement our offerings by acquisitions that align with our strategy as well as partnering with hyperscalers and other solution providers in the industry to create an ecosystem of innovation.

During the year under review, we made one capability-led acquisition and one strategic partnership aligned with our future strategy. We acquired **Cuelogic Technologies** which has enhanced our digital engineering and outsourced product development capabilities.

We also formed a strategic partnership with **eClinicalHealth Limited**, to accelerate digital innovation in R&D Clinical Trials Management process for patient-centric drug development, thereby helping clients decentralize clinical trials. We also upgraded to top tier partnership with most of our strategic partners.

Relationship with globally-leading hyperscalers

LTI now has the highest tier partnership with all the hyperscalers — AWS, Google Cloud, Microsoft & IBM.

For more details, please refer to the section 'Partnership Ecosystem, fuelling growth' on **page 13.**

Solution partners

Over the years, we have built a long-standing and mutually beneficial relationship with a number of solution partners that empower us to develop IPs and deliver superior products and solutions for our clients.

1. Adobe
2. CISCO
3. IBM
4. Microsoft
5. Oracle
6. PEGA
7. Salesforce
8. SAP
9. Servicenow
10. Snowflake
11. Temenos
12. MuleSoft
13. Google cloud
14. Duckcreek
15. Guidewire
16. CyberArk
17. Liferay
18. Databricks
19. 1E Software

Collaboration with start-ups and academia

The New Innovative LTI Ecosystem (NILE) enables a culture of open innovation through associations with start-ups and academia engagements. It allows us to onboard many start-ups to support client deals and projects. It also offers us an advantage to deliver faster and de-risked adoption of new technologies in the realms of Data, Artificial Intelligence, 5G, Augmented and Virtual reality, and so on.

Our University Alliance program aims to create strong collaborations with academia and research institutes for researching and co-innovating to complement our client offerings and focusing on next-gen research aimed at creation of new disruptive products. Some of the key engagements with global academia partners undertaken during the year are in the following areas:

a) **5G –** Collaborative research with **IIT-Madras** in the field of 5G. The aim is to innovate in the emerging 5G space and enable 5G frameworks validation, low frequency RF deployments and use case testing with 5G test bed.

b) **Quantum computing –** 'Setup of Industry-Academia consortium for Quantum Computing', a research and innovation related project in collaboration with **IIT Madras.**

c) **Emerging business models in the Manufacturing sector –** Teams from **National Institute of Industrial Engineering** (NITIE) & Manufacturing vertical of LTI working closely to solve for areas like prognostic health management, servitization and intelligent supply chain in the manufacturing sector.

d) **Future of hybrid work –** Got into a collaboration agreement with **Copenhagen University and DIREC** (Digital Research Center Denmark) on exploring remote working and the challenges which emerge in hybrid settings of synchronous work.

Human Capital

Human Capital is our most valuable asset and it refers to our employees and their zeal and commitment to serve organizational goals. Our human capital drives our competitive market advantage, and enables us to deliver best-in-class services for our clients as well as ensures long-term business sustainability.

Our endeavour is to create a formidable pipeline of talent that can deliver for diverse businesses in a dynamic operating environment, while conforming to the organization's cherished values and mission. Our unwavering focus is on engaging, developing and retaining talent from different cultures and geographies, with emphasis on inclusivity, diversity and transparency.

Highlights for FY22

46,648
Total headcount

~30%
Women in workforce

80+
Nationalities

27,000+
Employees re-skilled in new technologies

47%
Employee <30 years

26,033
New joiners

5,212
Trainees onboarded

Material issues addressed

- Employee well-being
- Learning opportunities and career development
- Occupational Health and Safety
- Employee retention
- Diversity and Inclusion

SDGs covered

3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH

Human Capital (contd.)

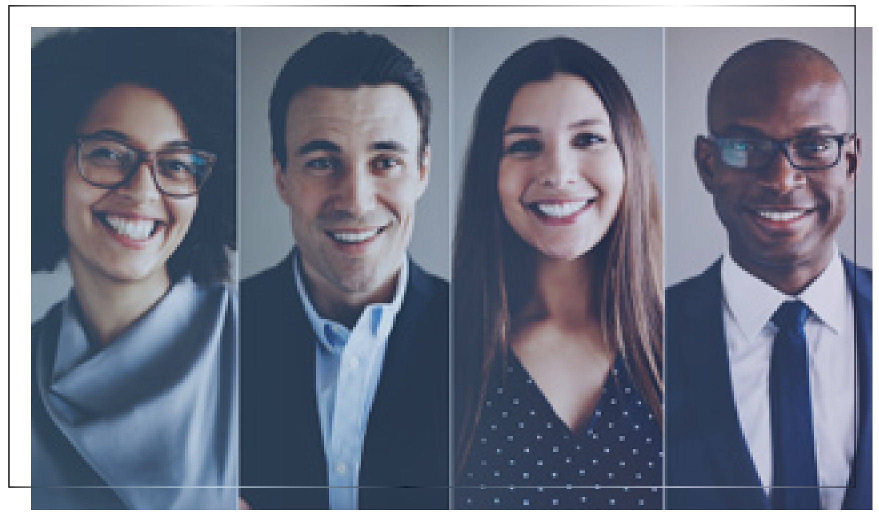
Refreshed and realigned people strategy

The pandemic has forced organizations to re-look at their ways of working and engaging with their teams. We have embarked on a journey of structural change in our ways of working. Our primary focus areas were to provide flexibility to our employees, while continuing to deliver best-in-class products and services. We launched the 'Yin-Yang Model' as a means to bring the best of both worlds. This was an attempt to future-proof the organization as the industry is moving towards an outcome-focused rather than activity-based approach.

Under this ecosystem, the role of office as a physical construct will be diluted and the work ecosystem will focus on ideation, interactive communication for planning and execution with higher levels of trust. This entails renewed focus on giving the employee flexibility, essentially making work-location agnostic.

To enable this transition, an organization-wide change management plan was created and multiple sessions with employees was conducted to get their buy-in the transition. The entire process was run with an employee-centric lens and the HR hand-held employees every step of the way. To support this transition, we created a knowledge repository for ready reference across geographies.

We have supported employees by opening up satellite offices in Coimbatore, Mysore and Nagpur to allow employees to work from their preferred locations, while delivering services for our clients. We have made our offices ready for returning employees with a keen focus on first-time returning to office employees.



Accelerating digital transformation

The organization has embarked on a journey towards digital transformation to drive business outcomes and enhance the overall user experience both for the employee as well as HR as a function. The focus is not only business service transformation, but a larger umbrella for technology transformation for the function. The system redesign keeps the organization's future scalability in mind, with global implementation plans while catering to local requirements.

A crucial element within the scope is to create data-driven mindset transformation for decision making. Our key themes include an overall improvement in employee lifecycle, touching various touchpoints in the employee journey, improving system integration, overall UI improvement of apps and mobile adoption.

During the year under review, as a part of our digital transformation journey, we automated the manual process of sending offer letters. Now, offer letters can be issued from a single platform with built-in authorization signatures. Automatic email triggers at various recruitment stages provide real time progression view to prospective candidates. Overall, this automation has removed multiple manual interventions, resulting in faster and more efficient process, documentation, and cost saving.

Talent strategy

While we are mindful of the 'Talent War' in the global IT sector, as an organization we have adopted multiple processes to attract, retain and enable talent at LTI. Our focus has been to understand the multi-generational workforce and tailor-made strategies to attract and retain talent in the organization.

To ensure quality experience, we have upgraded our talent acquisition processes at LTI. During the year under review, we introduced the talent acquisition process automation for offshore hiring. This new upgrade has multiple functionalities, which will make our candidate hiring process faster and more efficient.

Another significant improvement in our people strategy is to enable a strong talent pool through internal fulfilment. It is our commitment that the future talent needs of the organization are fulfilled through leveraging internal talent pool. This not only reduces our overall recruitment costs, but provides an opportunity for employees to progress and develop their skills in other areas as well.

As a part of our global talent acquisition strategy, we are acquiring local talent through our program PLUS (Proactive Localization in the US). It is a program aimed at attracting, training and grooming talent from our delivery centers in the US. We follow a bespoke method to fulfil employee needs or aspirations in line with our endeavour to ensure best-in-class services to our clients.

52%
Internal succession rate for FY22

26,033
New employees hired

Building a diverse workforce

Diversity, Equity and Inclusion (DEI) is an integral part of life at LTI, and this is institutionalized under 'LTI Belong'. We promote a performance-driven and customer-centric work culture to help clients achieve their business goals.

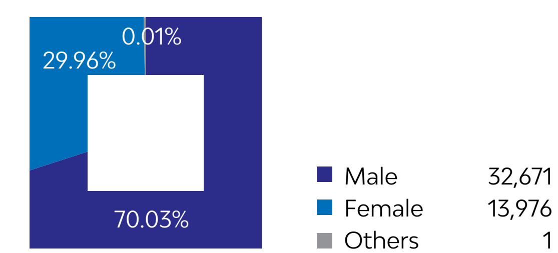
A diverse and highly talented workforce is key for us to achieve this objective. We imbibe policies and practices within the organization to create a diverse and inclusive workforce to encourage thought and creative diversity.

'LTI Belong' is committed to extend an environment of equal opportunity to all candidates, employees and partners where they can achieve their full potential and feel valued and appreciated for who they are.

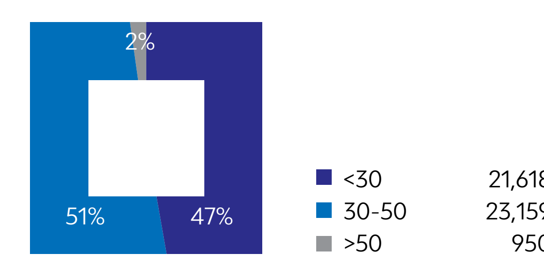
Headcount mix

Region	Male	Female	Others	Grand Total
India	27,457	12,854		40,311
North America	3,341	765	1	4,107
Europe (including Nordics)	979	220		1,199
RoW	894	137		1,031
Grand Total	32,671	13,976	1	46,648

Gender mix

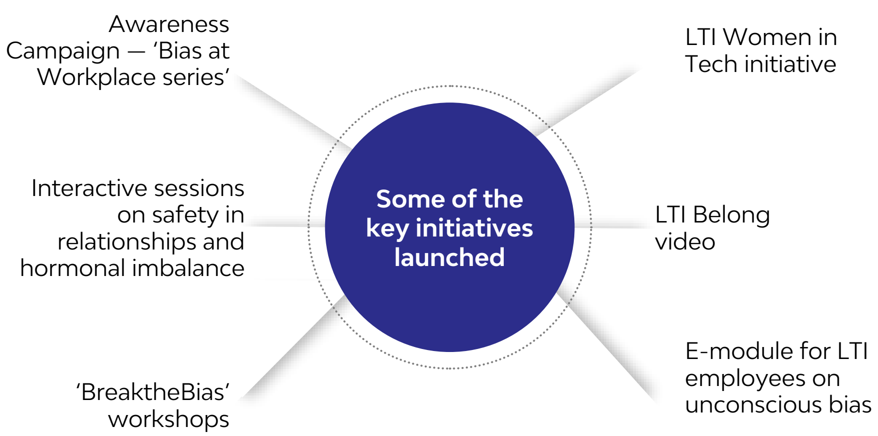


Age mix



Human Capital (contd.)

It is executed based on 3Ws — Workforce, Workplace and World. We are committed to deliver on targets on key initiatives. We have the geography councils that deliver the geography agenda and the charter.



For our operations in the Americas, we have introduced the following initiatives:

- In partnership with NPower — a not-for-profit focussing on technology education for people from the underserved communities — we conducted mentoring and knowledge sharing sessions from LTI leaders on technology topics and sponsorship of technology subjects for NPower students.
- Supporting the underserved communities with The Salvation Army (TSA) through our support in the US and Canada.
- Providing technology mentorship opportunities for students through iMentor.
- Partnering with Ryerson University's WITM (Women in Information Technology Management) in Canada by providing opportunities to promote women in technology and STEM area with competition, workshops and panel discussions.

~30%
Diversity ratio

12.24%
Women in senior management

Ref(H)er

Ref(H)er is a unique program to embrace gender diversity within the organization. It accentuates LTI's presence as an equal opportunity employer by additionally incentivising the referrers with special bonuses, while solving for the society.

For each successful hire, LTI will plant a tree in Nimbhora village in the state of Maharashtra, India. The program kick-started on March 8, 2022 and will continue to run till Q1 – 2022-23.

Revive with LTI

'Revive with LTI' program aims to attract experienced women professionals and provide opportunities to re-enter the workforce. 6-month retainership / permanent opportunities will be extended to the eligible candidates.

The program is an opportunity for experienced women professionals to re-enter the workplace and continue their career in a high-performing environment. During the program, participants will work and network with colleagues and senior leaders from across the organization and receive training and support to refresh their skills, whilst working in one team. At the end of the program, participants will be ready to take the next steps in their career, with the possibility of a permanent role at LTI.

LTI Women in Tech

LTI Women in Tech was launched on November 11, 2021 with the endeavour to provide a platform for the entire ecosystem to come together to support, mentor, and encourage women to achieve greater things within the Technology community. We have a core team which represents all LTI's geographies and our executive sponsor is Sudhir Chaturvedi, President and Executive Board Member. We have six individual new initiatives being run by LTI WIT which include:

- Internal workplace page
- Recognition program
- LTI Women in Tech round tables series
- LTI coffee chat
- Monthly LTI Woman in Tech video interview program
- External sponsorships/mentoring

Creating a competitive compensation strategy

Our business model is dependent heavily on our ability to attract and retain talent in the global marketplace. At LTI, our focus is to create a fair, transparent and merit-based compensation strategy that motivates our employees to deliver the best services for our clients. Rather than a task-oriented compensation strategy, our focus has been to create a goal-oriented compensation strategy, encompassing the organization, team and an individual.

We undergo periodic revisions in our compensation cycle to remain market relevant. During the pandemic, the organization has run various transformation projects to ensure that we adopt a progressive compensation framework worldwide. To create competitive advantage, we created a dynamic compensation strategy during the pandemic to attract and retain talent in the 'Talent War'.

Additionally, we created a combination of strategic and tactical interventions to improve user experience and essentially build an employee-friendly culture within the organization.

Human Capital (contd.)

Nurturing a future-ready workforce

We have launched the Talent Central platform for employees that helps them identify their learning gaps and learn appropriate skills using our LTI Shoshin platform. They also have easy access to the internal marketplace for various development and growth opportunities.

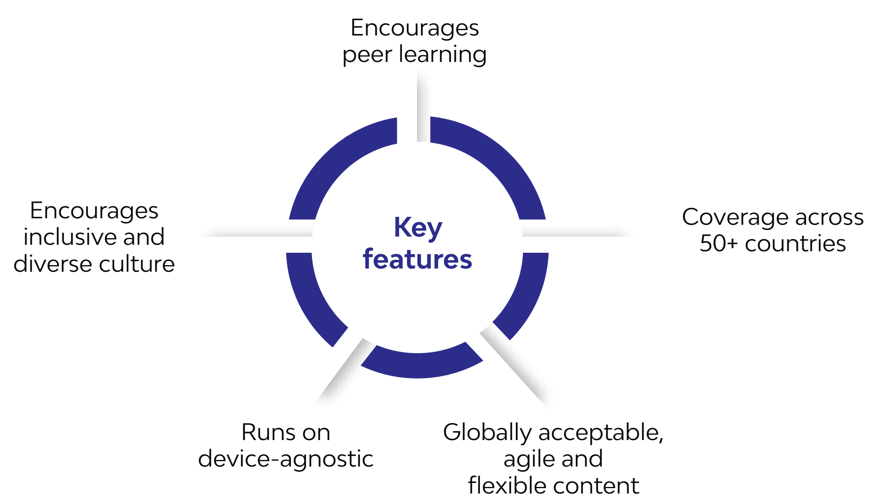
Some of our key L&D Initiatives include:

LTI 7-steps program

The 7-step program was launched with an objective of enabling employees across different levels to bolster their readiness and sharpen their skills to lead teams effectively and take on leadership roles across the organization. This program enables leaders to accelerate their performance to their highest potential.

The list of leadership journeys as part of **LTI 7-steps:**

- Level 1 **iAchieve**
- Level 2 **iAchieve Plus**
- Level 3 **iLead**
- Level 4 **iLead Plus**
- Level 5 & 6 **iImpact**
- Level 7 & 8 **iVenture**
- E Level **iChampion**



LTI 7-steps program incorporates a blended learning model with focus on e-Learning, webinars, assessments, group case study discussion and leadership connect sessions. The program is in alignment with the modern learning principles on a 'Digital platform', thereby providing an enriching learning experience to the participants.

13,285
Unique employees benefited

GET training program

Communication skills

Graduate Engineer Trainees (GET) Communication Skills Training Program is a 3-day program covering various facets of behavioural and communication skills to enable new hires effectively transition their campus to corporate journey. It provides them opportunity to develop new skills and have the prospect for career progression.

65,000+
Learning hours

Enabling the champions

'Enabling the Champions' is the organization's benchmark of Fresher Induction Training program as per the requirement from Business units designed to get a fresher 'Project-ready' as rapidly and effectively as possible.

2,600+
Employees covered in 20 batches

Vision: To deliver consistent learning value to our stakeholders for sustainable profitable growth by:

- Building skill and competency within the associates aligned to the business needs.
- Skill development — cross-skilling & up skilling for fulfilment of business demands.
- Providing strong learning ecosystem to enable continuous learning.

Talent central

It is an AI-based platform that uses domain intelligence to help identify, retain and grow the right talent. It enables demand-supply cross pollination by generating 'Richness Index' to understand the closest match to the job requirement. The learning module enriches the skill profile and promotes capability building through proactive re-skilling. Contextual gap aggregation aids in faster curriculum design and personalized learning. This portal comprises of global data and is process-compliant.

Promoting continuous learning with LTI Shoshin school

Our belief to 'Keep Learning' is at the core of everything we do. Launched in 2020, LTI Shoshin School's framework is centered around the same philosophy. It creates an ecosystem that brings multiple learning content together and provides a standardized learning experience, thereby promoting a culture of continuous learning.

A one-stop learning platform, it provides access to 500+ SME curated learning pathways for all technical, functional, behavioural and leadership skill development requirements with content from the best learning providers. Powered by the latest AI and ML engine, this smart learning platform provides enhanced and personalized learning experience using new-age learning principles. It enables employees to track, share, curate and measure learning from any source such as live and online courses, articles, blogs, videos, podcasts, work experience, skills, and events. With 53 learning hours per employee last year, the platform is accessed by 98% active users at LTI.

98%
Active users in FY22

Shaping and streamlining career driving organizational growth — My Career My Growth

The program is designed to guide employees in their current and future role(s) with the flexibility to take charge of their own career. Facilitating understanding of leadership, functional and professional competencies required for a specific role, it helps employees determine career progression potential and set milestones along with providing development opportunities to achieve them. It is designed to help them navigate through the various career opportunities and empower them to influence their own career progression.

Succession planning

Identification and development of future leaders is an important part of our HR strategy to equip the LTI leadership pipeline for all contingencies by preparing high-potential employees for role advancement. This is classified into three broad levels as follows:

1. **CEO level — leaders of tomorrow:** It is a mentoring program chaired by the CEO. Structured in collaboration with industry experts and designed as a journey, the program provides a holistic learning experience to nurture and develop leaders. Following are the components of this experiential learning journey:
   - Assessment and development of professional competencies and behaviours.
   - 360-degree feedback from managers, peers and clients.
   - Leadership coaching for self-reflection and discovery.
   - Mentoring sessions for Individual Development Plan (IDP) and to realize limitless potential.

Category/Level/Grade of Employees	Average hours of training per year per employee (April 2021-March 2022)		
	Behavioural training	Technical training	Compliance training
Sr. Management	2.67	9	2.88
Jr. Management	2.18	18.2	3.08
Consultant	1.76	31.3	3.17
Trainee*	46.05	7.3	2.42

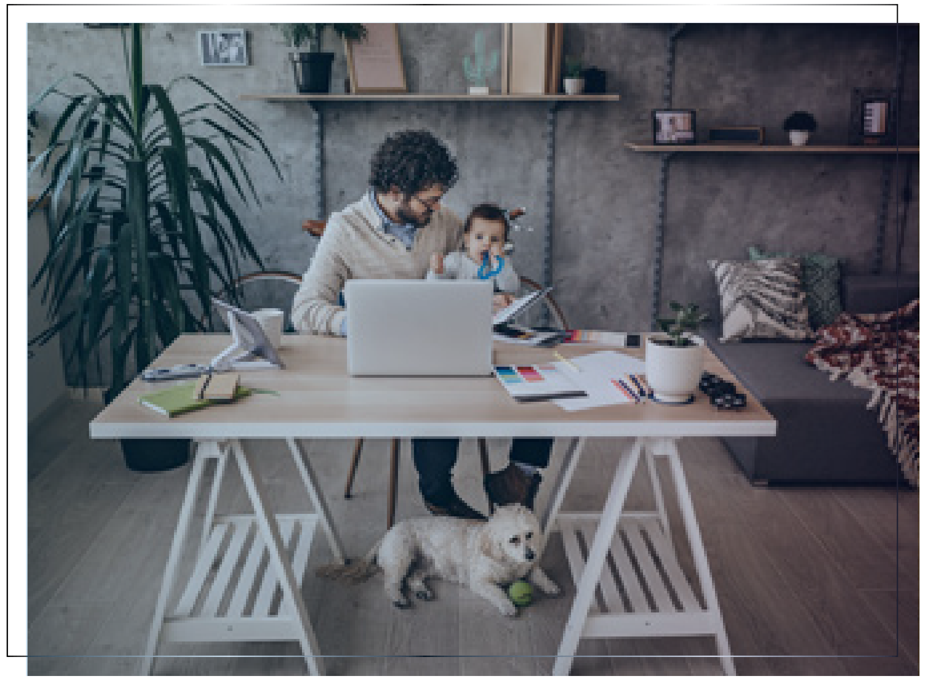
*Does not include average 332 hours/trainee as part of Graduate Engineer Trainee program

Human Capital (contd.)

2. **GEMS:** Key focus of the program is to elevate the LTI Leadership team and enhance their positioning amongst the potential roles. It also displays their uniqueness by providing real world proficiency and skills to handle the future leadership roles. The program has 88 participants spread across the geographies. Components of this program include:

    - Understanding the top talent based on 360-degree feedback from the team, managers, and peers.
    - Strengths-based developmental plan by using Gallup Strengths finder.
    - Focused learning journey includes workshops, leader interactions and e-Learning.
    - Group coaching sessions by experts and mentoring by CXOs.
    - Review of candidates to meet the internal fulfilment.

3. **Business Unit (BU) level program:** We identify high potential employees at level 5 and 6 to take up enhanced roles at BU level. These are customized programs catering to the specific developmental needs of the talent identified. These programs are supported with leadership, personality, and competency-based assessments. This is supported with IDPs and real-time assignments to help acquire the required knowledge and experience.



Ensuring health and well-being

In FY22, offices and facilities of LTI were closed due to Covid-19 as Work from Home was being followed. However, employee health and safety was our top most priority during these testing times. LTI set up multi disciplinary safety committees at all locations with renewed focus on employee participation, training and awareness and with an aim to foster safe working culture. The challenging times we are living in, has necessitated access to reliable medical advice/ consultation round the clock. Besides, all of us have unique healthcare requirements and only experts can guide us to take the right steps at the right time.

To ensure quality medical advice 24x7, LTItes now have access to an online platform specializing in primary care and urgent response management providing an end-to-end healthcare ecosystem. This corporate membership provides access to a wide network of doctors, nutritionists, health coaches, 24x7 emergency care experts, counselling sessions, testing facilities, ambulance network, telemedicine service, OPD network and much more.

Tele/video consultation services are provided by qualified, experienced, and multi-lingual general practitioners for all LTI employees and their families (up to 4 dependants) free of cost. Moreover, employees can avail any of the other facilities at discounted rates and choose from a wide range of options for specialist consultation and get assistance for emergency response like ambulance and hospitalization assistance, Covid tests and Covid home quarantine packages, Covid isolation and vaccination facilities.

We also have an ongoing partnership with some of the leading Employee Assistance Program (EAP) service providers in India, Europe and USA for the wellness of employees. They provide confidential and voluntary assistance in the area of personal as well as workplace concerns. This program at LTI is called **'Help Yourself'**, which encourages an organizational culture that is both goal-oriented and caring.

LTI strongly believes that addressing problems early can prevent complications, which negatively affect both work performance and overall well-being. These proactive measures enhances productivity and improved quality of life for employees and their families.

We are also proud to report that there were no reportable injuries/incidents and fatalities during this year. LTI has also been awarded with the **'Prashasti Patra'** by National Safety Council of India for the first time under the service sector category in 2021.

Employee engagement

Our HR practices are designed to provide our teams the best experience in terms of both tangible and intangible gains. We run multiple interventions to gauge, monitor and improve employee satisfaction.

Some of the major initiatives that we engaged during the pandemic were:

- Launch of We Care initiative to aid employees and their families during the peak of the pandemic.
- Introduction of Covid sick leaves and Covid help desk.
- Vaccination drives across various locations covering our entire employee workforce.
- Continuous information dissemination through 'Break the Chain' campaign.
- Launch of CNH app to ensure employee well-being.

During this period, we created various touchpoints with the employees focussing on a composite of experiences with robust leadership and HR connects. Additionally, we continue to employ AI chatbots to understand the pulse of our workforce. To enable new joiners during the pandemic, a 'Deep Engagement' program was run to connect with them on a regular basis to understand their challenges and support them throughout the onboarding process.

At LTI, we also regularly initiate GoMx awards to recognise employees every quarter who have delivered over and above their usual role for the clients, their teams or the organization.

Recognized for excellence

Our efforts in people strategy have been recognized in multiple forums such as:

- LTI bagged the Golden Peacock National Quality Award 2021 for its efforts in corporate excellence. **Golden Peacock National Quality Award** (GPNQA) scheme has been instituted to encourage total quality improvements in both manufacturing as well as service organizations in India.
- LTI's innovative MyRefer Program won the coveted **Brandon Hall Group Gold award** for excellence in the 'Social Talent Acquisition Strategy' category. LTI improved its offer to joining ratio by using social referrals, which led to this recognition.
- LTI USA was certified as a **Great Place to Work**® (GPTW) for the second year in a row. Areas rated include treating employees equally, regardless of their race and gender, our efforts to support employees during the pandemic and being a safe workplace.
- Additionally, Poland, France and Denmark have been certified as **Great Place to Work** for our efforts in FY22.

Great Place To Work. Certified JUL 2021-JUL 2022 USA

- LTI UK recognized as the '**Top Employer 2022**' by Top Employers Institute for the second time which in over 25 years has certified over 1,600 organizations in 119 countries/regions.

top EMPLOYER UNITED KINGDOM 2022 CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Natural Capital

We are cognizant of the fact that with the growth and expansion of our business, the utilization of natural resources on our part is bound to escalate. This necessitates more focused, calibrated and outcome-based initiatives around conservation of natural resources, as well as reducing our environmental footprint. We remain steadfast at reducing our environmental footprint and becoming a carbon and water neutral Company by 2030. Our policies towards building climate resilience and environmental conservation are correlated to social sustainability.

Highlights for FY22

32.5%
Renewable energy

4,702 tCO_2
Mitigated through renewable energy

70%
of our India offices are operating from certified green building

Excellent Energy Efficient Unit
Awarded to Powai campus by CII. Bangalore Campus also awarded 'Energy Efficient Unit'

Material issues addressed

- Waste management
- Green IT
- Energy management
- Emission

SDGs covered

6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION

Natural Capital (contd.)

Our approach

We realize the importance of addressing environmental challenges. Being an environment conscious company, we undertake measures and practices that make our business sustainable. We constantly analyse the environmental risks associated with our operations and implement measures and technologies to mitigate those risks. We have also aligned our commitments with the United Nations Global Compact (UNGC) and Science Based Targets initiative (SBTi) to promote sustainability and remain dedicated towards contributing to the global climate action. To minimize our environmental footprint, we focus on the following areas:

- Energy optimization and reduction in carbon emission
- Water optimization
- Waste management and resource efficiency

Global environmental commitments

To strengthen our sustainability commitment, we constantly benchmark our practices and policies against best global practises and applicable standards. We have joined hands with leading global organizations to promote our inclusive efforts towards sustainability.

At LTI, we believe that setting a target for greenhouse gas emission in tune with global climate priorities, is a proven way to demonstrate our commitments. We are proud to be a signatory to SBTi and joining the growing group of leading companies that are setting emissions reduction targets in line with what is necessary as per climate science. We have also dedicated ourselves to the development of a science-based emission reduction target that is in line with SBTi requirements.

We are also the signatory of UNGC that promotes 10 principles in the areas of human rights, labor standards, environment and anti-corruption. UNGC is a non-binding pact for encouraging businesses worldwide to adopt sustainable and socially responsible policies and report its implementation. We will be preparing and uploading the Communication on Progress (COP) report this year highlighting the progress of our organization across the 10 principles.

Building climate resilience

Rising awareness on the impact of climate change has pushed organizations to think out-of-the-box and adopt measures that not only reduces their carbon footprint, but also assists its customers and value chain partners to achieve their carbon emission levels. The Government of India has taken a pledge, at the COP26 Summit in Glasgow in November 2021, to reduce our country's overall estimated carbon emissions by 1 Bn tonnes by 2030, reduce the carbon intensity of the nation's economy by less than 45% by the end of the decade and attain net-zero carbon emissions by 2070.

We, at LTI, are ahead of our time and initiated our carbon neutrality journey in FY19 on predicted growth projections. Over a two-year span, we are expanding at a much faster pace, compared to the projections.

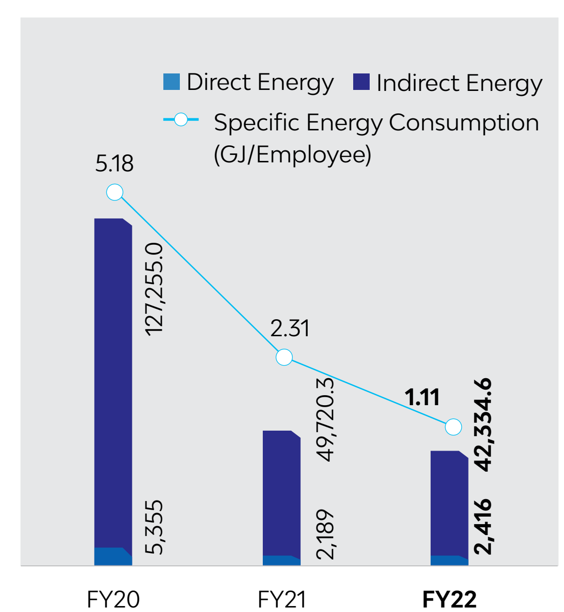
We are committed towards achieving our aim of attaining carbon and water neutrality of Indian operations by 2030 by enhancing our efforts and measures

One of the trends that the pandemic has ushered in is the shift towards hybrid work policies, which resulted in significant reduction in carbon footprint, per capita emissions and resource utilization. We will continue to revisit our interim targets and implement adequate measures to ensure we attain our goals within the timeline.

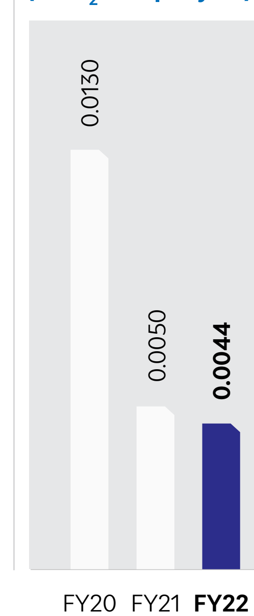
Emissions & data

Key performance indicators	UoM	FY22	Emissions	Scope
Use of Diesel for DG set	liters	64,262	170.36	Scope 1 176.53
PNG	SCM	2,864	6.17	
Purchase of grid electricity	kWh	11,759,614	9,760.48	Scope 2 9,760.48
Purchase of solar electricity	kWh	3,119,480	0	
Purchase of wind electricity	kWh	981,083	0	
Other renewable source: developer-based	kWh	1,564,864	0	
Employee commute through cabs — diesel	km	2,573,241	464.62	Scope 3 3,147.27
Employee commute through cabs — CNG	km	631,201	84.98	
Domestic flight travel	km	2,358,643	404.44	
International flight travel	km	19,376,527	2,193.23	

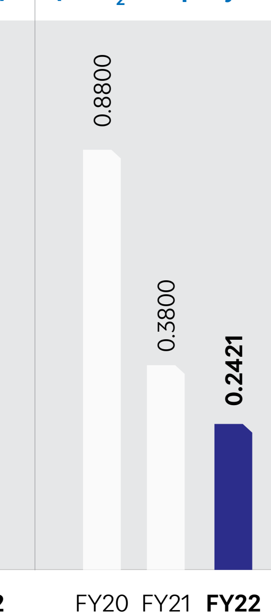
Energy consumption trends (GJ) and specific energy consumption (GJ/Employee)



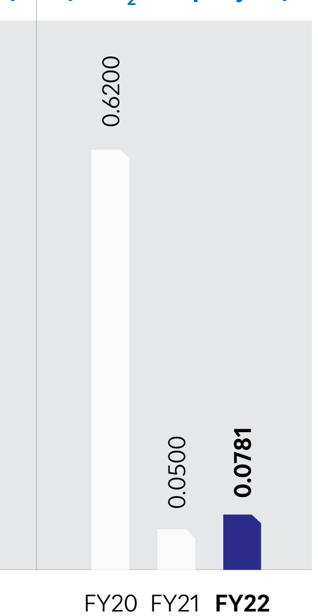
Specific scope 1 GHG emissions (tCO_2/Employee)



Specific scope 2 GHG emissions (tCO_2/Employee)



Specific Scope 3 GHG Emissions (tCO_2/Employee)



Natural Capital (contd.)

Attaining carbon neutrality by 2030 through:

Conserving energy

One of the biggest steps towards attaining carbon neutrality is ensuring optimum utilization of energy. For the past few years, we are strongly focusing on reducing the environmental impact of our operations. Our strategies and actions reflect our commitment towards a sustainable habitat. We believe, energy conservation is a continuous and enduring process, and this core belief is at the forefront of our strategy. Despite curtailed operations due to the pandemic, we have reduced our power consumption by investing in various energy-efficient equipment and accessories.

Few of our energy conservation initiatives undertaken includes:

Heating, ventilation and air-conditioning (HVAC) system optimization

- Reducing main chiller operations by alternative low-energy sources during non-peak hours.
- Replacement of legacy equipment with newer technology energy-efficient chillers.
- VFD for AHU's to control air flow due to low occupancy.
- Controlling return air temperatures.
- Isolating conference rooms by providing standalone ACs.

Uninterrupted power supply (UPS) system optimization

- Reducing losses within a UPS system by managing connected load and reducing number of devices.
- Replacing obsolete equipment with efficient modular UPS systems, ensuring less losses at lower loads.

Optimizing lighting systems

- Constantly replacing conventional lights with LED fittings which are energy-efficient and have longer payback.
- Installation of motion sensors in the workplace areas due to low occupancy.

8.4 Lakhs kWh
Yearly energy savings possible through initiatives implemented during FY22

₹22.8 Mn
Invested towards energy saving initiatives

Growing our renewable footprint

At LTI, we continue to encourage the use of clean energy to reduce our dependence on non-renewable energy sources. We are committed to source 50% of our energy requirements from renewable sources by 2030. To achieve our objective, we are exploring various aspects such as Power Purchase Agreements (PPA), green tariff and solar plants.

We are also focusing on upgrading our green buildings to higher ratings. We have commissioned 100 kWp solar plant at Bangalore and are sourcing 100% green power at our Powai office through utilities. Also, leased campuses at Airoli and Chennai have increased their green energy footprint considerably.

32.5%
Of the total energy requirements are sourced from renewable energy

14,762 GJ
Electricity sourced from solar and wind power

5,633.5 GJ
Energy from other renewable sources

Optimizing travel footprint

With the waning impact of the pandemic and businesses gradually recovering, there has been a significant surge in travel requirements for business and non-business purposes alike. To minimize emissions caused from travel, we encourage our employees to opt for a virtual mode of meeting, wherever possible or else opt for inexpensive low-carbon alternatives. In addition to this, we have also implemented a new initiative called 'Green Week' wherein we encourage employees not to travel in the last week of every month.

We have also developed a dedicated roadmap for business travel to optimize air and cab travels and using cleaner modes of public transport. The road map includes:

Air travel

- Use of direct flight.
- Use of fuel-efficient airplanes and with biofuel capability.
- Reduce non-billable business travel.
- Selecting airline basis carbon footprint.

Bus travel

- Exploring transportation providers with cleaner fuel or low carbon alternatives to diesel.

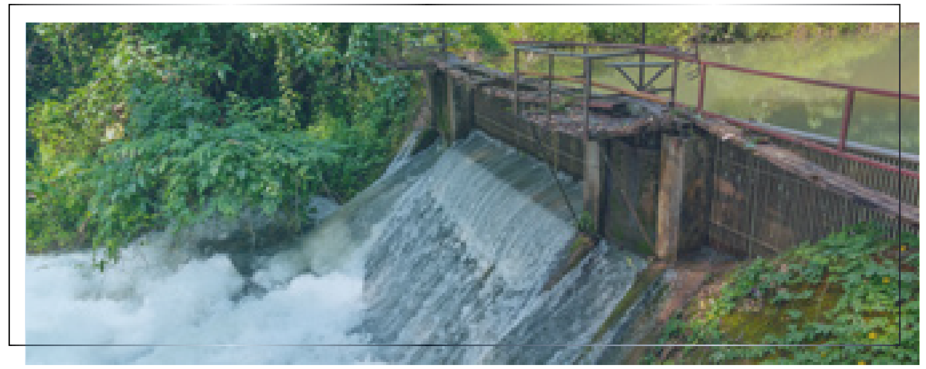
Cab travel

- Converted 25%+ fleet to CNG at two offices in Mumbai having higher volumes of usage.
- Exploring collaboration with cab aggregators to switch to electric cars.
- Utilize platforms to aggregate cab rides and encouraging ride sharing.

Climate stewardship through community initiatives

At LTI, our climate change management initiatives go beyond our operations to implement eco-friendly measures in the communities in which we operate. Through our CSR activities, we undertake an array of climate protection initiatives including tree plantation, building check dams and farm ponds.

For more details, please refer to **social capital** section of the report.



Natural Capital (contd.)

Committed towards water neutrality

Water being a scarce and valuable natural resource, it is critical for organizations and individuals to ensure optimum utilization of every drop of water. Understanding the need of the hour, during the year under review, we have taken a pledge to achieve water neutrality for Indian operations by 2030. This is our roadmap to achieving water neutrality.

Accurate monitoring of water consumption, along with categorization pertaining to the withdrawal, consumption, recycling, and discharge with categorization into blue, green and grey water.

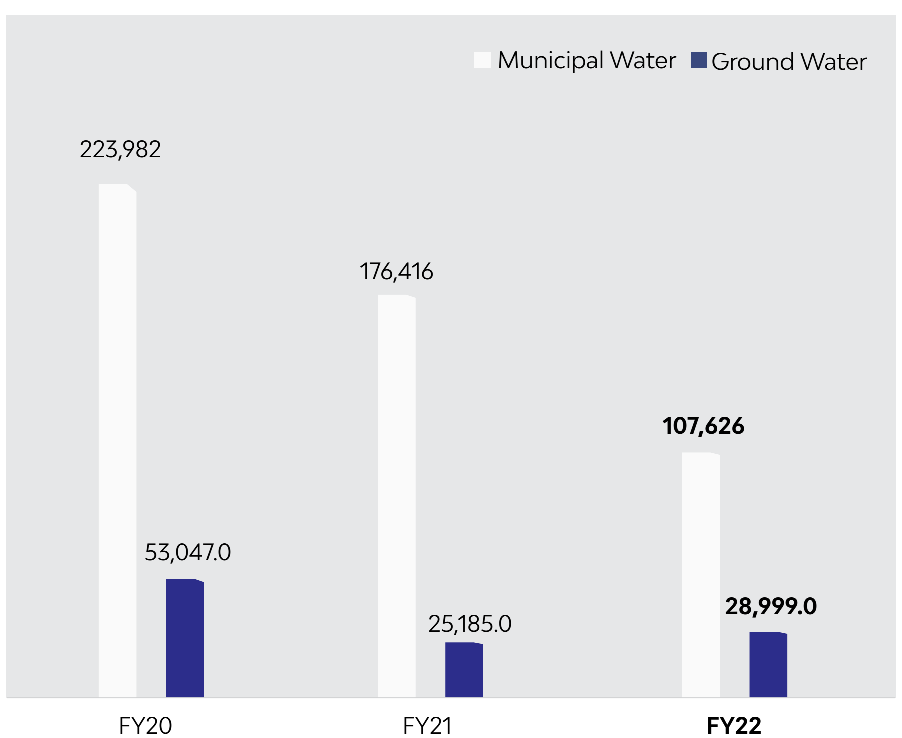
Reduce overall water consumption by benchmarking best practices in water usage.

Work towards **reducing freshwater consumption** by activities such as rainwater harvesting.

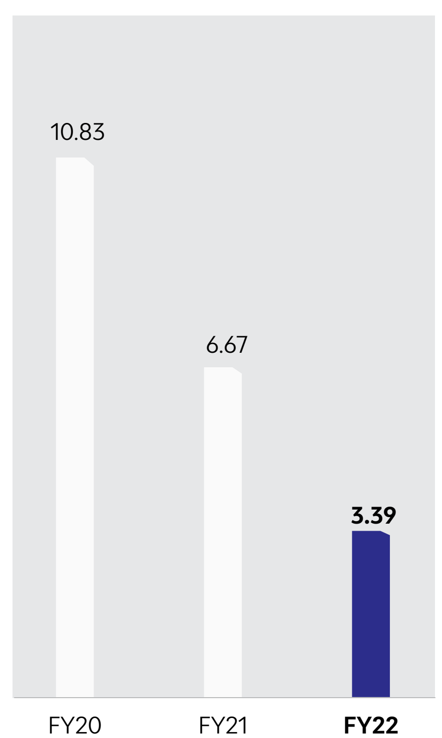
Recycle water through sewage treatment plants and reuse the water in flushing, gardening and so on.

Geographic replenishment of freshwater by setting up farm ponds and check dams that benefit farmers and local communities. This forms a part of our CSR activities.

Water withdrawal / consumed by source (KL)



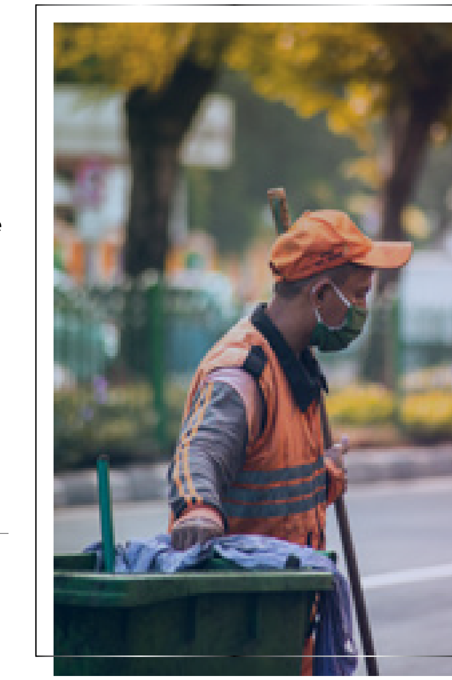
Specific water consumption (KL/Employee)



Managing waste responsibly

As a responsible Company, our approach is to eliminate, reduce, reuse and recycle waste across our operations. Major wastes that are generated from our operations include e-waste, paper and food. We constantly emphasize on avoiding unnecessary paper consumption, re-using paper and recycling shredded paper. We also ensure proper disposal of e-waste in an environment-friendly way through government authorized vendors.

During this financial year, due to the prevailing pandemic, majority of the employees have been constantly working from home. By virtue of this zero contact period, our operations have transformed into digital processes. Even as employees resume office in a phased manner, our paper waste generation has been so less that recycling agencies were not able to reach economies of scale. We are focused and committed to resume paper recycling as soon as we start generating a required minimum volume of paper waste.



8,834 Kg
Canteen waste disposed

59,494 Kg
E-waste disposed

Awards and recognition

Rated as **'AA' category** by MSCI (global agency). MSCI ESG rating is designed to measure a company's resilience to long-term, environmental, social and governance (ESG) risks.

Recognized for contribution towards **climate change** by SayTrees at India Earth Summit 2021.

CSR Journal **Excellence Awards 2021** (2nd Runner up) for Digital Sakshar under Education & Skill Training category.

Ranked among the **Top 10** by CRISIL in their first ESG Compendium 2021.

Ranked #3 for ESG in All Asia Executive Team Rankings 2021.

Gold rating in EcoVadis Sustainability Assessment.

Social and Relationship Capital

The sustainability and success of our business depends on the enduring relationships that we have nurtured for decades. Our relationships with our clients, customers, supply chain partners, alliances and communities are extremely important to us and they are intrinsic to our decision-making process. These valuable relationships with our esteemed stakeholders form the basis of our social and relationship capital.

Highlights for FY22

96.7%
Repeat business

100
New clients additions, highest since listing

50+
Hospitals supported with medical equipment and infrastructure

165,820
Total beneficiaries of our CSR initiatives (including those for Covid relief)

7,246
Employee volunteers

Material issues addressed

- Supply Chain
- Brand Marketing
- Delivery capability
- CSR
- Services, Quality and Accuracy

SDGs covered

Social and Relationship Capital (contd.)

We are responsible to safeguard the interests of our stakeholders, and we are undertaking multiple initiatives to enable our clients achieve purpose-led growth. At the same time, we are ensuring industry-leading experiences to them. Our impact on them is crucial for shared value creation over the longer term.

We believe in inclusive growth, and upliftment of the marginalized segments of the population. We continue to focus on collaboration and communication as well as building sustained communities through our CSR initiatives.

Client experience is crucial

We strive to create a win-win scenario in which our success is closely interlinked with that of our clients. We are enabling digital transformation for clients across a wide spectrum of size, vertical, and location to help them make their business future-proof and resilient. Our partnerships and associations are integral to accomplishing this objective, by supporting us with knowledge and tools needed to solve business complexities on behalf of our clients.

Client satisfaction is paramount

- **Brand and marketing —** Staying true to our brand identity of 'Let's Solve', effectively engaging with existing and prospective clients.
- **Active engagement —** Understanding and meeting client needs.
- **Alliances and associations —** Enhancing our capabilities to meet the ever-evolving requirements of our clients.

Brand and marketing

Our marketing and communications strategy is designed to solidify our reputation as the partner of choice for the 'breakaway' enterprise. We believe that a carefully crafted brand management is intrinsic to achieving client advocacy and growing our brand recall and respect.

Our tagline 'Let's Solve' and the core idea 'Pioneering Solutions in a Converging World' demonstrate how we design, innovate and invest in solutions to aid clients' digital transformation journeys. During FY22, no cases of non-compliance concerning marketing communications by LTI were reported.

Recognition for our brand in FY22

- **Ranked 22** among the top 25 most valuable IT services brands in the Brand Finance IT Services 25 2022 ranking.
- Recognized as a **leading provider for digital, cloud, data and other offerings** in reports by industry analysts.

Expanding client base through proactive engagement

We thrive on the strength of client relationships. We strive to build more than trust, trust with resilience. Some of the sales and marketing programs that we have implemented since our listing have helped us to expand our client base over the years:

- ASPIRE to win large deals
- Minecraft to grow our top accounts
- Must-have accounts
- Analytics and Digital in Every Account (ADEA)
- Grit Alliance — response to the pandemic

Minecraft has been on the vanguard of our account mining and has helped us diversify revenues from our Top 20 clients from about 67% in FY17 to about 55% in FY22. New logos have always been a source of growth for LTI. This year had the highest new logo additions of 100 since listing. Two of those were Global Fortune 500 clients, taking our total Global Fortune 500 client count to 73.

Our revenue growth in FY22 has been broad-based and supported by additions in several client buckets. BFS, our largest vertical has grown at over 37% this year. Our Hi-Tech and Media and Entertainment vertical also grew over 37% for the year, while the Others vertical, which includes some of our marquee clients in services sector, grew over 34% in FY22.

All our service lines grew over 20% for the year with our Analytics, AI and Cognitive service line growing 35% and Enterprise Integration and Mobility growing 38% for the year. All the geographies witnessed strong growth in FY22 with North America, Europe and India having the highest growth rates since our listing. We added 3 clients to our 50 Mn bucket, 6 to our 20 Mn bucket, 9 to our 10 Mn bucket, 11 to our 5 Mn bucket and 31 clients to our 1 Mn bucket.

We have created a framework called the Consolidate, Harvest, Incubate Strategic Programs (CHIP) framework for all our active client engagements.

Strategic

Consolidate
(and grow) existing areas of strength

Programs

Incubate
new growth engines

Harvest
existing growth engines

Consolidate: Focus is to consolidate and grow existing areas of strength to create a bedrock for our future. We have identified a set of accounts, which can be the next $50 Mn accounts, the next $20 Mn accounts, and the next $100 Mn accounts.

We will ensure we have the optimal mix of team leadership, account investments, executive sponsorships, sales support, alliances and marketing support to create an entire ecosystem for each of these accounts to enable them to grow into the next 20, 50, 100-Mn-dollar account, providing the base to ensure growth.

Harvest: We are steadily scaling the reservoirs of growth that already exist in the Company through cross sales. We have received several Fortune 500 accounts, which have high growth potential. We also have over 135 new logos opened in the last six quarters. Almost all new logos are related to our transformation programs, where sales cycles were typically shorter than the traditional sales cycles. Some of the new sub-verticals we will be focussing on are Biotech, Streaming, Payment & InsureTech. Geographically, some of the new regions we will be looking at are UK, Australia, Switzerland and the Middle East. We will also be able to leverage the strong presence that the L&T Group has in some of these markets.

Incubate: This encompasses our new growth engines. New verticals and sub-verticals such as green energy, Metaverse, EVs, which we plan to progressively incubate and grow. Such a strategy will also include the modalities of engagement with next-generation of technology vendors, based on digital solutions and next-generation alliances.

Our annual Client Satisfaction Survey, which is a third party conducted survey allows clients to rate us on satisfaction, loyalty, advocacy and value for money. Other than that, feedback is sought every six months at an account, engagement, employee and project level and insights are used to enhance offerings and ensure continuous improvement. As an agile partner to our clients, we stay in touch with them regularly through multi-layer communications at leadership and account level.

Social and Relationship Capital (contd.)

Alliances and associations

Strategic collaborations help us retain our esteemed clients, giving us access to an even wider set of skills and expertise to tap into, including white spaces, which help us win deals. We collaborate with over 50 partner organizations to power the 'breakaway' enterprises.

Our partners see us as a co-creator and innovation partner, rather than someone who they only sell with. Some of the awards and recognitions that we have won this year reflect this. Snowflake, the data cloud company recognized LTI as. Global Innovation Partner of the Year LTI Syncordis has been recognized as Temenos Service Partner of the Year.

Our acquisitions have also helped us accelerate innovation and delivering breakthrough solutions to clients. Our acquisitions of Lymbyc, Powerupcloud and Nielsen+Partner have enhanced our AI, cloud, Fosfor and Temenos offerings. Ruletronics has helped our clients elevate their customer engagement efforts and earned us a 'Gold' partnership with Pega. This year, we acquired Cuelogic Technologies, to enhance our digital engineering and outsourced product development capabilities.

Our New Innovative LTI Ecosystem (NILE) nurtures a culture of open innovation through associations with start-ups and academia engagements. It allows us to nurture a start-up ecosystem by onboarding many start-ups to support client deals and projects. It also helps deliver faster and de-risked adoption of emerging technologies in the realms of data, artificial intelligence, 5G, augmented and virtual reality, and so on. Collaboration with peers through association with various industry bodies is also done to harness our collective knowledge for technological progress.

Our University Alliance program aims to create strong collaborations with academia and research institutes for researching and co-innovating to complement our client offerings and focusing on next-gen research aimed at creation of new disruptive products.

Well-articulated investor relations program

We have a robust investor outreach program through which we engage with a broad range of investors both nationally and internationally. Our communication helps ensure that our investment proposition is properly understood by our growing fraternity of investors. In FY22, the Company's multiple channels of communication were deployed to keep investors updated about various developments and updates. This was done through a mix of virtual and in-person interactions, including meetings, NDRs and conferences as well as the Company's first Hybrid Analyst Day.

We regularly hold quarterly earnings calls to communicate our progress and quarterly numbers to the market. We won multiple accolades at the Institutional Investor 2021 Rest of Asia ex-Mainland China Executive Team rankings in Technology/ IT Services and Software space. LTI was ranked among the top 3 across all sell-side categories in the Technology/IT Services & Software space: #2 Best CEO, #3 Best CFO, #3 Best ESG, #2 Best IR Program and #1 Best IR Professional. It was also recognized in the 'Most-Honoured' Companies Asia List 2021.

Multiple accolades at **Institutional Investor 2021** Rest of Asia ex-Mainland China

Supply chain

Our commitment to creating shared value also extends to our partners, whose products and services help us succeed in an ever-evolving world order. Our Supplier Code of Conduct applies to vendors, service providers, agents, subcontractors, consultants and business partners. It ensures industry-leading Environmental, Social and Governance practices across our value chain. We prioritise local sourcing. Wherever possible, we procure our non-IT products from local businesses. It supports and helps uplift the communities in which we function and also reduces our supply chain cost, time to market and environmental footprint.

We have also undertaken automation of internal procurement processes to enhance efficiency and transform our procurement department into a 'less paper' enterprise. This includes the use of data management system to digitally store all purchase orders related documents of RFP and Reverse / Forward Auctioning platform.

Community outreach

Ensuring community welfare and upliftment forms an integral part of our long-term growth strategy. We are committed to engaging with local communities through initiatives in certain priority areas such as environmental protection, education and empowerment.

Our involvement with local communities also occurs through employee engagement, in which our employees dedicate their own time to CSR activities. To maximize our societal outreach, we partner with various non-governmental organizations (NGOs) who are aligned with our CSR objectives.

165,820
Total beneficiaries
(including those for Covid relief)

7,246
Volunteers

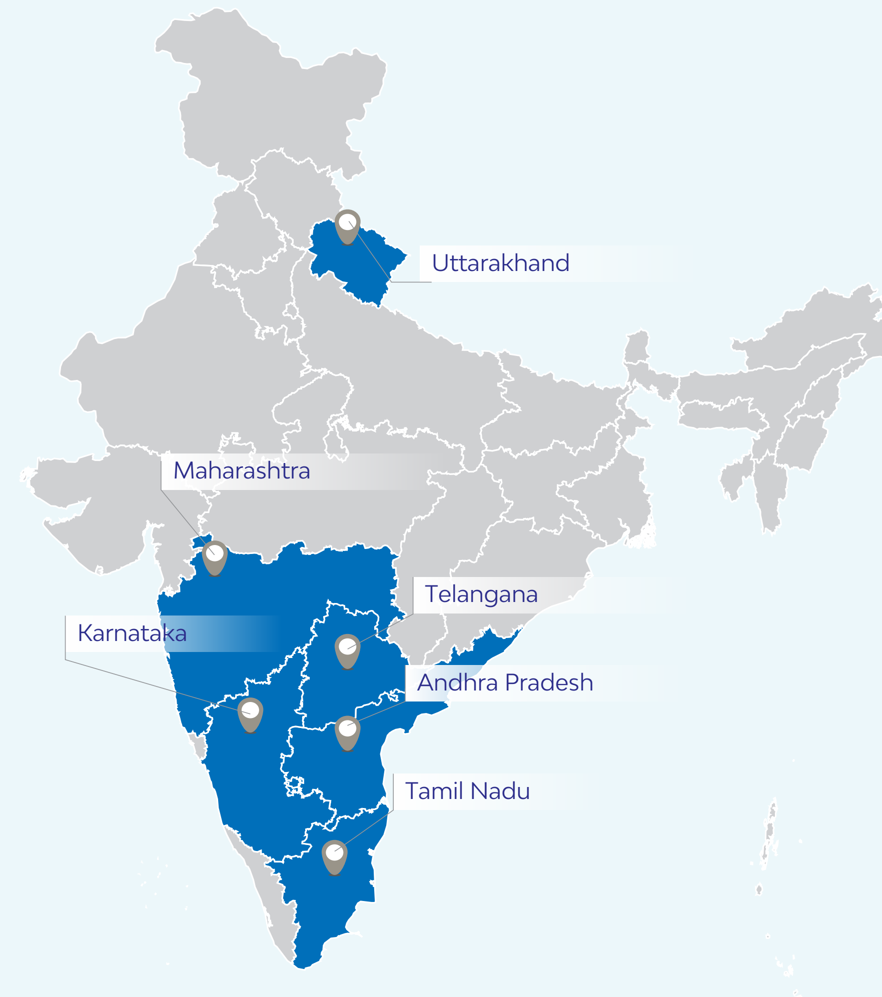
50.22%
Percentage of women beneficiaries

243,334
Trees planted

Our focus areas

Education | Empowerment | Environment

Our reach



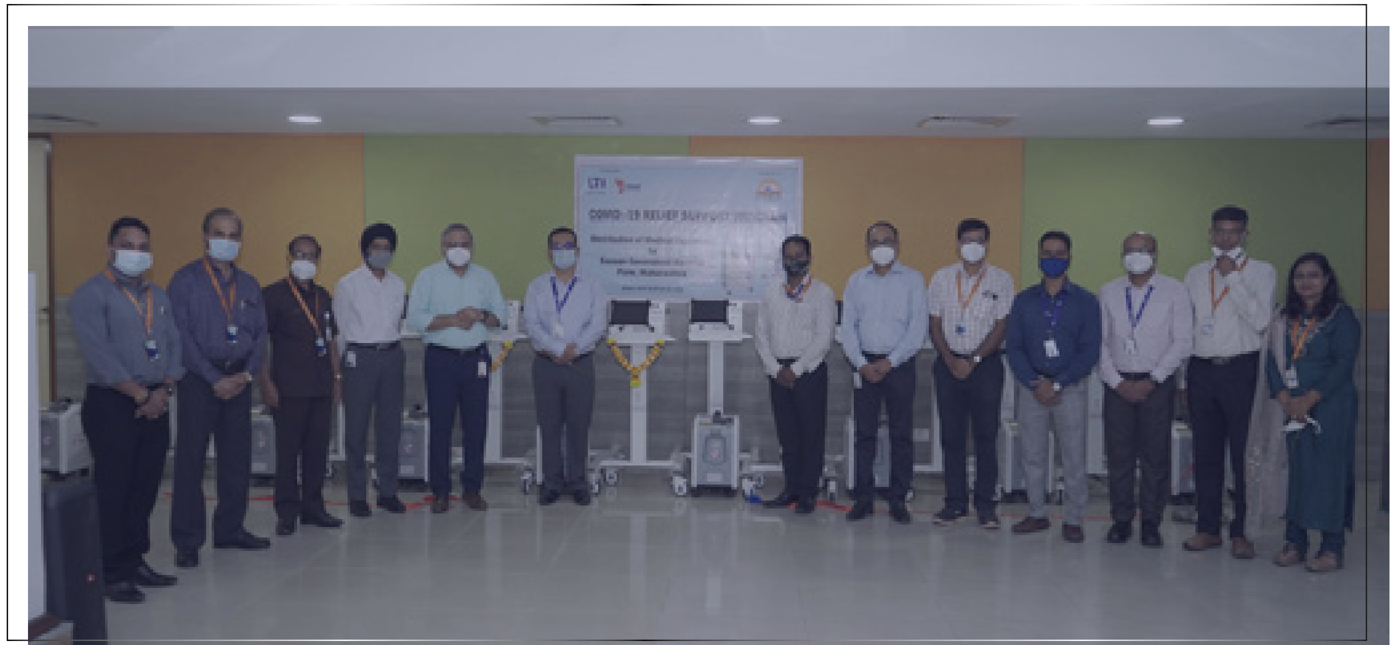
Social and Relationship Capital (contd.)

Our Covid relief efforts

With vulnerable sections of the community deeply impacted by the pandemic, we leveraged our reach to help them navigate it. Our Covid-19 response is in line with our commitment to solving for society. Some of our efforts towards this end include:

- Setting up three oxygen generation plants at 3 hospitals in South India.
- Distributing medical equipment such as RT-PCR testing machines, ventilators, oxygen concentrators and microdebrider donated to 38 hospitals across India.
- Providing solar energy to 10 rural public health centers across Karnataka and Tamil Nadu.
- Distributing medical kits to schools and communities across India and providing vaccination dosage to the underprivileged across Mumbai.
- Supporting young innovators and start-ups who are working to overcome the public health and supply chain challenges posed by the pandemic.
- Creating virtual classrooms to ensure uninterrupted learning and skill development.

35,088
Total beneficiaries



Enabling quality education

Our education endeavours are focused towards initiatives/ projects that support the underprivileged and students with disabilities. With the adoption of new blended or digital learning models, schools and students were brought up to adapt to the new world of digital education. Our efforts are aimed at enhancing access to high-quality education and increase in interest of children to continue the schooling.

In FY22, owing to the new normal, our CSR efforts continued to provide digital and experiential learning environment conducive for students in hybrid model. Growing accessibility of e-Learning, online resources and the continued need for the learning experience combine both traditional classroom and digital learning methodologies. We ensured the delivery of quality teaching to remote parts of the country by using technology-based solutions.

Experimental learning platforms helped students to prepare science and technology-based projects for responding to Covid-19 scenario and resolve community issues. The support of happiness kits made a big difference for students as well as the community since meals were distributed to households due to the closure of schools.

LTI's 1Step volunteers continued to give back to society and played a vital role by conducting virtual classes and focused on teaching Science, Technology, Engineering, and Mathematics (STEM) subjects and English, and conducted awareness sessions on Covid-19.

Key outcomes

38,529 students reached through Digital/ STEM Learning — 20,361 Boys | 18,168 Girls.

3.7 Lakhs+ digital learning hours delivered.

465 appeared in competitive exams, **91** scholarships received.

Distributed **18,200 students happiness kit** consisting dry ration, nutrition, and educational aids.

390+ 1Step volunteers engaged through various one-time/ ongoing activities.

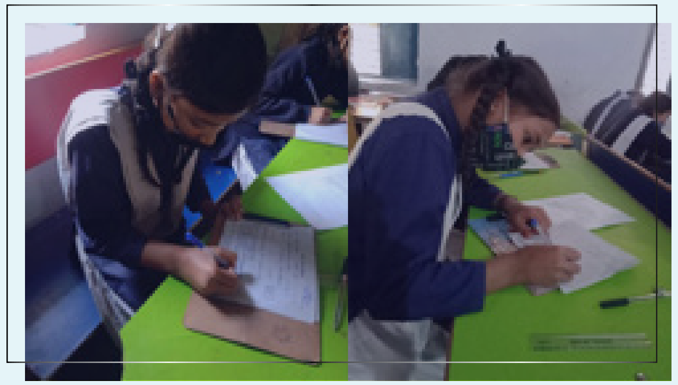
48,707 lives touched through our educational programs.

Social and Relationship Capital (contd.)

Virtual and experiential learning

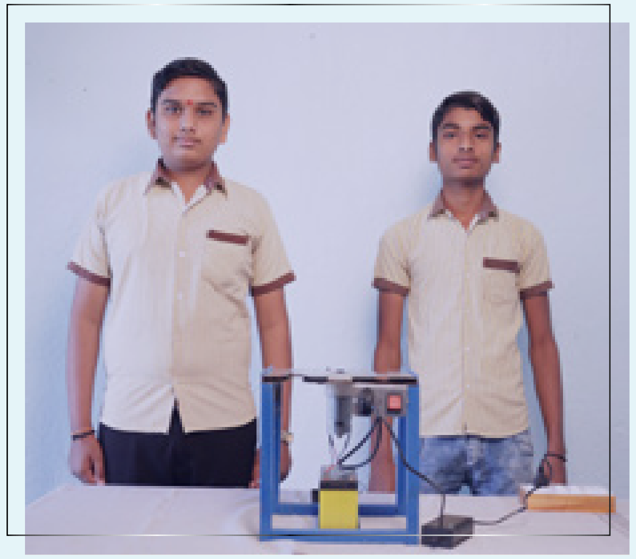
At LTI, we believe that quality education is essential for all-round development and growth. Our various initiatives in the field of education are aimed at developing interest in education through innovative methods thus reducing the dropout rate as well as empowering students to think out of the box.

Our digital learning program has brought about a transformative change in the community's perspective.



Two siblings, Diksha and Aarti, are from Uttarakhand studying in 8th and 9th standards, respectively. Through our program, we were able to increase their interest in education, thereby increasing their attendance. Their determination convinced their family to invest in smartphones during the pandemic so that they don't lose out on their studies. Diksha wishes to be a police officer, while Aarti a science teacher.

On the other hand, through LTI's IBT program with STEM learning, two 8th grade students from Pune, Suraj and Sarthak, innovated an 'affordable onion stem and root cutter machine'. The machine will empower farmers to prevent time and cost overruns during harvesting. For this innovation, they were awarded the 2nd prize out of 30 shortlisted projects in Technovation 2022.



Empowering women, youth and the specially-abled

LTI is working with youth, women and the differently-abled from marginalized sections to provide them skills, which can enable them to earn their livelihoods. The project which aims at empowering youth and women, include skill development trainings for IT, Warli art and tailoring. We are also working with specially-abled young people by providing them IT skill and vocational skills training. By providing employment opportunities, we have witnessed an increase in the income by 20% to 50%.

Key outcomes

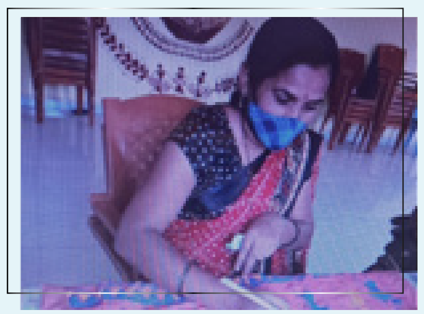
17,784 youth trained through digital learning experience.

2,952 women trained as artisans, tailoring and coconut shell product making.

6,781 youth placed through job fairs.

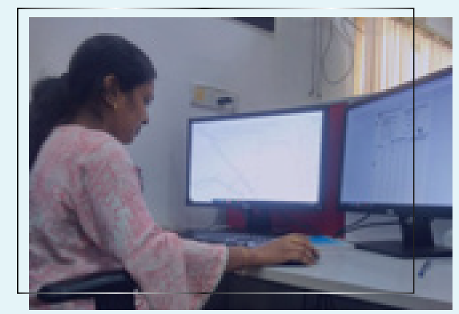
205 specially abled are trained in **IT** and **vocational skills**.

Women entrepreneurs



To empower lives and broaden scope for economic opportunities, we have undertaken various initiatives to support sustainable livelihood generation. One of our beneficiaries, Savitha, a housewife from Aangaon, Thane, wanted to be financially independent. In 2018, we helped her enroll in Warli artisan training program. Today, she has not only mastered the art of Warli but has trained over 200 women. Savitha's passion and contribution elevated her to the position of president of the artisans' community.

Youth – IT skills



With increasing consumption of IT services, there lies a huge skill-gap in the industry. We supported Kavya – one of our beneficiaries, in joining Data Analytics course through which she learned MySQL, Python and Tableau skills and successfully completed the 6 months course. Moreover, we facilitated her job placement as GIS Data and Geoscientist with a salary of ₹3 Lakhs per annum.

Social and Relationship Capital (contd.)

Protecting the environment

With rising pollution levels and growing concerns about climate change, the creation of green belts has become vital. Our environmental protection initiatives go beyond our commitment to reduce our environmental footprint to make our communities greener. One of the common practices undertaken by us has been the tree plantation drive, which spans the country.

We initiated a pilot project of providing eco-chulhas to the marginalized communities of Maharashtra. The initiative aims at sustaining the depleting forest area and providing an eco-efficient cooking medium. This initiative would have multifold benefits of improving health of the women and avoiding cutting down of trees for firewood to cook daily meals. The eco-chulhas would also serve as a carbon sequestration medium during our carbon neutrality journey.

For details on our environmental commitment, please refer to the **natural capital** section of the report.

Key outcomes

243,000+ trees planted while also providing livelihood opportunities to the communities.

2,500+ acres of land irrigated.

300 farm ponds constructed for providing scope to farmers for cultivating multiple crops thereby also experiencing increase in family income.

1,800 Mn+ liters of water conserved.

Distributed **300 eco-chulhas** in the community as part of environmental conservation and reduce respiratory illness among women.

61,084 lives touched though our environmental initiatives.

Farm ponds

With rising awareness of climate change, LTI, along with the community, is undertaking steps to help restore the green cover of the planet. We supported Umesh, a farmer from a village in Karnataka, in building a farm pond. Through our support, he cultivates multiple crops such as cotton and onion and was able to invest in drip irrigation and other machineries. He managed to increase his income from ₹50,000 to 2 Lakhs per annum.

Eco-chulhas

One of our beneficiaries, Nirmala Namdev, a tribal woman from a forest in Maharashtra, used 16 Kg of firewood every week for cooking. This contributed significantly to pollution and caused health problems. With eco-chulhas provided by LTI, she now consumes only 4.2 Kg of agro-waste/ wooden chips that are abundantly available in the forests. This ensures conservation of biodiversity with clean indoor cooking, forest conservation and reduced respiratory illness.

Statutory & Financial

90-186

187-328

Standalone

Consolidated

Management Discussion and Analysis

I. Global economic review

Global growth prospects are expected to slow as economies grapple with supply disruptions, elevated inflation, record debt and persistent uncertainty. Growth is expected to moderate from 5.9% in 2021 to 4.4% in 2022 largely reflecting forecast markdowns in the two largest economies, the United States (US) and China.

While Omicron will weigh on activity in the first quarter of 2022, this effect will fade starting in the second quarter. A revised assumption removing the "Build Back Better" fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance Covid-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow to 3.8 percent in 2023. The forecast is conditional on adverse health outcomes declining to low levels in most countries by end-2022, assuming vaccination rates improve worldwide, and therapies become more effective.

Elevated inflation is expected to persist for longer than envisioned with ongoing supply chain disruptions and high energy prices continuing in 2022. Assuming inflation expectations stay well anchored, inflation should gradually decrease as supply-demand imbalances wane in 2022 and monetary policy in major economies responds.

Risks to the global baseline are tilted to the downside. The emergence of new Covid-19 variants could prolong the pandemic and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures could create uncertainty around inflation and policy paths.

As advanced economies lift policy rates, risks to financial stability and emerging market and developing economies' capital flows, currencies, and fiscal positions, especially with debt levels having increased significantly in the past two years, may emerge. Other global risks may crystallize as geopolitical tensions remain high, and the ongoing climate emergency means that the probability of major natural disasters remains elevated.

Monetary policy in many countries will need to continue on a tightening path to curb inflation pressures, while fiscal policy, operating with more limited space than earlier in the pandemic, will need to prioritize health and social spending while focusing support on the worst affected. In this context, international cooperation will be essential to preserve access to liquidity and expedite orderly debt restructurings where needed. Investing in climate policies remains imperative to reduce the risk of catastrophic climate change.

Source: International Monetary Fund — World Economic Outlook, January 2022

3.8%
Estimated global growth rate for 2023

Management Discussion and Analysis (contd..)

II. Industry overview

According to NASSCOM, the Indian IT services industry crossed the $200 Bn revenue mark this financial year to touch a record $227 Bn. Technology was the panacea that enabled firms to not just keep the lights on, but also repivot their business models to an online mode, adapt to changing market dynamics and customer needs, and enable collaboration in a distributed work model.

During the year, the industry saw $30 Bn of incremental revenues and an overall growth rate of 15.5%, the fastest since 2011. All sub-sectors of the industry recorded double-digit growth. Exports (including hardware) grew 17.2% with revenues of $178 Bn and e-commerce grew 39% to reach $79 Bn in FY22.

India has also emerged as a global hub for digital talent with more than 5 Mn tech workers. Tech firms quickly adapted to hybrid work models and scaled up their capability-building programmes. The industry recorded nearly 10% estimated growth in direct employees in FY22, with the highest-ever net addition of approximately 450,000 to its employee base.

Further, with one out of three employees already digitally skilled, the digital tech talent pool stands at 1.6 Mn, growing at a CAGR of 25%. With massive focus on reskilling and upskilling, the tech industry reskilled around 280,000 employees in FY22.

Going forward, the industry will continue working on priorities like attracting and retaining talent, ramping up hiring for skill and scale, especially for digital, campus and non-engineering talent. The industry will also continue to see positive revenue growth driven by strong deal pipelines, enhanced digital demand and high tech spends.

1.6 Mn
Digital tech talent pool

$30 Bn
Incremental revenues in the industry

III. Our business

LTI is a global technology consulting and digital solutions company helping more than 485 clients succeed in a converging world. With operations in 33 countries, the business goes that extra mile for its clients, and accelerates their digital transformation.

Further details are available in the 'LTI at a Glance section' on Page 6 of Annual Report.

Details on our strategy and how we create value are available on Page 26 of Annual Report.

Opportunities

a. Banking and Financial Services: LTI has seen strong year-on-year growth of 37.4% in this vertical. Digital transformation continues to be a strategic priority and key area of focus for Banking and Financial Services firms.

Firms are spending more on change the bank initiatives relative to run compared to 2-3 years back. Technology investments are seen across large and medium-sized banks and across sub-verticals such as capital markets, payments, retail banking, wealth management, and so on.

Unprecedented liquidity in the economy due to massive global stimulus programmes and new ways of working because of the pandemic, have further fuelled these investments. Companies are investing in improving customer experience by shrinking the core and building a layer of service-oriented interfaces. This gives them agility to launch a new product and offers a higher degree of straight-through processing.

Shift from cash to online transactions further drives opportunities for payments and cards companies. In addition, technology spend on automation of processes and workflows help reduce manual effort and physical presence, and contribute to operational efficiency. Firms are confident that technology investments will pay off either in terms of top-line or bottom-line expansion.

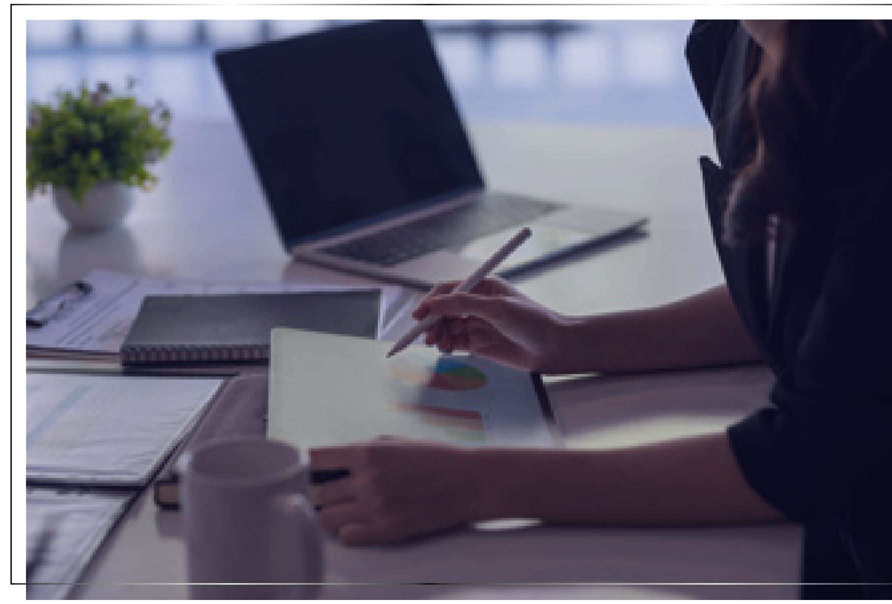
37.4%
Year-on-year growth registered in Banking and Financial Services segment

b. Insurance: LTI grew 11.2% year-on-year in this vertical. Global insurance companies have been impacted by large payouts. Beyond supporting customers through an ongoing global health crisis, they have also faced increased competition from a growing number of insurtechs and pressure from customers to deliver a seamless and digital-first experience.

Changes in consumer demand are driving the need to bring new, more responsive products and services to the market at an even faster pace. Automated underwriting, claim processing and fraud detection driven by advanced analytics, have been key areas of spend in 2021.

We expect 2022 to continue to disrupt the status quo even more dramatically across all sectors. Players in leading markets are expected to increase their tech spend and further accelerate plans for cloud-enabled, digital transformation. Major initiatives will be focused on enhancing online user experiences with an increased emphasis on hyper-personalisation and data-driven ecosystems as well as remote distribution networks, augmented reality and IoT.

Automated underwriting, claim processing and fraud detection driven by advanced analytics, have been key areas of spend in 2021.



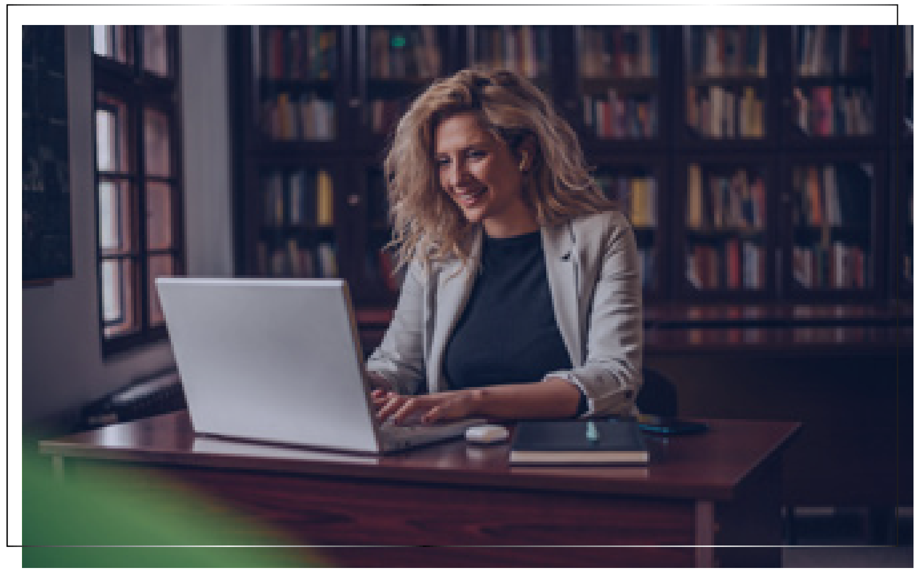
Management Discussion and Analysis (contd..)

c. **Manufacturing:** This sector includes Industrial Manufacturing, Automotive and Aerospace and was one of the most impacted sectors by the pandemic. LTI delivered a 23.4% year-on-year growth in this vertical. Recovery gained momentum in 2021, riding on the back of vaccine rollouts and rising demand.

As industrial production and capacity utilisation surpassed pre-pandemic levels midyear, strong increases in new orders for all major subsectors indicated continuing growth in 2022. However, optimism was held in check by caution from ongoing risks such as inflation, workforce shortages and supply chain instability. In this environment, business agility and resilience are critical requirements for organisations. The sector saw healthy budgets and capital allocation for digital transformation in 2021.

In 2022, the industry is likely to continue to see an influx of investment in automation and digitisation. Manufacturers are adopting a more cost-conscious mindset with companies shifting investment towards digital solutions that support increased agility and better risk management. Tools that capitalise on the use of data are also of prime importance.

23.4%
YoY growth delivered in manufacturing vertical



d. **Energy and Utilities:** LTI delivered a 10.8% year-on-year growth in this vertical. The Oil & Gas industry has rebounded strongly in the second half of FY22 with both demand and oil prices bouncing back to pre-pandemic levels. However, there remains uncertainty over market dynamics and sustenance of prices through the year.

The journey of transformation has just begun for the industry and it is increasingly relying on technology and automation to make its operations more efficient. Companies are mostly investing in legacy modernisation, cloud migration, data, cyber security and IT-OT integration. We expect investments on energy transition and sustainability to go up even more in 2022.

The utilities sector has been observing a key trend around energy transitions led by de-carbonisation, focus on reliability and resilience of energy delivery, modernisation of grid to address disaster and emergency response, and so on.

Data/ AI, digital industry platforms and cloud are key technology enablers with a major focus on cyber security.

e. **Consumer Packaged Goods (CPG), Retail and Pharma:** LTI achieved 16.9% year-on-year growth in this vertical. The pandemic accelerated technology investments for both consumer product companies and retailers as each was forced to 'find' a way to meet consumer demand stepping outside conventional ways.

This led to direct-to-consumer approach in their logistics and supply chain systems. Driven by the same, we have seen a significant trend in digital transformation initiatives in the form of customer engagement and experience, process digitisation, ERP modernisation and data centric investments.

Companies are increasingly betting on customer data platforms that unify fragmented customer data across multiple systems to become more resilient to consumer behaviour and supply chain dynamics. In 2022, we are likely to see continued investments in the data platforms and digitisation initiatives with a focus on resilient supply chains and consumer experience led by direct-to-consumer strategies.

After a year of strong demand for IT services across the healthcare and life sciences space, growth is likely to stabilise in 2022. Covid medication and vaccines were driven by technology, rapid trials and FDA approval cycles during the year.

Industry will see a similar problem-solving and clinical approach deployed for cancer, alzheimer's, diabetes and other long-term diseases. These will increase investments in R&D, data analytics, clinical trials and related services.

New Decentralized Clinical Trials (DCT) will continue to increase and DCT vendors are set to take an ecosystem approach in their quest to scale and differentiate. Sourcing initiatives for a unified clinical development platform will increase and pharmaceutical firms will be looking at service providers to orchestrate this platform.

Companies are increasingly betting on customer data platforms that unify fragmented customer data across multiple systems to become more resilient to consumer behavior and supply chain dynamics

f. **Hi-Tech, Media and Entertainment:** LTI achieved a strong 37.4% year-on-year revenue growth in this vertical. High-tech industries have recovered from the pandemic in FY2022 at different speeds based on varied exposure, demand for their products and reliance on sourcing networks. This has triggered companies to revisit their strategies to accelerate digitisation, AI/ML techniques to improve predictions in supply chain along with better partner collaboration for seamless integration of processes.

Companies are in the process of identifying new avenues for growth to help position themselves for a better future. They have made analytics, data management and customer data platforms a top technological priority.

Moving forward, we see an increasing trend of new innovation in this space with 5G and edge computing driving the eco-system of connected devices and smart products, hardware firms moving to new business models and heightened focus on supply chain resilience.

The Media and Entertainment industry continues to experience the influence of consumer behaviour dynamism, mergers and acquisitions fuelled by competition and reshaping of the industry due to technological innovation.

Amid such undercurrents, technology has continued to elevate customer experience through innovative special effects, virtual reality gaming and new delivery channels for news, music and advertising.

During the pandemic, the few traditional segments of entertainment that have remained analog, like music concerts and theatre, moved to the digital domain. As consumer spending continues to contract in 2022 for some of the traditional segments, there is a natural transition towards building a secure but attention-based ecosystem where creators and producers will continue to drive innovation in the field.

The year has also seen the emergence of the 'metaverse' which is likely to see increased levels of spend going forward.

Human capital

LTI crossed the 46,000 headcount mark in FY22. Our unwavering focus on engaging, developing and retaining talent is part of every people decision we make.

Further details on our human capital is available on Page 60 of Annual Report.

Management Discussion and Analysis (contd..)

IV. Significant factors affecting our results of operations

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. This section sets out certain key factors that our management believes have affected our results of operations, or which could affect our results in the future.

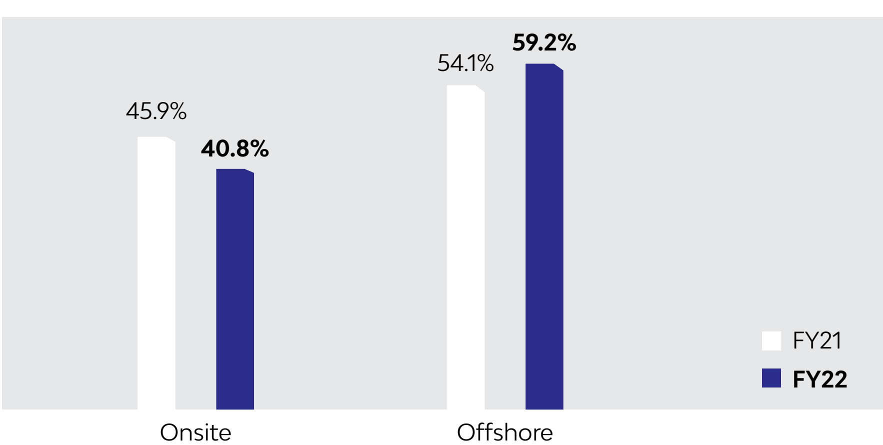
Client relationships

Client relationships are at the core of our business. We have a history of high client retention and continue to derive a significant proportion of our revenue from repeat business built on our successful execution of prior engagements. In the year that ended March 31, 2022, we generated 96.7% of our revenue from existing clients as compared to 95.9% in the previous year.

As client relationships mature, we seek to maximise our revenue and profitability by expanding the scope of services offered to that client with the objective of winning more business from our clients, particularly in relation to our substantive and value-added offerings. At the same time, we continue our efforts to add new clients and expand client relationships.

Client contribution

Revenue mix



Composition of revenue portfolio

Our export service revenue consists of both onsite and offshore revenue from IT services. The mix of IT services performed onsite and offshore has an impact on our ability to achieve higher profit margins. The following table shows the proportionate contribution from our onsite and offshore service revenue on a consolidated basis for the year ended March 31, 2022 as compared to the year ended March 31, 2021.

Employees and employee costs

In order to compete effectively, our ability to attract and retain qualified employees is critical.

Our total headcount increased to 46,648 as of March 31, 2022 from 35,991 as of March 31, 2021. Our attrition rate for FY22 was 24.0% as against 12.3% in FY21.

Employee benefits expenses constituted 60.1% and 58.8% of our total income in the year ended March 31, 2022 and March 31, 2021, respectively. Wage costs in India, including in the IT services industry, have historically been more competitive than wage costs in the US, Europe and other developed economies. In addition, we continue to invest in the recruitment and retention of sales and administration staff in line with our growth and expansion of our markets.

46,648
Total headcount as of March 31, 2022

Foreign currency fluctuations

Since majority of our revenue is in foreign currency, we carry foreign exchange risks on transactions as well as translation. Although our foreign currency expenses partly provide a natural hedge, we are exposed to foreign exchange rate risk in respect of revenue or expenses entered in a currency where corresponding expenses or revenue are denominated in different currencies.

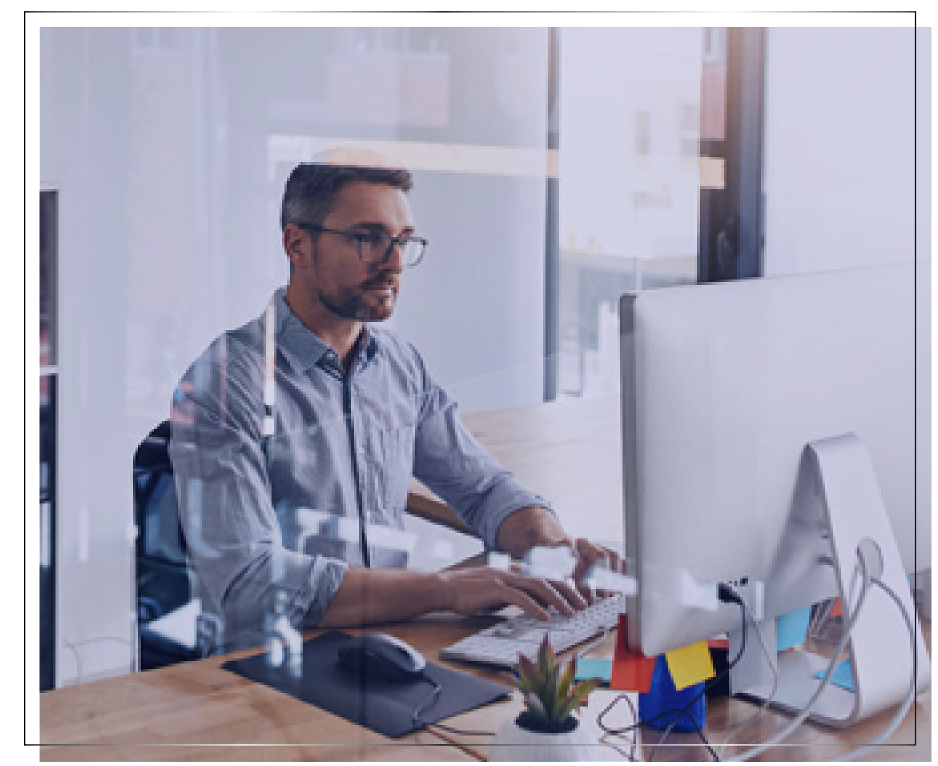
Major currencies in which we have exposures are US Dollars, Euro, Canadian Dollars, Swedish Krone, Danish Krone, Emirati Dirham, South African Rand, and British Pound Sterling.

We have put in place an active foreign exchange hedging policy to mitigate the risks arising out of foreign exchange fluctuations. In addition, the overall competitiveness of the Indian IT industry in the global market is also significantly dependent on favourable exchange rates.

Tax benefits for Indian IT companies

The Company historically benefited from the direct and indirect tax benefits given by the Government for the export of IT services from SEZs. As a result, considerable portion of our profits was exempt from income tax leading to a lower overall effective tax rate in the previous years than that which we would have otherwise been subjected to if we were doing business outside SEZs.

During the year under review, the Company has opted for lower tax regime under the Tax Ordinance introduced by the Government in September 2019, being beneficial to the Company. Accordingly, the Company will forgo the direct tax benefits available on export of IT services from SEZs. The Company continues to avail indirect tax benefits for its business carried out through software development centres registered as STPI and SEZ units.



Management Discussion and Analysis (contd..)

V. Financial conditions consolidated

Assets

1. Acquisition during the year

Cuelogic

During the year, the group acquired 100% stake in Cuelogic Technologies Private Limited along with its 100% subsidiary Cuelogic Technologies, Inc. (collectively referred as 'Cuelogic') for an enterprise value of $8.4 Mn which includes upfront consideration, performance based earn-outs and retention payouts.

Cuelogic is a digital engineering company which specialises in product development capabilities with expertise in scaling exponential technologies. Cuelogic's primary focus is on building and modernising digital products leveraging cloud native methodologies across web and mobile. The Company has used the cut-off date of July 1, 2021 as the date of acquiring effective control. The financial results for the year ended March 31, 2022 includes 9 months revenue of ₹431 Mn and profit after tax of ₹5 Mn, pertaining to this acquisition.

2. Tangible and intangible assets

(₹ Mn)

	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment	4,968	3,857
Right of use assets	6,391	6,221
Capital work-in-progress	4,374	403
Goodwill	6,900	6,574
Other intangible assets	2,718	2,408
Intangible assets under development	439	259
Total	**25,790**	**19,722**

Property, plant and equipment

Plant, property and equipment has increased to ₹4,968 Mn as of March 31, 2022 from ₹3,857 Mn on March 31, 2021, since net additions are higher than depreciation during the year. The additions mainly include cost of acquiring laptops to support headcount growth.

Right of use assets

Right of use assets have been recognized at ₹6,391 Mn as on March 31, 2022. These assets are primarily related to office premises occupied by the Group across locations in India and overseas. Increase in Right of Use assets is majorly due to renewals and additions of office spaces in India and overseas in line with overall growth.

Capital work-in-progress

Increase in capital work-in-progress is mainly on account of construction work for building an office campus in Navi Mumbai to enable future headcount growth.

Goodwill and other intangible assets

Increase in goodwill is primarily in relation to the acquisition of Cuelogic which led to an addition of ₹374 Mn. The net increase in other intangible assets during the year is mainly on account of capitalisation of internally developed software during the year. Intangible assets under development represent efforts spent on assets which are under development.

Management Discussion and Analysis (contd..)

3. Other non-current and current assets

(₹ Mn)

	As at March 31, 2022			As at March 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Other financial assets	3,020	2,830	5,850	2,052	2,158	4,210
Other assets						
Tax assets	1,135	-	1,135	930	-	930
Other assets	2,089	9,319	11,408	1,515	8,373	9,888
Total other assets	3,224	9,319	12,543	2,445	8,373	10,818
Total	6,244	12,149	18,393	4,497	10,531	15,028

Total other non-current and current assets increased to ₹18,393 Mn as of March 31, 2022 as compared to ₹15,028 Mn as of March 31, 2021 mainly due to higher market gains on hedges included in other financial assets and increase in unbilled revenue for fixed price contract included in other assets.

During the year, the Company has invested in fixed deposits with banks which amounts to ₹318 Mn as on March 31, 2022 which is included in Other Non-Current financial assets.

As required under Ind AS 115 'revenue from contracts with customers', unbilled revenue for fixed-price contracts, where the contractual right to consideration is dependent on completion of contractual milestones and not upon passage of time, is classified as non-financial asset. The increase in other current assets is primarily related to such unbilled revenue for fixed-price contracts of ₹5,948 Mn included in other current assets as of March 31, 2022, compared to ₹5,335 Mn as of March 31, 2021.

4. Trade receivables

Trade receivables amounted to ₹28,335 Mn (net of provision for doubtful debts amounting to ₹765 Mn) as of March 31, 2022, compared to ₹20,835 Mn (net of provision for doubtful debts amounting to ₹642 Mn) as of March 31, 2021.

Days of sales outstanding of trade receivables as on March 31, 2022 is 65 days as against 61 days in March 31, 2021.

5. Unbilled revenue

Unbilled revenue represents value of services performed for customers not yet billed. Unbilled revenue stood at ₹9,033 Mn as on March 31, 2022 as against ₹6,071 Mn on March 31, 2021.

Days of sales outstanding of unbilled revenue (including that classified as non-financial asset) is 34 days as on March 31, 2022 compared to 33 days as on March 31, 2021.

6. Funds invested

(₹ Mn)

	As of March 31, 2022	As of March 31, 2021
Investments: Non-current	3,454	1,013
Investments: Current	31,366	36,282
Cash and cash equivalents	3,949	7,594
Other bank balances	3,824	-
Fund invested	42,593	44,889

The Company has invested in debt mutual funds and in equity arbitrage funds having investments in sound rated instruments and in schemes with large assets under management, thus mitigating counterparty risk. Further, the Company has invested in Corporate Deposits, and marketable Bonds. Put together, investments stood at ₹34,820 Mn as on March 31, 2022 as against ₹37,295 Mn as on March 31, 2021.

Cash and cash equivalents include both rupee accounts and foreign currency accounts with banks. The bank balances in overseas accounts are maintained to meet the expenditure of the overseas operations.

Other bank balances are term deposits, in rupee as well as foreign currency, having maturity of more than 3 months.

7. Share capital

(₹ Mn)

	As at March 31, 2022	As at March 31, 2021
Authorized:		
274,500,000 equity shares of ₹1 each	275	260
(Previous year 260,000,000 of ₹1 each)		
Issued, paid up and subscribed:		
175,270,156 equity shares for ₹1 each	175	175
(Previous year 174,750,608 of ₹1 each)		
Equity share capital	175	175

The Issued, paid up and subscribed share capital increased on account of shares allotted on exercise of employee stock options during the year ended March 31, 2022.

8. Other equity

(₹ Mn)

	As at March 31, 2022	As at March 31, 2021
Other reserves	12,187	11,294
Retained earnings	75,784	61,565
Non-controlling interest	57	37
Other Equity	88,028	72,896

Other equity at the end of March 31, 2022 stood at ₹88,028 Mn as against ₹72,896 Mn at the end of March 31, 2021. The increase in other reserves from ₹11,294 Mn at the end of March 31, 2021 to ₹12,187 Mn at the end of March 31, 2022 is primarily attributed to increase in hedging reserve on account of marked to market gains on outstanding hedges along with increased quantum of hedges. The increase in retained earnings from ₹61,565 Mn at the end of March 31, 2021 to ₹75,784 Mn at the end of March 31, 2022 is on account of net profit for the year, reduced by dividend paid.

9. Deferred tax assets / liabilities

(₹ Mn)

	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	549	546
Deferred tax liabilities	105	35

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. 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 tax liabilities have increased to ₹105 Mn as on March 31, 2022 from ₹35 Mn as on March 31, 2021 mainly on account creation of deferred tax liability on intangible asset recognised on acquisition of Cuelogic.

Management Discussion and Analysis (contd..)

10. Other non-current and current liabilities

(₹ Mn)

	As at March 31, 2022			As at March 31, 2021		
	Non-current	Current	Total	Non-current	Current	Total
Borrowings	-	519	**519**	-	414	**414**
Trade payables	-	8,028	**8,028**	-	8,277	**8,277**
Other financial liabilities	134	9,360	**9,494**	445	7,831	**8,276**
Lease liabilities	6,675	1,161	**7,836**	6,375	1,194	**7,569**
Other liabilities	-	5,812	**5,812**	479	4,921	**5,400**
Provisions	393	3,874	**4,267**	363	3,542	**3,905**
Current income tax liabilities (Net)	-	429	**429**	-	144	**144**
Total	**7,202**	**29,183**	**36,385**	**7,662**	**26,323**	**33,985**

Total other non-current and current liabilities stood at ₹36,385 Mn as of March 31, 2022 as compared to ₹33,985 Mn as of March 31, 2021.

Borrowings relate to working capital facilities taken by certain overseas subsidiaries.

Non-current other financial liabilities and current other financial liabilities as of March 31, 2022 mainly include employee liabilities towards annual incentives and contingent consideration payable for acquisitions. The increase in current other financial liabilities is mainly for increase in employee related liabilities which is in line with the increase in headcount.

Other non-current liabilities and other current liabilities mainly comprise unearned and deferred revenue, and statutory dues across geographies. Other non-current liabilities of ₹479 Mn as of March 31, 2021 relates to deferred social security contribution payable after a year which have been transferred to other current liabilities in the current year.

Provisions comprise of employee benefits on account of compensated absences and post-retirement medical benefits.

Current income tax liabilities include tax liability for current year net off advance taxes paid.

VI. Results of our consolidated operations

	2021-22		2020-21	
	(₹ Mn)	% of Total Income	(₹ Mn)	% of Total Income
Income				
Revenue from operations	156,687	97.11%	123,698	97.80%
Other income	4,667	2.89%	2,744	2.20%
Total Income	**161,354**	**100.00%**	**126,442**	**100.00%**
Expenses				
Employee benefit expenses	97,007	60.12%	74,289	58.80%
Operating expenses	26,565	16.46%	20,194	16.00%
Finance costs	728	0.45%	788	0.60%
Depreciation and amortization	3,549	2.20%	3,325	2.60%
Other expenses	2,531	1.57%	1,964	1.60%
Total expenses	**130,380**	**80.80%**	**100,560**	**79.50%**
Profit before tax	**30,974**	**19.20%**	**25,882**	**20.50%**
Tax expenses				
- Current tax	8,181	5.07%	6,314	5.00%
- Deferred tax (net)	(192)	(0.12%)	186	0.10%
	7,989	**4.95%**	**6,500**	**5.10%**
Net profit for the period	**22,985**	**14.25%**	**19,382**	**15.30%**
Other comprehensive income	**787**		**4,788**	
Total comprehensive income for the period	**23,772**		**24,170**	
Profit attributable to:				
Owners of the company	22,968		19,361	
Non-controlling interests	17		21	
	22,985		19,382	
Total comprehensive income attributable to:				
Owners of the Company	23,752		24,146	
Non-controlling interests	20		24	
	23,772		**24,170**	
Earnings per share				
Basic	₹131.19		₹110.98	
Diluted	₹130.81		₹110.26	

Management Discussion and Analysis (contd..)

Comparison between FY22 and FY21

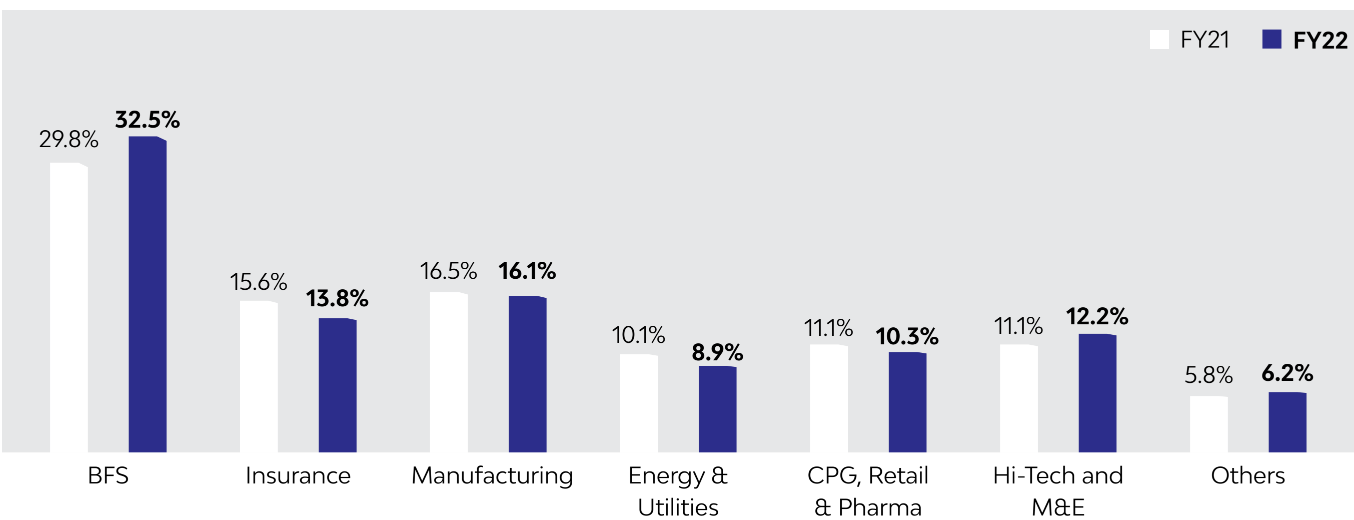
1. Income

Our total income comprises revenue from operations and other income.

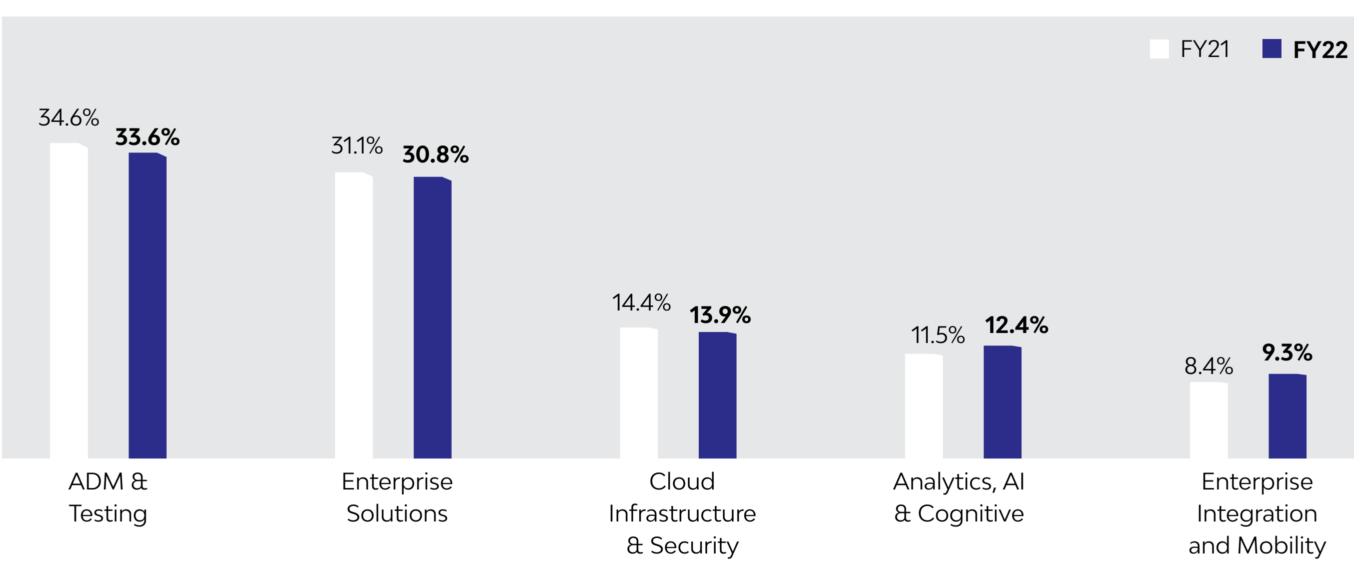
Our total income increased by 27.6% to ₹161,354 Mn for the year ended March 31, 2022 from ₹126,442 Mn for the year ended March 31, 2021.

Revenue from operations

Revenue mix by verticals



Revenue mix by services



Our revenue increased by 26.7% to ₹156,687 Mn for the year ended March 31, 2022 from ₹123,698 Mn for the year ended March 31, 2021, due to growth in Hi-Tech, Media & Entertainment (growth of 38.3%), Banking and Financial Services (growth of 38.1%), other verticals (growth of 35.5%), Manufacturing (growth of 24.2%), CPG Retail and Pharma (growth of 17.6%), Insurance (growth of 11.7%) and Energy and Utilities (growth of 11.4%).

Our service revenue increased due to growth in Enterprise Integration and Mobility (growth of 38.8%), Analytics, AI and Cognitive (growth of 35.8%), Enterprise Solutions (growth of 25.5%), ADM and Testing (growth of 23.1%) and Cloud Infrastructure and Security (growth of 22.7%).

2. Other income

Other income primarily consists of income from foreign exchange gains/ losses, income from investments and miscellaneous income. Other income for the year ended March 31, 2022 is ₹4,667 Mn as against ₹2,744 Mn for the year ended March 31, 2021.

Income from investments

Income from mutual funds and other investments marginally decreased to ₹1,602 Mn in the year ended March 31, 2022 compared to ₹1,704 Mn for the year ended March 31, 2021. The investment income was higher in the previous year mainly on account of interest rate reduction which led to mark to market gains on mutual fund investments. Active management of duration and sharp focus on portfolio quality ensured that we continue generating healthy returns during the year despite not having the benefit of interest rate reduction this year.

Foreign exchange gains / (losses)

To mitigate our foreign exchange risk, we have a long-term hedging policy. We hedge exposures in major currencies such as the US dollar and the Euro. Our hedging policy runs on a net exposure basis, typically for a period of up to three years. These hedges provide for payments by banks to us in the situations where the spot exchange rate on maturity is lower than the rate at which hedges were entered and payment by us to the banks in situations where the spot exchange rate on maturity is higher than the rate at which the hedges were entered. Our foreign exchange gain has increased to ₹2,854 Mn for the year ended March 31, 2022 as against ₹62 Mn for the year ended March 31, 2021 mainly due to INR depreciation during the year resulting in increased realised and un-realised gains on receivables. The Company further availed benefit of better average hedge rates during the year as compared to previous year.

₹2,854 Mn

Foreign exchange gain for FY22

Miscellaneous income

Miscellaneous income was lower at ₹211 Mn in the year ended March 31, 2022 compared to ₹978 Mn for the year ended March 31, 2021. The decrease is mainly due to write back of certain earnouts payable to Syncordis S.A. amounting to ₹571 Mn due to an earlier acquisition of business.

3. Expenses

Our expenses include employee benefit expenses, operating expenses, finance costs, depreciation and amortisation and other expenses. Our total expenses increased by 29.7% to ₹130,380 Mn for the year ended March 31, 2022 from ₹100,560 Mn for the year ended March 31, 2021.

Employee benefit expenses

Employee benefit expenses comprise salaries (including overseas); staff welfare; contributions to provident and other funds, superannuation funds and gratuity funds.

Our employee benefit expenses increased by 30.6% to ₹97,007 Mn for the year ended March 31, 2022 from ₹74,289 Mn for

Management Discussion and Analysis (contd..)

the year ended March 31, 2021. The increase is majorly due to increase in employee count in line with business growth, changes to employee mix and increments. This has also resulted in higher contribution to the provident and other funds, social security and payroll taxes.

Operating expenses

Operating expenses comprise consultancy charges, cost of equipment, hardware and software packages, travelling and conveyance expenses, repair and maintenance expenses.

Our operating expenses increased by 31.5% to ₹26,565 Mn for the year ended March 31, 2022 from ₹20,194 Mn for the year ended March 31, 2021 mainly due to increase in travelling and conveyance expenses, consultancy and subcontracting charges, cost for equipment, hardware and software packages and recruitment expenses.

Finance costs

Finance costs primarily comprise interest on lease liabilities recognised on adoption of Ind AS 116 'leases', interest on contingent consideration payable with respect to acquisitions and interest on deposit received under credit support agreements entered with banks to limit our counterparty risk in relation to our hedges.

Our finance costs reduced to ₹728 Mn for the year ended March 31, 2022 from ₹788 Mn for the year ended March 31, 2021 primarily due to reduction in interest on lease liabilities.

Depreciation and amortisation

Tangible and intangible assets including Right of Use assets are amortised over periods corresponding to their estimated useful lives.

Our depreciation and amortisation expense increased by 6.7% to ₹3,549 Mn for the year ended March 31, 2022 from ₹3,325 Mn for the year ended March 31, 2021, primarily due to additions of assets during the year.

Other expenses

Other expenses increased by 28.9% to ₹2,531 Mn for the year ended March 31, 2022 from ₹1,964 Mn for the year ended on March 31, 2021. Legal and professional fees increased to ₹2,010 Mn for the year ended March 31, 2022 from ₹1,688 Mn for the year ended March 31, 2021. The CSR spend increased to ₹383 Mn for the year ended March 31, 2022 from ₹141 Mn for the year ended March 31, 2021. The Company had utilised the excess spend on CSR in the previous year to fulfil its CSR obligations for the year ended on March 31, 2021.

4. Profit before tax

Our profit before tax increased by 19.7% to ₹30,974 Mn for the year ended March 31, 2022 from ₹25,882 Mn for the year ended March 31, 2021.

5. Tax expense

Income tax expense comprises current tax and deferred tax. Current tax is the amount expected to be paid to the tax authorities in accordance with the applicable tax laws in relevant jurisdictions. Deferred tax assets and liabilities reflect the impact of temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements as well as other deferred tax assets recognised and carried forward to the extent there is a reasonable certainty that sufficient future taxable income will be available.

During the year, the Company has opted for lower tax regime under the tax ordinance introduced by the Government in September 2019, being beneficial to the company.

Current tax expense increased to ₹8,181 Mn for the year that ended March 31, 2022 from ₹6,314 Mn for the year that ended March 31, 2021 mainly on account of increase in profit.

Deferred tax credit of ₹192 Mn for the year that ended March 31, 2022 as against the charge of ₹186 Mn for the year that ended March 31, 2021 primarily due to MAT utilisation in the previous year.

Total tax expense has increased by 22.9% to ₹7,989 Mn for the year that ended March 31, 2022 from ₹6,500 Mn for the year that ended March 31, 2021 mainly due to increase in profits.

6. Net profit after tax

As a result of the foregoing factors, our net profit increased by 18.6% to ₹22,985 Mn for the year ended March 31, 2022 from ₹19,382 Mn for the year ended March 31, 2021.

18.6%
Increase in net profit

7. Earnings per share (EPS)

Our basic EPS has increased by 18.2% to ₹131.19 per share for the year ended March 31, 2022 from ₹110.98 per share for the year ended March 31, 2021. Our diluted EPS has increased by 18.6% to ₹130.81 per share for the year ended March 31, 2022 from ₹110.26 per share in the year ended March 31, 2021.

Segment Results

We have identified Banking, Financial Services and Insurance, Manufacturing, Energy and Utilities,

High-Tech, Media and Entertainment, and CPG, Retail, Pharma and Others as our business segments and accordingly presented its segment results as summarised below.

	2021-22		2020-21	
	(₹ Mn)	% of total revenue	(₹ Mn)	% of total revenue
Revenue from operations				
Banking, Financial Services and Insurance	72,583	46.3%	56,191	45.4%
Manufacturing	25,280	16.1%	20,353	16.5%
Energy and Utilities	13,930	8.9%	12,501	10.1%
High-Tech, Media and Entertainment	19,055	12.2%	13,778	11.1%
CPG, Retail, Pharma and others	25,839	16.5%	20,875	16.9%
Total revenue from operations	**156,687**	**100.0%**	**123,698**	**100.0%**

	2021-22		2020-21	
	(₹ Mn)	% of total revenue	(₹ Mn)	% of total revenue
Segmental Results				
Banking, Financial Services and Insurance	14,714	47.3%	12,519	22.3%
Manufacturing	5,519	17.7%	5,058	24.9%
Energy and Utilities	2,674	8.6%	2,629	21.0%
High-Tech, Media and Entertainment	3,376	10.8%	2,874	20.9%
CPG, Retail, Pharma and others	4,837	15.5%	4,374	21.0%
Total segment results	**31,120**	**100.0%**	**27,454**	**22.2%**

Management Discussion and Analysis (contd..)

The following tables provides breakup of our revenue on the basis of the geographic location of our clients.

	2021-22		2020-21	
	(₹ Mn)	% of total revenue	(₹ Mn)	% of total revenue
North America	104,195	66.50%	84,513	**68.30%**
Europe	25,325	16.16%	19,529	**15.80%**
India	13,029	8.32%	9,712	**7.90%**
Asia Pacific	3,839	2.45%	3,567	**2.90%**
Rest of the world	10,299	6.57%	6,377	**5.20%**
Total revenue	**156,687**	**100.00%**	**123,698**	**100.00%**

VII. Liquidity

The Company continues to maintain healthy liquidity position for the year, meeting the cash requirements through its internal accruals. Apart from cash and cash equivalents, the Company's overall investment position in mutual funds, corporate deposits, bonds, commercial paper and bank deposits has increased to ₹38,962 Mn as on March 31, 2022 from ₹37,295 Mn as on March 31, 2021.

The table below summarises our consolidated cash flows.

(₹ Mn)

	2021-22	2020-21
Net cash generated from operating activities	16,520	23,996
Net cash (used) in investing activities	(9,594)	(16,560)
Net cash (used) in financing activities	(10,458)	(5,088)
Net increase / (decrease) in cash and cash equivalents	**(3,532)**	**2,348**
Cash and cash equivalents at the beginning of the period	7,594	5,252
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(113)	(6)
Cash and cash equivalents at the end of the period	**3,949**	**7,594**

The Company's long-term rating has been maintained by CRISIL at AAA/Stable.

The Company has considered the possible effects that may result from Covid-19 on the recoverable values of its financial and non-financial assets. The impact of Covid-19 on the financial statements may differ from that estimated at the time of approval of these financial statements.

VIII. Key Financial Ratios

(₹ Mn)

Ratios	2021-22	2020-21	2020-21
DSO (Billed)	65	61	7.0%
Current Ratio ^	3.0	3.1	-1.7%
Operating Profit Margin (%) *	17.3%	19.3%	-10.8%
Net Profit Margin (%) *	14.7%	15.7%	-6.4%
Return on Net Worth **	28.5%	30.5%	-6.5%
Debt-Equity Ratio #	0.09	0.11	-13.3%
Debt Service Coverage Ratio #	17.6	14.8	18.8%

^ Current Ratio includes current investments and other bank balances.

*Higher wage costs due to wage hike and acquiring niche skill talent has led to drop in Operating & Net Profit Margin for the year ended March 31, 2022.

** Lower margins explained above during the year dragged the Return on Net Worth for the year ended March 31, 2022.

Debt comprises of Lease Liabilities and Overdraft balances.

IX. Internal controls

LTI has established a framework for internal controls, commensurate with the size and nature of its operations. Process has been set up for periodically apprising the senior management and the Audit Committee of the Board about internal audit observations of the Company with respect to internal controls and status of statutory compliances.

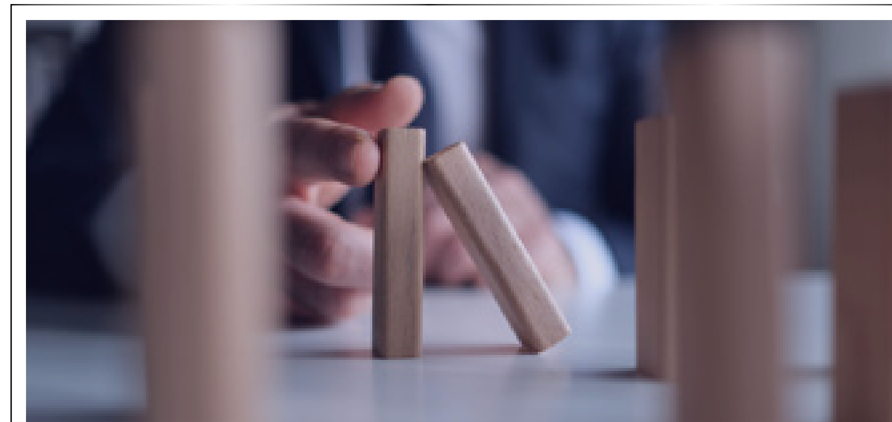
Business heads and support function heads are responsible for establishing effective internal controls within their respective functions. Standard operating procedures and internal control manuals are defined and continuously updated.

The Company has laid down internal financial controls as detailed in the Companies Act, 2013. These have been established across the levels and are designed to ensure compliance to internal control requirements, regulatory compliance and appropriate recording of financial and operational information.

The internal audit team periodically conducts audits across the Company, which include review of operating effectiveness of internal controls. The Company, wherever necessary, engages third party consultants for specific audits or reviews. The Audit Committee oversees internal audit function.

X. Outlook, risks and concerns

This section lists forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors. LTI does not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.



Management Discussion and Analysis (contd..)

Organisation level risks and mitigation approach

Risk	Description	Mitigation approach
Resource retention and fulfilment	• Challenges in retaining top talent and talent with niche skills. • Fulfilment demand with shorter lead time results into higher cost of resources impacting profitability.	• Competitive compensation grid for niche skills. • Multiple retention and fulfilment programmes at organisation and individual business unit level. • Demand forecast to be provided by business to plan the supply proactively. • Reskilling/upskilling internal people for high volume and new age skills demand.
Risk in operating model	**A. Future of work** • Business dynamics are changing rapidly in context to flexible working model, remote working and change in workplace design. These drivers will require changes in our operating model balancing the needs of clients / employees.	**A. Future of work** Various programmes have been initiated to prepare the organisation for the changing business dynamics and work model. **Employee communication and training** • Robust communication strategies are deployed for employee awareness on modified processes to enable work in changed environment. **System, process, and policy readiness** • Relevant policies are revised to suit the changing business and work model. **Facility readiness** • The facilities and administrations are redesigned in perspective of the flexible work model and employee health and safety. **Laptop (LTI asset / client asset) and security tools enablement** • Security enablement on LTI or client laptops is being executed to make the data on the devices secured.
	B. Localisation • Reduced availability of work visas or stringent eligibility criteria or costs could lead to project delays and increased costs.	**B. Localisation** • Reduction in dependency on work visas through increased hiring of local talent. • Reskilling / upskilling of employees in all major geographies.

Risk	Description	Mitigation approach
Risk in operating model (contd..)	**C. Geopolitical** • Geopolitical risk in starting business in new geography. • Changes in political conditions / regulations can affect the business in that specific country.	**C. Geopolitical** • Establish a process that evaluates all risks related to starting a business in new country. • Subscribing to global services organisation that can provide timely alerts on risk events.
Cyber security	Lack of appropriate controls in cyber security may result in vulnerabilities leading to: • Cyber threats and cyber attacks. • Non-compliance of contractual obligations. • Critical business data loss.	• Ensure mandatory trainings are completed within target dates. • Ensure that data criticality, backup requirements and restoration testing plan is defined in coordination with business owner. • Investment in licenses to cover wider spectrum of assets to implement all enterprise security controls. • Patching of vulnerabilities and deployment of security patches across enterprise systems within timelines.
Data privacy	• Non-compliance to privacy laws can attract heavy financial penalties including loss of reputation.	• Effective governance of data privacy practices through implementation of various tools. • Engage external consultancy for detailed assessments of various functions and improvisation of policies and procedures.
Business concentration	Business concentration in top accounts and geography. • Maximum revenue being contributed by select top accounts. • Revenue concentration in US Geography.	• Focus on opening new quality logos. • Strategic planning and focus to mine account ranked 51-100. • Focus and investment to grow accounts in geographies outside US.
Operational resiliency	Business continuity plans for the projects may not be adequate to cater to pandemic scenario.	• Critical projects to do a granular resource unavailability planning to avoid billing loss due to any crisis. • Tracking of the resource-level planning to be done by the delivery heads. • BCMS ISO 22301 certification journey underway and is expected to be completed in FY23.

Management Discussion and Analysis (contd..)

Organisation level risks and mitigation approach (contd..)

Risk	Description	Mitigation approach
Foreign exchange	• With majority business being export driven the Company is exposed to foreign exchange risk.	LTI as an organisation has a Board approved Financial Risk Management policy which provides a framework for managing the foreign exchange risk related to its business. The policy enables implementing a layered hedging programme at the Company level.
International mobility	Risk of legal liabilities and reputational loss due to non-compliances to: • Client documentation processes. • Country specific wage regulations. • Work location as against the one per the petition.	Implement tool-based control to introduce stringent controls on: • Client documents and its accountability. • Payment of wages per local regulations. • Work location change / intercity movement request as against the employee work location.
Rapid change in technology and digital disruption	• Potential challenge to cater to digital disruption will lead to business loss. • Ability to adapt to new digital business.	• Strengthen Digital Solution Architect (DSA) group. • Work with geography SMEs to strengthen go-to-market strategy. • Building solutioning capability for end-to-end digital transformation. a. Competency development in newer technologies. b. Increasing revenue from newer technologies.
Pandemic: Employee health and safety	• Company's operations could be adversely affected due to impact of the pandemic on employee's health and safety.	Various programmes have been implemented in the organisation to maintain employee health and safety: • Vaccination drives for employee safety (India). • 24*7 emergency medical helpline. • Handling queries for Covid-19 through Connect & Heal programme and through location level committee (India). • Establishment of Covid-19 emergency response cell (India).
Regulatory compliances	• Non-compliances towards changing regulations across multiple jurisdictions could result in penalties, business loss, debarment, reputational damage, and criminal prosecution.	Following mitigation measures are implemented to ensure compliances on regulations: • Implementation of compliance monitoring system to effectively monitor the compliances across various jurisdictions globally. • Constitution of Internal Compliance Committee for governance on compliances globally. • Engagement with external consultancy firms for timely updation of the Compliance Obligation Registers in line with changing laws.
Execution	• Impact of Covid on critical delivery milestone.	• All delivery parameters are reviewed and monitored through digitised governance process. • Critical and high risks projects are being reviewed by the leadership through regular Escalation Risk Review process. • Delivery health assessment of projects on daily basis by PMs to identify risks.

A class action lawsuit was filed in the southern district of New York in US against the Company alleging discrimination by an ex-employee and an ex-contractor. The Company is taking necessary actions to defend the claim. The Company is presently unable to predict the duration or the outcome of this matter.

During FY20, the US Department of Justice and US Immigration and Customs Enforcement initiated an investigation of the Company related to its use of US non-immigrant visas for its employees. Pursuant to the same, the Company has provided the requested details to the authorities. There is no formal charge filed in the matter as on date.

The year under review has been an exceptionally strong year for us. The world continues to change rapidly around us. We also need to acknowledge the uncertainties given the volatile macro situation. While we have not seen any slowdown in the demand environment, we have noticed a level of caution due to rising input costs and geopolitical tensions.

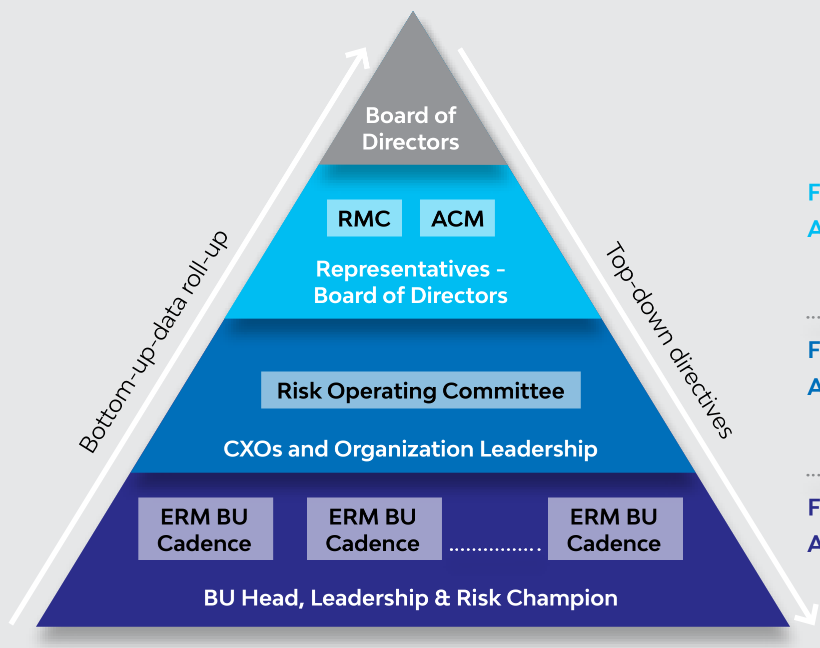
Based on the visibility we have today, we remain confident of our strong momentum. We are entering FY23 with strong tailwinds in terms of large deals, robust pipeline, highest number of new clients and headcount additions.

All the pillars of our revenue growth strategy, such as our growth accounts, invest accounts, new account openings and large deals, are on a strong footing. Our continued proven ability to execute in a challenging and changing environment gives us the confidence that we will, once again, be in the leaders' quadrant for growth in FY23

Enterprise Risk Management

Objective

The objective of Enterprise Risk Management is to holistically address the risks to the organization, maintaining business growth and profitability through robust governance and strategies.



Frequency: Half yearly
Agenda: External risks, organization risks, data privacy, cyber security, ESG, regulatory, business continuity, IA findings

Frequency: Twice a quarter
Agenda: Organization risks, risks from IA findings, data privacy, cyber security, business continuity, regulatory

Frequency: Monthly
Agenda: BU level risks, critical delivery risks, escalation of delivery risks.

ERM framework draws a strong Risk Governance structure to shape organization Risk Management strategy and achieve key business objectives, providing insights on key risks for the organization. This enables risk informed decisions at board and executive management levels. The governance forums at various layers ensure risks are identified, reviewed, and managed across the organization. Chief Risk Officer is the sponsor for Risk Management activities and is assisted by ERM team.

- Risk Management Committee (RMC): RMC is an Apex body comprising of Board Sub-Committee and has focused agenda of oversight on Key Organization Risks. The forum discusses and deliberates on external risks / disruptive trends and its mitigation plans. Emerging Risks in context to Organization vision in next few years is as well discussed. RMC is convened on a half yearly basis.
- Audit Committee meeting (ACM): ACM is a board Sub-committee with focused agenda on risks and internal controls. ACM is conducted on a quarterly basis.
- Risk Operating Committee (ROC): ROC comprises of CXOs and Senior Leadership and is chaired by COO. ROC meeting is conducted twice in a quarter, where risks perceived to the Organization is discussed and deliberated, including Enterprise level risks, Data Privacy risks, Cyber Security risks, Business Continuity risks, risk emanating from Internal Audit observations and any other risk as applicable.
- Unit ERM Cadence meeting: Business Unit level risks are discussed in the monthly cadence meeting. The meeting is convened by Business Unit Risk Champion and is attended by the Business Unit Head and other Senior Leadership.

ERM framework implements management of risks at various layers of the organization including risks at project level, account level, Business Unit level and Enterprise level. The *Three Lines of Defense* on risk management ensures that risks are managed effectively within these lines of defense, before it surfaces as an issue. The process is enabled through a digital platform that provides an enterprise-wide view of risks, enabling informed decision making.

Board's Report

To the Members of
Larsen & Toubro Infotech Limited

Your Directors have pleasure in presenting the Integrated Annual Report along with the Audited Financial Statements (Standalone and Consolidated) of Larsen & Toubro Infotech Limited ('LTI' or 'Company') for the year ended March 31, 2022 ('FY22').

1. Financial results

(₹ in Mn)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	144,064	115,661	156,687	123,698
Other income	5,891	2,254	4,667	2,744
Total Income	**149,955**	**117,915**	**161,354**	**126,442**
Less: Operating expenditure	116,289	90,596	126,103	96,447
Less: Finance cost	681	719	728	788
Less: Depreciation and amortization	2,881	2,676	3,549	3,325
Profit Before Tax (PBT)	**30,104**	**23,924**	**30,974**	**25,882**
Less: Provision for Tax	7,495	6,040	7,989	6,500
Profit After Tax (PAT)	**22,609**	**17,884**	**22,985**	**19,382**
Less: Non-controlling interest	0	0	17	21
Add: Balance brought forward from previous year	60,134	47,574	61,565	47,530
Balance available for disposal which Directors appropriate as follows:	**82,743**	**65,458**	**84,533**	**66,891**
Less: Dividend	8,749	5,324	8,749	5,324
Less: Increase in non-controlling interest due to disinvestment	0	0	0	2
Balance to be carried forward	**73,994**	**60,134**	**75,784**	**61,565**

2. Performance of the Company

On standalone basis, revenue from operations and other income for the financial year under review were ₹149,955 Mn as against, ₹117,915 Mn for the previous financial year registering an increase of 27.17%. The profit before tax was ₹30,104 Mn and the profit after tax was ₹22,609 Mn for the financial year under review as against ₹23,924 Mn and ₹17,884 Mn, respectively for the previous financial year.

On consolidated basis, revenue from operations and other income for the financial year under review were ₹161,354 Mn as against ₹126,442 Mn for the previous financial year registering an increase of 27.61%. The profit before tax was ₹30,974 Mn and the profit after tax was ₹22,985 Mn for the financial year under review as against ₹25,882 Mn and ₹19,382 Mn, respectively for the previous financial year.

3. Marketing

LTI Brand continued its growth journey and is now valued at more than $1 Bn. The Company now has more than 1.5 Mn followers on social media platforms. LTI launched 'Fosfor', the data-to-decisions products suite for monetizing data, and 'aLTIus', the cloud business unit. The Company also launched its global 'LTI Women in Tech' program during the year under review, to facilitate inspiring sessions by women leaders from various enterprises to support, mentor and encourage women to achieve greater things within the technology community.

To showcase the joint best-in-class solutions for clients, the Company opened new experience centers in partnership with ServiceNow in Hartford, USA, with IBM in Bengaluru, India and with Oracle in Mumbai, India. Responding to the changing future of work, workplace, and workforce, the Company rolled-out the 'Yin-Yang' Model which is associated with the best practices around collaboration, flexibility, inclusion, and accountability.

4. Human resource

People are key to our customer's success and therefore LTI's success. Our skilled and committed talent pool has adapted itself to the dynamic needs of our customers and technological changes. They have been pivotal in delivering best-in-class solutions and services to our clients thereby exceeding industry benchmarks.

Our hybrid Y2M (Yin-Yang Model), is pivoted on the belief that what is good for our people and our customers, is good for LTI. It has helped us operationalize our future of work strategy by introducing balance and flexibility at the workplace. Consequently, programs, policies and practices aimed at augmenting the well-being, engagement and up-skilling of our people have been put in place. These will lay the foundation of our program for future-readiness globally as we grow.

For details on human resource development, please refer to the 'Human Capital' section of the Integrated Report section in this Annual Report.

5. Infrastructure

LTI's footprint is spread across 9 cities in India, where majority of office space are in SEZ premise. The Company has added space capacity during the year under review in 3 cities viz. Hyderabad, Pune, and Coimbatore. LTI plans to further scale up space capacity in the coming financial year to accommodate growing business. Your Company is committed to focus on maintaining global standards in infrastructure with a sustainable approach, thereby ensuring seamless services to all internal and external stakeholders.

Despite continuation of the pandemic situation during FY22, LTI has been successful in overcoming the challenges witnessed in the socio-economical sector. To optimise the need for infrastructure and to maintain the work-life balance, the hybrid working model (Y2M) has been put in place.

LTI was one of the few corporates to initiate vaccination drives for employees & their family members within office premises in collaboration with top hospitals. The effort towards 100% coverage of vaccination is ongoing. We took a step further and created isolation facilities at our office locations for use by employees and their families.

Significant accolades in FY22

- LTI Headquarter at Powai is currently sourcing 100% power from renewable energy.
- LTI awarded with "CII National Energy Award" for excellence in energy management.
- LTI has been awarded the "Prashansa Patra Winner 2021" under service sector by National Safety Council of India (NSCI)

As on March 31, 2022, the total seating capacity of Indian centres stood at 27,588.

6. Quality initiatives

Client Centricity is the core of LTI's Quality Policy. LTI strives to be the most client centric partner by delivering rich and meaningful experiences not only to its clients but also to its client's customers. It endeavours to continuously improve its services and solutions, with focus on agility and creativity by nurturing an environment that promotes learning and growth.

LTI's endeavour to be unmatched in client centricity including its real time, transparent, yet forward-thinking response, amid the unprecedented challenges, were acknowledged and appreciated in the recently concluded CSAT survey. We have held on to the CSAT Experience Index score compared to previous cycle. Positive feedbacks have been received on agility/ flexibility, understanding business domain and customer centricity expectations.

LTI's proprietary Capability Maturity Framework (LTI-CMF) was deployed in FY22 for the fourth consecutive year. It continued to instil a culture of self-discipline combined with strong collaboration within & across units. Prime benefits include increase in earnings via 53 new innovation platforms, frameworks, governance & analytics tools, industrialization of existing Intellectual Property & best practices. Project management using high maturity (HM) practices also brought in significant savings. Other benefits included productivity improvements in 39 accounts/ sub practices and enrichment of the Central Knowledge Repository(myKM) with good practices, case studies & reusable components from all units.

Service Management COE is established to further enhance service quality through focused consultancy. It is enabled by ITIL Assessment framework (to assess effectiveness of ITIL process implementation) & ITIL 4 foundation training & certification module.

LTI's Quality Management Systems (QMS) was strengthened with 52+ QMS process enhancements, including estimations for new technology, new processes, and enhancements for Device Engineering in IIOT, Lifesciences SDLC process & Security lifecycle processes. Digitization achieved to monitor & track account improvement plans & quarterly business reviews, through portals.

BGenie- LTIs proprietary Liferay based tool, automating the benchmarking process, completed 1000 baselines. High maturity practices of LTI was presented in HMBP conference.

The Company's Escalation Risk Review (ERR) framework with escalation path right up to the Chief Operating Officer was very effective in getting timely attention at the appropriate level, thus arresting possible client escalations & ensuring a positive client experience at every stage during the engagements.

Certifications

The Company continues to demonstrate its ability to drive its Quality, Service Management, Information Security, Environmentals & Health commitments effectively and efficiently through its ISO 9001, ISO 27001, ISO 14001, ISO 20000, and ISO 45001 certification accreditations by Bureau Veritas. Compliance to ISAE 3402 for projects in the insurance domain and for client specific engagements in the other domains across all Delivery Units was sustained. The Company continues to retain its Level 5 status on the CMMI DEV & CMMI SVC constellations. CMMI 2.0 Level 5 assessment will be completed by April-2022.

Our commitment to client centricity and culture of continuous improvement thus continues – enabled by a firm commitment to our belief to 'Go the Extra Mile', "Keep Learning" & 'Push Frontiers of Innovation'.

7. Transfer to reserves

The Directors do not propose to transfer any amount to reserves during the current financial year.

8. Dividend

A. Dividend – FY22

During FY22, the Company paid a special dividend of ₹10/- per equity share of face value of ₹1/- each and an interim dividend of ₹15/- per equity share of face value of ₹1/- each. The Board of Directors at their meeting held on April 19, 2022 have recommended a final dividend of ₹30/- per equity share of face value of ₹1/- each. Accordingly, the total dividend for FY22, including the recommended final dividend, if approved by the members at the ensuing 26th Annual General Meeting, would amount to ₹55/- per equity share. The final dividend, if approved by the members, would be paid to those members whose name appear in the Register of Members as on the Record Date mentioned in the Notice convening the 26th AGM.

The Dividend payment is based upon the parameters outlined in the Dividend Distribution Policy of the Company which is in line with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is available on the Company's website at www.Lntinfotech.com/Investors.

B. Unclaimed Dividend

In accordance with the provisions of Section 125 and other applicable provisions, if any, of the Companies Act, 2013 read the with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, following dividends declared by the Company for FY2016 and remaining unpaid/unclaimed for seven years, will be transferred to the Investor Education and Protection Fund ('IEPF'):

Date of declaration	Due date for transfer to IEPF
January 18, 2016	February 22, 2023
May 31, 2016	July 6, 2023

Further, the shares corresponding to the dividend(s) which have remained unclaimed/unpaid for seven consecutive years will also be transferred to the IEPF.

Members are requested to claim the dividend(s), which have remained unclaimed/unpaid, by sending a written request to Corporate Secretarial Department at Investor@Lntinfotech.com or to the Company's RTA at rnt.helpdesk@linkintime.co.in or at their address at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083, Maharashtra, India.

9. Changes in share capital

During FY22, the Company allotted 519,548 equity shares of ₹1 each on exercise of the vested stock options by the eligible employees under Larsen & Toubro Infotech Limited Employee Stock Option Scheme 2015 ('ESOP Scheme 2015'). Accordingly, the paid-up equity share capital of the Company increased from ₹174.75 Mn as at March 31, 2021 to ₹175.27 Mn as at March 31, 2022. After March 31, 2022, the Company has further allotted 32,005 equity shares of ₹1 each on April 1, 2022 and 4,219 equity shares of ₹1 each on April 19, 2022, on exercise of vested stock options by the eligible employees under the ESOP Scheme 2015. The equity shares allotted under the ESOP Scheme 2015 rank *pari-passu* with the existing shares of the Company. As on the date of this report, the paid-up equity share capital of the Company is ₹175.30 Mn.

10. Capital expenditure

On standalone basis, as at March 31, 2022, the gross fixed and intangible assets stood at ₹12,715 Mn (previous year ₹11,102 Mn) out of which assets amounting to ₹3,179 Mn (previous year ₹1,728 Mn) were added during the year, and the net fixed and intangible assets stood at ₹10,273 Mn (previous year ₹4,795 Mn).

On consolidated basis, as at March 31, 2022, the gross fixed and intangible assets stood at ₹28,406 Mn (previous year ₹25,524 Mn) out of which assets amounting to ₹3,515 Mn (previous year ₹3,233 Mn) were added during the year and assets of ₹547 Mn were recognized pursuant to acquisition of business (previous year Nil) and the net fixed and intangible assets stood at ₹19,399 Mn (previous year ₹13,501 Mn).

11. Deposits

During the year ended March 31, 2022, the Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet. Further, in accordance with the provisions of Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 ('Deposit Rules'), the Company has filed with the Registrar of Companies ('ROC') the return for particulars of transactions by the Company not considered as deposit as per Rule2(1)(c) of the Deposit Rules.

12. Subsidiary/ Associate/ Joint Venture Companies

As on March 31, 2022, the Company had 27 subsidiaries. During the year under review, there were following material changes in the subsidiaries of the Company:

A. Acquisition

Your Company acquired Cuelogic Technologies Private Limited along with its wholly-owned subsidiary in the US, Cuelogic Technologies, Inc., on July 7, 2021, with the effective date of acquiring control from July 1, 2021.

B. Amalgamation

i. The Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') passed an order on July 16, 2021 sanctioning the Scheme of Amalgamation between Syncordis Software Services India Private Limited and Ruletronics Systems Private Limited, wholly owned subsidiaries, with the Company, under Sections 230-232 of the Companies Act, 2013. The amalgamation was effective on September 8, 2021, upon filing of the certified true copy of the NCLT order with Registrar of Companies, Mumbai.

ii. The Audit Committee and the Board of Directors of the Company have, at their respective meetings held on January 19, 2022, approved a scheme of amalgamation under the Companies Act, 2013 for merger of three wholly-owned subsidiaries namely, PowerUpCloud Technologies Private Limited, Lymbyc Solutions Private Limited & Cuelogic Technologies Private Limited ("Transferor Companies") with the Company, subject to requisite approvals, as applicable.

C. Buyback by L&T Infotech Financial Services Technologies Inc.

During the year, the Company accepted the offer of L&T Infotech Financial Services Technologies Inc., ('LTIFST') to buyback its 2,00,000 shares. Post completion of the buyback by LTIFST, the Company continues to hold 100% shareholding in LTIFST.

In line with the requirements of Regulation 16(1)(c) of SEBI Listing Regulations, the Company has a policy on identification of material subsidiaries, which is available on the Company's website, www.Lntinfotech.com/Investors. As on March 31, 2022, there were no material subsidiaries of the Company.

A statement containing the salient features of the financial statement of subsidiaries in form AOC-1 is annexed as **Annexure A** to this Report. Pursuant to the requirements of Section 136 of the Act, the standalone financial statements and consolidated financial statements of the Company along with relevant documents & audited financial statements of the subsidiaries are available on the Company's website, www.Lntinfotech.com/Investors.

13. Particulars of loans given, investments made, guarantees given or security provided

Details of investments made and/or loans or guarantees given and security provided, if any, are given in the notes forming part of the Standalone and Consolidated financial statements forming part of this Annual Report.

14. Related party transactions

Pursuant to the amendment in SEBI Listing Regulations, during the year under review, Audit Committee has approved amendments to the existing Related Party Transactions Policy of the Company including the limits that will constitute material modification of an approved RPT, and the same is available on the Company's website, www.Lntinfotech.com/Investors.

All related party transactions during FY22 were in the ordinary course of business and at arm's length terms. During FY22, Audit Committee has reviewed on quarterly basis, the related party transactions of the Company against the omnibus approval accorded by Audit Committee.

During FY22, there were no material related party transactions including transaction involving payments made to related party with respect to brand usage/ royalty, requiring approval of the shareholders. Furthermore, there were no contracts/arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

Related party transactions during FY22, were in compliance with the Companies Act, 2013, SEBI Listing Regulations and Accounting Standards and are disclosed in the notes forming part of the financial statements.

15. Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of this report

There have been no material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of this Report.

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

Information as per Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo is given in **Annexure B** to this Report.

17. Risk management

The Company has formulated a risk management policy and has put in place a mechanism to apprise the Board Members about risk assessment, minimization procedures and periodic review to ensure that executive management controls risk by means of a properly designed framework. A detailed note on risk management is given in Management Discussion & Analysis/ Integrated Report section forming part of this Annual Report.

18. Corporate sustainability

Your Company is committed to fulfil its Environmental, Social and Governance (ESG) responsibilities while building an ethical workplace, and following the legacy and practices of Larsen & Toubro Limited, the Parent Company. We believe in conducting business sustainably through sound practices which conserve our natural resources, reduce carbon footprint, increase social equity and good governance practices for a sustainable tomorrow thereby creating sustainable value chain. Through community development programs, LTI works towards building resilience in underprivileged members of society. LTI's ESG framework leverages its core competencies to deliver greater and more sustainable impact across its focus areas of Education, Empowerment & Environment and disaster management such as providing Covid relief as and when required. These are further set forth through specific objectives identified and commitments made through the ESG roadmap. LTI's alignment to the overarching objectives of the United Nations Sustainable Development Goals, outlines its contribution to the sustainable practices. LTI is also a signatory to the United Nations Global Compact (UNGC) Principles and United Nation Women's Empowerment Principles (UN WEPs). LTI has committed to become carbon and water neutral for India operations by the year 2030 and has also committed to set emission reduction targets through Science Based Target initiative (SBTi).

Insights on CSR & Sustainability initiatives and reports are available on the Company's website, www.Lntinfotech. com/social-responsibility.

19. Corporate social responsibility

The disclosures required to be given under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, are outlined in the Annual Report on CSR Activities for FY22, which is **Annexure C** to this Report.

The CSR Policy and CSR Annual Action Plan of the Company for FY22 is available on the Company's website, www.Lntinfotech.com/social-responsibility.

20. Directors & key managerial personnel

Appointment(s)/re-appointment(s) during FY22

- Mr. Anil Rander was appointed as Chief Financial Officer, w.e.f April 14, 2021;
- Mr. James Abraham was appointed as Independent Director (Additional) for a term of five years, w.e.f. July 18, 2021 till July 17, 2026;
- Mr. Rajnish Kumar was appointed as Independent Director (Additional) for a term of five years, w.e.f. August 26, 2021 till August 25, 2026;
- Mr. Sanjeev Aga was re-appointed as Independent Director for the second term of five consecutive years, w.e.f. November 9, 2021 till November 8, 2026;
- Mr. Sudhir Chaturvedi was re-appointed as Whole-time Director for five years, w.e.f. November 9, 2021 till November 8, 2026;
- Mr. Tridib Barat was appointed as Company Secretary & Compliance Officer, w.e.f. January 19, 2022;
- Mr. Vinayak Chatterjee was appointed as Independent Director (Additional) for a term of five years, w.e.f. April 1, 2022 till March 31, 2027.

In terms of Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014, in the opinion of the Board, all appointments/re-appointments of Independent Directors during the financial year were made after due veracity of their integrity, expertise and experience (including the proficiency).

Cessation(s) during FY22

- Mr. Manoj Koul ceased to be Company Secretary & Compliance Officer, due to his resignation, w.e.f. close of business hours of November 8, 2021.
- Mr. M. M. Chitale ceased to hold office as Independent Director with effect from close of business hours of March 31, 2022, consequent upon completion of his second term as Independent Director.

The Board places on record its appreciation for the services rendered by Mr. M. M. Chitale during his tenure as Independent Director and Mr. Manoj Koul during his tenure as Company Secretary & Compliance Officer.

Proposed re-appointment(s) in AGM

The Notice convening the 26th AGM includes the proposals for re-appointment of Mr. Nachiket Deshpande, Whole-time Director & Mr. R. Shankar Raman, Non-Executive Director, who are liable to retire by rotation, and being eligible, have offered themselves for re-appointment, for approval of members.

Members may refer the notice convening the 26th AGM for the disclosures under Section 102 of Companies Act, 2013, Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India.

21. Corporate governance report

The report on Corporate Governance is annexed as **Annexure D** to this Report.

22. Meetings of the board of directors

During FY22, 6 (six) Board meetings were held, mostly through video conferencing in compliance with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014. For details regarding these meetings, please refer 'Report on Corporate Governance' which is **Annexure D** to this Report.

23. Independent directors' meeting

During FY22, two meetings of Independent Directors were held on May 3, 2021 and October 14, 2021, in accordance with the requirements of Schedule IV to the Companies Act, 2013, Secretarial Standard-1 on Board Meetings ('SS-1') and SEBI Listing Regulations.

Further, a meeting of Independent Directors was held on April 5, 2022 to discuss, inter-alia, performance evaluation of the Board, its Committees, and the individual Directors for FY22 and assessment of flow of information from management to the Board.

24. Board committees

In terms of the requirements of the Companies Act, 2013 and SEBI Listing Regulations, the Board has constituted Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility ('CSR') Committee and Risk Management Committee. The Board has also constituted Strategic Investment Committee and Share Transfer Committee.

Details of each of the Committees outlining their composition, terms of reference & details of meetings held during FY22, are provided in the Report on Corporate Governance, which is **Annexure D** to this Report.

During FY22, recommendations made by the Committees to the Board of Directors were accepted by the Board, after necessary deliberations.

25. Company's policy on director's appointment and remuneration

The Nomination and Remuneration Policy is in place laying down the role of NRC, criteria of appointment, qualifications, term/tenure, etc. of Executive Directors & Independent Directors, annual performance evaluation, remuneration of Executive Directors, Non-Executive/Independent Directors, Key Managerial Personnel and Senior Management, and criteria to determine qualifications, positive attributes and independence of Director. NRC policy is available on the Company's website, www.Lntinfotech.com/Investors.

26. Declaration by independent directors

The Company has received declaration of independence from all the Independent Directors as stipulated under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, confirming that they meet the criteria of independence, which has been duly assessed by the Board as part of the performance evaluation of Independent Directors. Further, in terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Independent Directors have confirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

A certificate from the Chief Executive Officer & Managing Director regarding confirmation on behalf of the Board that the Independent Directors fulfill the conditions of independence, is annexed as Annexure - 2 to the Report on Corporate Governance.

27. Annual return

The annual return for FY22 is available on the Company's website, www.Lntinfotech.com/Investors

28. Internal financial controls

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2022, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and they are operating effectively and no material weakness exists. Further, the Company has a process in place to continuously monitor the internal financial controls and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

29. Compliance monitoring system

At LTI, ensuring regulatory compliance is of utmost importance. The Company ensures that appropriate business processes and adequate tools are in place for adherence to the statutory obligations. Regulatory compliances which are applicable to LTI globally, are monitored/tracked through an in-house web-based tool. On a quarterly basis, a certificate from CEO & Managing Director is presented to the Board of Directors outlining status of compliances, along with remediation plan for non-conformities, if any. Audit Committee, on bi-annual basis, reviews the status of compliances and remediation plan for non-conformities, if any.

Any amendment to the law(s) is also reviewed, updated in the system and monitored by the Company. The Company also engages external consultants to review and update the compliance requirements for new geographies and update the existing list of compliances. As part of Statutory Audit, the Company's Statutory Auditor also reviews the status of regulatory compliances.

The Company has put in place a framework on "Global Corporate Compliances" which outlines the Company's philosophy towards compliance culture, understanding compliances, coverage, approach, responsibilities, reporting matrix and trainings. The framework focuses on taking up compliance as an integral element for conducting business and create a corporate culture characterized with integrity and law-abiding behavior. Under this framework, identified key stakeholders across business units and respective heads of corporate functions, ensure and confirm compliance with the provisions of all applicable laws on a continuous basis.

During the reporting financial year, Company has further enhanced the mechanism to monitor compliances by setting up the 'Internal Compliance Committee' ('ICC') which monitors the regulatory compliance performance, remediation plans for non-conformities, on an ongoing basis. Periodic updates on regulatory compliance performance along with status of remediation plan is also reviewed by Risk Operating Committee comprising of CXOs and Operational Leadership, chaired by Chief Operating Officer. Key risk indicators of regulatory compliances are periodically reviewed by the Risk Management Committee of the Board.

30. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profit of the Company for the year ended March 31, 2022;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down an adequate system of internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. Performance evaluation of board of directors

The annual evaluation of the performance of the Board for FY22 was carried out with the help of an external agency with due compliance of provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI Listing Regulations. Online evaluation of Board, Board Committees, Chairman and individual Directors was carried out in line with the Guidance Note on Board Evaluation issued by SEBI.

The evaluation of the performance of the Board, its Committees, Chairman and Directors was also reviewed by the Independent Directors at their meeting held on April 5, 2022, Nomination & Remuneration Committee and the Board of Directors, at their respective meetings, held on April 19, 2022. Outcome of the evaluation indicated overall improvement in the performance of the Board, Committees, Directors, etc. vis-à-vis last year.

Individual members of the Board were evaluated against the skills/ expertise/ competencies identified and approved by the Board of Directors, as are required in the context of Company's business which, *inter-alia*, include competence/ expertise in areas of

- Strategy and Planning
- Governance, Risk Management and Compliance
- Finance, Accounts & Audit
- Global experience / international exposure
- Contributor and Collaborator
- Information Technology
- Client Engagement
- Stakeholders Engagement and Industry Advocacy.

The evaluation indicates that the Board of Directors has an optimal mix of skills/ expertise to function effectively. The mapping of board skills/ expertise vis-à-vis individual Directors is outlined in the Report on Corporate Governance, which is **Annexure D** to this Report.

32. Disclosure of remuneration

The information under Section 197(12) of the Companies Act, 2013 ('Act') and Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure E** to this Report.

The details of employees' remuneration under Rule 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is provided in **Annexure F** to this Report. In terms of the second proviso to Section 136(1) of the Act and the rules made thereunder, the Board's Report is being sent to the members without the aforesaid Annexure. Members interested in obtaining copy of the same may send an email to the Company Secretary and Compliance Officer at investor@Lntinfotech.com None of the employees listed in the said Annexure are related to any Director of the Company.

33. Compliance with secretarial standards

Your Directors state that the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

34. Prevention of sexual harassment at workplace

LTI is committed to provide a safe, secure and congenial work environment for all its employees that is free from sexual harassment. The Company has formulated a robust Policy for Prevention of Sexual Harassment at Workplace ('POSH') with clear guidelines for reporting acts of sexual harassment at the workplace and procedure for resolution and redressal of complaints of sexual harassment. LTI's Policy is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and in fact goes beyond, to make it gender-neutral and thus applicable to every employee in the organization. The Company has complied with provisions relating to the constitution of Internal Complaints Committee as required by law. The Policy is available on the website of the Company at www.Lntinfotech.com/investors

Awareness sessions and communication campaigns are conducted at regular intervals to promote a safe space for all genders and to sensitize employees. The training program on POSH has been made mandatory for all employees annually, across the globe.

During FY22, the Company received three complaints of sexual harassment. All such complaints have been resolved with appropriate action, with no complaint pending at the end of FY22.

35. Business responsibility report

Pursuant to Regulation 34 of the SEBI Listing Regulations, 'Business Responsibility Report' forms part of this Report as **Annexure G**, which outlines the initiatives taken by the Company from an environmental, social and governance perspective.

36. Integrated reporting

In our endeavour to enhance the quality of disclosures, an Integrated Report ('IR') encompassing financial and non-financial information forms part of the Annual Report.

The Integrated Report has been prepared in terms of the guiding principles laid down by the International Integrated Reporting Council ('IIRC') and has details about Company's approach towards creating and sustaining value for its stakeholders, its strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial capital, manufactured capital, intellectual capital, human capital, social & relationship capital and natural capital.

37. Employee stock option scheme

The Employee Stock Option Scheme 2015 ('ESOP Scheme 2015') is in place to attract and retain talent. There is no material change in the ESOP Scheme 2015 during the financial year under review. The ESOP Scheme 2015 is in compliance with the Companies Act, 2013 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the disclosures relating to the ESOP Scheme 2015 as required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available on the Company's website, www. Lntinfotech.com/Investors.

The certificate of the Secretarial Auditor, confirming compliance of ESOP Scheme 2015, with the Companies Act 2013 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is given in **Annexure H** to this Report.

38. CEO & CFO Certificate

In accordance with the provisions of Regulation 17(8) of SEBI Listing Regulations, certificate of Chief Executive Officer & Managing Director and Chief Financial Officer in relation to the Financial Statements for the year ended March 31, 2022, is Annexure - 1 to the Report on Corporate Governance.

39. Whistle blower mechanism

The Whistle Blower Policy of the Company meets the requirement of the Vigil Mechanism framework prescribed under the Companies Act, 2013 ('Act'). Whistle Blower Policy and Guidelines on Vigil Mechanism are available on the Company's website, www.Lntinfotech. com/Investors.

The Whistle Blower Policy facilitates the Directors and employees to report concerns about unethical behavior, actual/suspected fraud, any wrongdoing or unethical or improper practice. Further, to strengthen the Vigil Mechanism framework and to ensure timely and efficient redressal of complaints, 'Guidelines on Vigil Mechanism' are in place laying down the procedure and process flow for investigation to be conducted. The Policy also provides for adequate safeguards against victimization of the Whistle Blower. During the reporting financial year, the Company has further enhanced the mechanism by issuing the Policy on Prevention of Fraud to spread awareness among employees about LTI's zero tolerance towards any unethical or dishonest behaviour which constitutes fraud. The Audit Committee bi-annually reviews complaints received under the Vigil Mechanism. No employee was denied access to the Audit Committee and/or its Chairman.

40. Details of significant and material orders passed by regulators, courts or tribunals

During the year under review, there were no significant and material orders passed by regulators, courts or tribunals impacting the going concern status and the Company's operations in future.

41. Consolidated financial statements

The consolidated financial statements pursuant to Section 129(3) of the Companies Act, 2013, prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, forms part of this Annual Report.

42. Auditors

A. Statutory Auditor

M/s. B. K. Khare & Co., Chartered Accountants [ICAI Registration No. 105102W] (**'BKK'**) were appointed as Statutory Auditor of the Company by the members at the 21st AGM held on August 24, 2017, for a period of 5 years to hold office from conclusion of the 21st AGM till conclusion of the 26th AGM.

The Reports issued by Statutory Auditor on the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2022, do not contain any qualification, observation, comment or remark(s) which has adverse effect on the functioning of the Company, and therefore do not call for any comments from Directors. Further, the Statutory Auditor has not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

The Board of Directors of the Company at its meeting held on April 19, 2022, upon recommendation of the Audit Committee, approved appointment of M/s. Deloitte Haskins & Sells Chartered Accountants LLP [ICAI Registration No. 117364W/W100739] as Statutory Auditor of the Company, to hold office from the conclusion of the 26th AGM till conclusion of the 31st AGM, subject to approval of the members, and this proposal has been included in the notice convening the 26th AGM.

M/s. Deloitte Haskins & Sells Chartered Accountants LLP have confirmed:

- their eligibility to act as Statutory Auditor and that their appointment, if made, will be within the limits specified under the Companies Act, 2013;
- that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India ('ICAI') and hold valid certificate issued by the Peer Review Board of ICAI; and
- independence as well as their arm's length relationship with the Company and declared that they have not taken up any prohibited non- audit assignments for the Company.

B. Secretarial Auditor

The Secretarial Audit Report issued by M/s. Alwyn Jay & Co., Practising Company Secretaries is annexed as **Annexure I** to this Report. The Secretarial Auditor's Report to the members does not contain any qualification or reservation which has any material adverse effect on the functioning of the Company, save and except an observation regarding non-compliance of Board composition in terms of Regulation 17(1) of SEBI Listing Regulations for the quarters ended March 31, 2021, and June 30, 2021 and upto August 25, 2021, on account of delay in filling up the vacancies in the office of Independent Director.

Even after sincere and genuine efforts to identify and finalise the candidates to fill the vacancies in the Board of Directors which arose due to completion of term of Mr. Arjun Gupta on October 27, 2020 and Mr. Samir Desai on March 31, 2021, the Company could not fill the same within the time prescribed by law therefor. The outbreak of Covid-19 from March 2020 onwards and lock-down and other curbs imposed thereafter, compounded the Company's constraints to fill the above vacancies. As on date, the Board composition of LTI is compliant with the requirements under Regulation 17(1) of SEBI Listing Regulations. During the year under review, the Company paid fine aggregating to ₹12,39,000 'under protest' to each of National Stock Exchange Limited (NSE) and The BSE Limited (BSE) for the aforesaid delay in filling in the vacancies in the Board of Directors. The Company has represented to the stock exchanges for waiver of the fine paid, in view of the constraints outlined above.

43. Cost records and audit

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

44. Other disclosures

- Remuneration received by Whole-time Director from subsidiary company: During the financial year, no Whole-time Director received remuneration from any of the subsidiary(ies) of the Company.
- During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against LTI, before National Company Law Tribunal or other court(s).

45. Awards & recognition

Corporate/ Marketing awards:

- Mr. Sanjay Jalona won the 'Business Today: Best CEO Award' in the IT/ITeS category.
- LTI is among the top 25 most valuable IT services brands in the Brand Finance IT Services 25 2022 ranking.
- Duck Creek recognizes Ecosystem Partner, LTI, as Formation'22 Hatch-a-thon Champion.
- LTI leads the Institutional Investor's 2021 All Asia Executive Team Ranking in the IT Services & Software space.
- LTI USA is certified as a Great Place to Work US (GPTW), for the second consecutive year.
- LTI recognized as a Top Employer in the UK for second time in a row.
- LTI recognized as Great Place to Work in Denmark.
- LTI bags Golden Peacock National Quality Award, 2021.
- LTI bagged two prestigious awards at the 22nd National Award Ceremony for Excellence in Energy Management, hosted by Confederation of Indian Industry (CII).
- LTI awarded the winner in both Risk Management and Cyber Security categories in L&T Risk Management Awards 2021.
- LTI ranks among top 10 Companies with a score of 71 in CRISIL ESG Compendium 2021.
- LTI won the 'Customer Award for Workplace', in Hybrid working, APAC region' by Meta (erstwhile Facebook).
- LTI won Honda's 2021 Indirect Procurement Supplier Award.

Analyst and Advisory recognitions:

- LTI topped the list of 'IT Services Challenger 2021' in Everest Group's PEAK Matrix Service Provider of the Year TM Awards and ranked among the Top 10 in the overall PEAK Matrix® rankings for IT services.
- 'Lumin', an augmented analytics product by Fosfor (formerly LTI Leni) recognized in the Forrester Tech Tide™: Enterprise Business Insights and Analytics, Q1 2021.
- Spectra, a comprehensive DataOps product by Fosfor (formerly LTI Mosaic Decisions) recognized in the Forrester Tech Tide™: Enterprise Business Insights and Analytics, Q1 2021.
- LTI positioned as an 'Innovator' in Avasant's IoT Services RadarView™ Report 2021.
- LTI recognized as a representative vendor in the Gartner Market Guide for Artificial Intelligence Service Providers.
- LTI recognized as a Leader in the ISG Provider Lens™ Utilities Industry – Services and Solutions – North America 2021 Report.
- LTI recognized in the Forrester report: Experience Design Provider Trends, 2021.
- ISG Provider Lens™: Digital Business — Solutions and Service Partners 2021
  a. LTI Positioned as a 'Leader' in Digital Business Consulting Services – US.
  b. LTI Positioned as a 'Leader' in Digital Business Experience Services – US.
- LTI Syncordis positioned as a 'Leader' in Everest Group's Temenos IT Services PEAK Matrix® Assessment 2022.

- LTI positioned as a major player in IDC MarketScape Worldwide Managed Multicloud Services Vendor Assessment 2021.
- LTI ranked 5th in HFS Top 10 Energy Services 2021.
- LTI positioned as a Leader in Everest Group's Insurance Platforms IT Services PEAK Matrix Assessment 2022.
- LTI recognized in Gartner Report, 'What Distinguishes Successful Service Providers' in the Data and Analytics Services Market, Twiggy Lo, October 28, 2021.
- Fosfor Lumin, the AI-powered augmented analytics product (formerly LTI Leni) recognized in The Forrester Report: Augmented BI Holds New Promises, November 2021.

46. Acknowledgements

Your Directors place on record their sincere thanks to the customers, vendors, investors, banks, financial & academic institutions, stock exchanges and all other stakeholders for their continued co-operation and support.

Your Directors also acknowledge the support and co-operation from the Government of India, State Governments and overseas Government(s), their agencies and other regulatory authorities.

Your Directors also appreciate the commendable efforts, teamwork and professionalism of the employees of the Company.

For and on behalf of the Board

Place: Mumbai
Date: April 19, 2022

Nachiket Deshpande
Chief Operating Officer &
Whole-time Director
(DIN: 08385028)

Sanjay Jalona
Chief Executive Officer &
Managing Director
(DIN: 07256786)

Annexure A

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiary Companies

(₹ in Mn)

1	Sl. No.	1	2	3	4	5	6	7	8	9
2	Name of Subsidiary	Larsen & Toubro Infotech GmbH	Larsen & Toubro Infotech Canada Limited	Larsen & Toubro Infotech LLC	L&T Infotech Financial Services Technologies Inc.[3]	Larsen And Toubro Infotech South Africa (Pty) Limited	L&T Information Technology Services (Shanghai) Co. Ltd.	L&T Information Technology Spain SL	L&T Infotech S.de. RL. De. C.V	Syncordis S.A.
	Country	Germany	Canada	USA	Canada	South Africa	China	Spain	Mexico	Luxembourg
3	Date of becoming subsidiary	June 14, 1999	October 14, 2005	July 21, 2009	January 1, 2011	July 25, 2012	June 28, 2013	February 1, 2016	March 1, 2017	December 15, 2017
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2022	31-03-2022	31-03-2022	31-03-2022	31-03-2022	31-12-2021	31-03-2022	31-12-2021	31-12-2021
5	Reporting currency Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	EUR 84.22	CAD 60.49	USD 75.79	CAD 60.49	ZAR 5.23	CNY 11.94	EUR 84.22	MXN 3.79	EUR 84.22
6	Share capital	9	0	-	1,120	2	11	4	0	4
7	Reserves & surplus	3,660	493	66	2,008	175	(28)	1	42	440
8	Total assets	5,057	722	93	3,669	306	22	53	103	1,701
9	Total liabilities	1,388	229	26	540	129	38	48	61	1,256
10	Investments	4,414	-	-	-	-	-	-	-	40
11	Turnover	1,649	3,513	162	3,567	389	92	133	579	2,129
12	Profit/(loss) before taxation	(174)	158	2	1,484	80	18	2	34	98
13	Provision for taxation/ (credit)	(14)	43	0	394	23	(5)	0	10	14
14	Profit/(Loss) after taxation	(160)	115	2	1,090	57	22	2	25	84
15	Proposed Dividend	-	-	-	-	-	-	-	-	-
16	% of shareholding	100.00	100.00	100.00	100.00	69.58	100.00	100.00	100.00	100.00

(₹ in Mn)

1	Sl. No.	10	11	12	13	14	15	16	17	18
2	Name of Subsidiary	Syncordis PSF S.A.	Syncordis Limited, UK	Syncordis SARL, France	Larsen & Toubro Infotech Norge AS	Nielsen+ Partner Unternehme nsberater GmbH	Nielsen+ Partner Unternehme nsberater AG	Nielsen+ Partner PTE. Ltd.	Nielsen & Partner PTY Ltd	Nielsen & Partner Company Limited
	Country	Luxembourg	UK	France	Norway	Germany	Switzerland	Singapore	Australia	Thailand
3	Date of becoming subsidiary	December 15, 2017	December 15, 2017	December 15, 2017	November 20, 2018	March 1, 2019	March 1, 2019	March 1, 2019	March 1, 2019	March 1, 2019
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-12-2021	31-12-2021	31-12-2021	31-03-2022	31-01-2022	31-12-2021	31-12-2021	31-12-2021	31-12-2021
5	Reporting currency	EUR	GBP	EUR	NOK	EUR	CHF	SGD	AUD	THB
	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	84.22	99.46	84.22	8.69	84.22	82.03	55.97	56.74	2.28
6	Share capital	32	0	1	0	17	7	5	0	2
7	Reserves & surplus	58	(249)	(76)	93	84	25	269	(51)	(27)
8	Total assets	430	421	122	413	218	127	446	66	16
9	Total liabilities	339	670	197	320	117	95	172	117	40
10	Investments	-	-	-	-	17	-	-	-	-
11	Turnover	530	461	319	1,184	166	251	591	63	20
12	Profit/(loss) before taxation	92	(58)	(27)	65	(18)	(7)	(96)	(39)	(8)
13	Provision for taxation/ (credit)	30	12	(11)	8	(3)	(2)	(16)	3	-
14	Profit/(Loss) after taxation	62	(70)	(15)	57	(15)	(5)	(80)	(42)	(8)
15	Proposed Dividend	-	-	-	-	-	-	-	-	-
16	% of shareholding	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

(₹ in Mn)

1	Sl. No.	19	20	21	22	23	24	25	26	27
2	Name of Subsidiary	Ruletronics Limited	Ruletronics Systems Inc	Lymbyc Solutions Private Ltd	Lymbyc Solutions Inc.	Powerupcloud Technologies Private Limited	Larsen & Toubro Infotech UK Limited	LTI Middle East FZ-LLC	Cuelogic Technologies Private ltd[2]	Cuelogic Technologies Inc[2]
	Country	UK	USA	India	USA	India	UK	Dubai	India	USA
3	Date of becoming subsidiary	March 15, 2019	March 15, 2019	August 29, 2019	August 29, 2019	October 25, 2019	August 17, 2020	November 25, 2020	July 7, 2021	July 7, 2021
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	28-02-2022	31-12-2021	31-03-2022	31-03-2022	31-03-2022	31-03-2022	31-03-2022	31-03-2022	31-03-2022
5	Reporting currency	GBP	USD	INR	USD	INR	GBP	AED	INR	USD
	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	99.46	75.79	1.00	75.79	1.00	99.46	20.64	1.00	75.79
6	Share capital	0	-	11	6	0	0	37	0	0
7	Reserves & surplus	(0)	10	(6)	(9)	65	127	143	136	10
8	Total assets	-	11	33	-	85	887	3,113	291	30
9	Total liabilities	0	1	28	4	21	760	2,934	154	20
10	Investments	-	-	6	-	-	-	-	-	0
11	Turnover	16	73	0	-	97	3,263	3,702	431	81
12	Profit/(loss) before taxation	(3)	3	(18)	(0)	20	159	162	(2)	8
13	Provision for taxation/ (credit)	(0)	1	4	-	0	31	-	(1)	2
14	Profit/(Loss) after taxation	(3)	2	(22)	(0)	20	128	162	(1)	6
15	Proposed Dividend	-	-	-	-	-	-	-	-	-
16	% of shareholding	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Notes:
1. Indian rupee equivalents of the figures in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2022.
2. The Company acquired Cuelogic Technologies Private Limited along with its wholly-owned subsidiary in US, Cuelogic Technologies, Inc. , on July 7, 2021, with the effective date of acquiring control from July 1, 2021.
3. During the year, L&T Infotech Financial Services Technologies Inc. ("LTIFST") carried out buy back of 33.33% of its total equity capital (i.e. 200,000 shares) from its shareholder (the Company).

Sanjay Jalona
Chief Executive Officer & Managing Director
(DIN: 07256786)

Nachiket Deshpande
Chief Operating Officer & Whole-time Director
DIN: 08385028

Place: Mumbai
Date: April 19, 2022

Anil Rander
Chief Financial Officer

Tridib Barat
Company Secretary & Compliance Officer

Annexure B

Information on conservation of energy, technology absorption, foreign exchange earnings & outgo as per Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (accounts) rules, 2014

A. Conservation of energy

(i) Steps taken or impact on conservation of energy:

LTI has been focusing on reducing the environmental impact of operations for many years. Our strategies and actions reflect our commitment towards a sustainable habitat. LTI stands by its commitment towards Energy Conservation to achieve Carbon Neutral & Water Neutral for India Operations by the year 2030. Energy Conservation is a continuous and enduring process, and it has been at the forefront of Company's strategy in curbing emissions. Despite curtailed operations due to the pandemic, we have reduced our power consumption by investing in various energy efficient equipment and accessories. The energy conservation initiatives taken at various locations accrued savings of approximately 8.4 L kWh

(ii) Steps taken by the company for utilising alternate sources of energy:

We are committed to substitute 50% of our energy from renewable sources by the year 2030 and various aspects are being explored like Power Purchase Agreements (PPA), Green Tariff and Solar Plants. There is constant focus to upgrade our green buildings to higher ratings. We have commissioned 100 kWp solar plant at our Bengaluru campus in Whitefield and sourcing 100% green power at Powai, Mumbai through utilities. Also, leased campuses at Airoli, Navi Mumbai and Chennai have increased their green energy footprint considerably. LTI is currently sourcing 32.3% of the total energy requirements from renewable sources.

(iii) Capital investment on energy conservation equipment:

₹22.8 Mn

Investments were majorly towards replacement of old equipment with New Gen energy efficient equipment like the following:

(a) Inverter AC Units
(b) LED Light Fittings
(c) Motion Sensors
(d) Energy Efficient Motors
(e) Modular UPS Systems
(f) VFD

B. Technology absorption & research and development

(i) Efforts made towards technology absorption; and

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Your Company is leveraging technology to create sustainable advantage not only for itself but more importantly, for its clients. While the Company has the real-world expertise in diverse domains, it has also invested consciously towards building expertise in exponential technologies namely in the areas of Metaverse, Cloud, Analytics, Industry 4.0, Artificial Intelligence ('AI') and Automation, etc. These are further enumerated below:

Metaverse

Metaverse is a complete paradigm shift on how interactions on the internet will take place. LTI believes that Metaverse will have a trajectory of adoption similar to that of cloud, though at an accelerated pace. Similar to the Digital First launches and OTT exclusive releases, we will see "Metaverse First" strategies from enterprises in the near future.

Your Company has setup a dedicated unit for Metaverse under the Global Technology Office to service the client needs in this area. The dedicated unit brings in the new Metaverse capabilities as well as unifies other capabilities that LTI has around design, block chain and 5G under a single umbrella. The Metaverse unit will focus on co-innovation and implementing use cases for our clients as well as provide advisory services for those embarking on the journey. Your Company already have built a "3E" framework for Metaverse and the services will be around that. The 3E's are Experience, Economy, Enablement. Our Experience services deal with AR / VR implementations and design. Economy services revolve around Crypto, NFTs and Block-chain whereas the Enablement services are around AI/ML, IOT and 5G in the Metaverse context.

There are active conversations with several of our top clients around our Metaverse capabilities. While there is lot of excitement that we are seeing off late, there is also an equal amount of confusion in the minds of our clients on how to go about it. Hence, we have dedicated advisory service offerings where our Metaverse experts work with the clients to help them understand what Metaverse is and how does it impact their industry. While we all are aware of the use cases in the entertainment industry, we see more enterprise use cases coming into it. Some of it are-securing and monetizing IP using NFT and blockchain especially in retail sectors. Metaverse based collaborative product development within manufacturing or, NFTs insurance backed by cryptocurrency settlements are a few of these.

Cloud

Today, organizations are shifting rapidly towards differentiation through business platforms. There is a huge growth in demand for digitization and modernization at scale and speed, which essentially requires modern technology platforms to support business composability, data process and AI engineering, distributed compute, privacy and security. These technology breakthroughs are primarily delivered by cloud platforms and cloud native engineering. LTI is continuously helping enterprises to deliver exponential business transformation leveraging cloud through its $C=BT^2$ strategy aligned to a well-defined industry North Star. This involves taking decisions aligned to their business priorities to select the right cloud platform and services, migrating the workloads from Data Centers to scalable cloud infrastructure and services, architecting for appropriate model (public, private, hybrid or multi cloud), building innovative business capabilities, adopt modern engineering services line edge computing, containers, serverless, observability, data mesh etc., continuous monitoring for security, compliance and cost. Your Company has made the right investment to stay ahead of the curve and emerge as a leader in the cloud space. LTI has setup strategic business units aligned to hyperscalers such as Microsoft Azure, AWS (Amazon Web Services) and GCP (Google Cloud Platform) to bring in the right focus for go to market strategy and capability development.

LTI has a robust end-to-end cloud enablement and management platforms eco-system to enable breakaway enterprises digitize the core, which includes:

- "Infinity Cloud" end to end cloud solutions and service platform to deliver capabilities across cloud with integrated business north star across lifecycle including assessment, migration, modernization, DevSecOps, observability, cloud operation and Sustainability through cloud. Infinity Cloud platform is a combination of multiple sub platforms and atomic efficiency kits to enable faster adoption of cloud and an intelligence layer helps enterprises getting the right insights into their cloud ecosystem.
- "Canvas Sunshine" end to end data platform modernization and management suite to help customer adopt and leverage data capabilities on cloud.
- "Canvas DevOps" to help value-stream based management and end to end DevOps/ DevSecOps automation and governance.
- "Infinity Ensure" to enable autonomous Cloud Governance, Cloud Security Posture Management, Compliance and FinOps.
- "Infinity LAMPS" platform to accelerate SAP migration and modernization journey to cloud across all hyperscalers with comprehensive insights throughout the migration lifecycle.

Additionally, in current challenging business scenarios, LTI has been helping customers through multiple Cloud focused offerings like:

- "DC Uplift" – End to end Migration Readiness Assessment, Migration, Modernization and Managed services
- "Purposeful transformation strategy" – tailored cloud adoption strategy aligned to business and industry north star with measurable outcomes
- "Portfolio rejuvenation" – Industry North star aligned cloud native transformation of application landscape with embedded future state cloud architecture, engineering best practices and efficiency kits
- "FinOps for Cloud" – proactive and predictive financial operations management for cloud to reduce overall TCO of cloud adoption
- "Data & Analytics on Cloud" – building modern, intelligent and secure data platform ecosystem on cloud to support business decisions and outcomes
- "Cloud Ways of Working" – establish a scaled and federated Cloud Centre of Excellence for our customers to manage end to end cloud lifecycle
- "Sustainability through cloud" – enable enterprises to adopt right cloud platform services and architecture patterns to ensure reduction in carbon footprint

LTI believes cloud will continue to be the pedestal for driving all digital transformation and will continue to invest in creating innovative solutions and services in this space.

Analytics, AI & Cognitive

"DATA is the oil of the 21st century, and analytics is the combustion engine". Your Company believes in executing @speed and monetizing @scale and transforming business at exponential speed. LTI's Analytics, AI & Cognitive practice assists in achieving business agility with a data-first approach, as well as the democratization of data, analytics and use cases. Your Company has an integrated suite of products and services that helps businesses monetize data at speed and at scale enabling data commerce for client's through solutions around comprehensive no-code/low-code platforms & Lego blocks for data, AI and automation.

Your Company is solving for breakaway outcomes to empower customer experiences and experience transformation. LTI's Analytics, AI & Cognitive practice has offerings on data-on cloud, next-gen data management, AI engineering and Data products. For building modern data-driven enterprises, your Company has been innovating for organizations through future-proof architectural blueprints positioned around the right technology stacking to meet the industry demands through niche domain expertise. The business model focuses on accelerating data and analytics services through pre-built IPs and accelerators across data-to-decision value chain.

Your Company is deeply focused on building strategic partnerships with technology partners, startups and academia. Through our people, process, and technology approach, we envision building a data-driven culture fueled by passionate tech tribes. Our workforce is continuously striving for excellence in terms of service delivery and innovation by providing state of art tools/accelerators/ platforms to clients for a transformational digital journey.

LTI recently launched Fosfor, the only end-to-end product suite for optimizing all aspects of the data-to-decisions lifecycle. Fosfor helps make better decisions, ensuring there is a right data in more hands in the fastest time possible. The Fosfor Product Suite is made up of Spectra, a comprehensive DataOps platform; Optic, a data fabric to facilitate data discovery-to-consumption journeys; Refract, a Data Science and MLOps platform; Aspect, a no-code unstructured data processing platform; and Lumin, an augmented analytics platform. Taken together, the Fosfor suite helps businesses discover the hidden value in their data.

Your Company believes in democratizing analytics & AI. LTI believes in achieving business agility with a data-first approach and continues to build a data-driven culture across key functions like Operations, IT Support, Finance, HR etc.

Industry 4.0

Industry 4.0 Practice is formulated with a mission to create value at the intersection of domain, digital engineering, and smart technologies and accelerate digital transformation journeys of our customers. We had established a dedicated CoE (Centre of Excellence) to develop technology accelerators, industry specific solutions and POCs (Proof of Concept) for use cases in next generation technologies like 5G & block chain.

Aligning ourselves with the customers key transformation goals around Factory of the Future, servitization for new revenue models and sustainability, we have pivoted our industry 4.0 practice around three broad solution themes- Smart Manufacturing, Connected Solutions and Smart Spaces.

- **Smart Manufacturing:** An array of solutions under our IXC (Industry X.0 Canvas) framework, powered by IoT (Internet of Things), edge & cloud computing and other smart technologies AI/ML (Artificial Intelligence/Machine Learning), computer vision, AR/ VR (Augmented & Virtual Reality) to drive efficient, agile, safer & sustainable manufacturing operations.
- **Connected Solutions:** An end-to-end solution for realization of connected vison of our customers. It included onboarding IoT devices, data acquisition & integration of different data sources (engineering design, PLM (Product Lifecycle management), ERP, Asset management etc.) in a contextualized manner to create asset digital twin for remote asset monitoring, predictive maintenance, automated regulation, and cognitive assistance.
- **Smart Spaces:** Onboarding the different components of building systems HVAC (Heating, Ventilation & Air Conditioning), lighting systems, sewage and water treatment plant, air quality, security access, DG sets, solar etc.) on one single platform for real time monitoring. Powered by Digital Twin and data driven insights, it helps organizations optimize energy consumption, reduce carbon footprints and enhance the end user experience.

Automation

With automation slowly emerging to be a pivot and not just a key lever for businesses, IT enterprises and service providers are continuing to invest in business and IT automation programs. Also, as the race is on for cloudification, digital supply chains and improved customer experience, the need to pick the right path becomes important. While the maturity of automation techniques like Runbook Automation (RBA), Robotic Process Automation (RPA), IT Process Automation (ITPA), Intelligent Process Automation (IPA), Data Analytics (DA), and Artificial Intelligence (AI) are advancing rapidly, organizations are facing multiple challenges (internal and external) in automation adoption, acceleration and finally benefit realization. LTI continues to invest in a 360-degree approach to enable businesses to prevent/ overcome the challenges and industrialize 'Automation as a way of working' across the organization which yielded excellent outcome in FY22.

LTI's continued investments towards Automation transformation includes (a) Establishment of exclusive Center of Excellence (COE) to drive Digital initiatives which includes Automation transformation across all of client engagements; (b) AI enabled automation tools/ platform development & industrialization (IPs) team; (c) Exclusive automation academy for skill transformation; (d) Account/ Client experience transformation governance; (e) AIOPS Automation factory (shared) to create re-usable BOTs & optimize development effort; (f) Automation COEs – Business and IT Automation; (g) Setup of inclusive 'Automation task force' with representation from all competencies and business units; (h) Automation life cycle standards and methodology; and (i) Robust Audit and Compliance mechanisms for assurance.

LTI's constant measures towards automation industrialization yielded positive outcome. Some of the highlights includes (a) Created an industrialized framework, 'AUTOGRIT' for IT Automation (trademark pending) (b) Continued Investment in Automation IPs - Platforms (CANVAS JORTIZ AIOPS Platform, Canvas BRAIO Orchestrator, SAP Profiler, Oracle Digital command center) which have also gone live in multiple clients as part of 'BIG Foot transformation program'; (c) 1360 + BOTs gone live across multiple clients; (d) Our re-usable BOTs repository up by 750+; (e) Increased Automation coverage from 80 accounts in FY21 to 111 accounts in FY22; (f) Realized 68% productivity improvement and 25% reduction in Mean time to Repair ('MTTR') due to the incremental coverage; (g) Reskilled more than 8000 lateral associates and 90% of new campus hire associates (3,000+); (h) Recognized as a 'LEADER' by key analysts for 'Intelligent Automation Solution / Service Provider' (ISG) and 'Cognitive & Self-healing IT Infrastructure services' (NelsonHall); and (i) Established crowd sourcing platform (Canvas Gig) to incubate continuous innovation;

LTI will continue to invest and accelerate automation adoption to enable/ accelerate client's digital transformation. In addition to ongoing initiatives, as part of the strategy, LTI will continue to focus on - (1) accelerating AIOPS adoption across client engagements; (2) leverage our learnings, domain knowledge and assessment tools to offer advisory and/ or automation as a service (3) modernize current offerings with AI, automation and IPs embedded; (4) institutionalize automation as part of our Newgen CONVERGED hybrid IT operation model; (5) utilization of reskilled / cross skilled associates in developing automation solutions as part of our strategy; (6) security compliance as core within all automation solutions; (7) education series for leaders and managers both within LTI as well client teams; (8) continue to build end-to-end automation solutions with integrated business and IT processes; (9) enhance automation coverage / maturity across client engagements; and (10) Go To Market ('GTM') with our strategic alliances and partners.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a. details of technology imported:	Nil
b. year of import:	
c. whether the technology been fully absorbed:	
d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:	

(iv) Expenditure on Research & Development:

₹692 Mn

C. Foreign exchange earnings and outgo

(₹ in Mn)

Particulars	2021-22	2020-21
Foreign exchange earned	132,251	105,873
Foreign exchange used	51,633	47,865

For and on behalf of the Board

Nachiket Deshpande
Chief Operating Officer & Whole-time Director
(DIN: 08385028)

Sanjay Jalona
Chief Executive Officer & Managing Director
(DIN: 07256786)

Place: Mumbai
Date: April 19, 2022

Annexure C

Annual report on CSR activities for financial year ended on March 31, 2022

1. Brief outline on CSR Policy of the Company:

Our social initiatives are aimed to empower communities with due focus on improving the quality of education among children from underprivileged communities and helping them with learning outcomes, enhancing skills of the marginalized youth and women, providing special education & skills for physically and intellectually challenged people to make them employable, and addressing the critical issue of environment conservation. Our projects help promote sustainable community development, with a commitment to promote the cause of creating a more inclusive society. LTI's CSR policy can be viewed at https://www.lntinfotech.com/social-responsibility/

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings attended
1	Mr. Sanjay Jalona	Chairperson (Executive Director)	3	3
2	Mr. Sudhir Chaturvedi	Member (Executive Director)	3	3
3	Mr. Sudip Banerjee	Member (Independent Director)	3	3

3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

- Weblink for composition of CSR Committee — https://www.lntinfotech.com/investors/corporate-governance/
- CSR Policy & CSR Projects — https://www.lntinfotech.com/social-responsibility/

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Third party impact assessment for two projects were completed for FY19-20 viz. Virtual Teaching with eVidyaloka and Digital Sakshar with Pratham Infotech Foundation as these projects had outlay in excess of ₹1 Crore. The key assessment framework adopted for the impact assessment was from the OECD DAC criteria (The Organization for Economic Co-operation and Development — Development Assistance Committee). The OECD DAC Network on Development Evaluation (EvalNet) has defined 6 evaluation criteria – Relevance, Coherence, Effectiveness, Efficiency, Impact and Sustainability. These criteria provide a framework to determine the merit or worth of an intervention (policy, strategy, programme, project or activity). They serve as the basis upon which evaluative judgements are made.

Attached are the Impact Assessment Report for both the above mentioned projects, and given below are their MOU values:

Thrust Area	Project	MOU Value for FY19-20 (₹ in Mn)
Education	Virtual Teaching with eVidyaloka	20.9
Empowerment	Digital Sakshar with Pratham Infotech Foundation	37.1

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
		-NIL-	

6. Average net profit of the company as per section 135(5): ₹19,584 Mn

7. (a) Two percent of average net profit of the company as per section 135(5): ₹391.68 Mn

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹391.68 Mn

8. (a) CSR amount spent or unspent for the financial year 2021-22: Nil

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year: ₹382.96 Mn

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹ Mn)	Mode of implementation - Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Virtual Teaching with eVidyaloka	(ii)	Yes	Karnataka, Tamil Nadu, Andhra Pradesh, Maharashtra and Uttarakhand	Dharward, Koppal, Raichur, KR Nagar, Mysuru, Tiruvannamalai, Chitoor, Krishna, Ahmad Nagar, Satara, Gadchiroli and Nainital	15.99	No	eVidyaloka Trust	CSR00000867
2	Virtual Teaching with eVidyaloka	(ii)	Yes	Tamil Nadu	Chennai	14.20	No	eVidyaloka Trust	CSR00000867
3	Virtual Teaching with Prerana	(ii)	Yes	Karnataka	Dharward, Koppal and Bengaluru	8.07	No	Prerana	CSR00002477
4	Junior Aryabhatta Computer Education	(ii)	Yes	Maharashtra	Pune	7.90	No	Seva International Akshar Bharati	CSR00000559
5	Introduction to basic technology	(ii)	Yes	Maharashtra	Pune	9.41	No	Vigyan Ashram	CSR00003659
6	Avishkar	(ix)	Yes	Maharashtra	Mumbai	9.00	No	Veermata Jijabai Technological Institute Technology Business Incubator (VJTI TBI)	CSR00003365

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹ Mn)	Mode of implementation - Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration number
7	Quizabled with Seva in Action	(ii)	Yes	Karnataka, Maharashtra and Tamil Nadu	Bengaluru, Mumbai and Chennai	3.60	No	Seva in Action Association	CSR00003408
8	Incubation Project	(ix)	Yes	Tamil Nadu	Chennai	5.06	No	IIT Madras	CSR00004320
9	Mid-day meals with Akshaya Patra	(ii)	Yes	Karnataka	Bengaluru	10.00	No	The Akshaya Patra Foundation	CSR00000286
10	Social Catalyst Fund	(ii)	Yes	Karnataka, Tamil Nadu and Maharashtra	Bengaluru, Chennai, Mumbai and Pune	4.50	No	Collective Good Foundation	CSR00001648
11	Incubation and Research NITIE	(ix)	Yes	Maharashtra	Mumbai	6.00	No	NITIE	CSR00015300
12	IITM Quantum Hub Project	(ix)	Yes	Tamil Nadu	Chennai	8.10	No	IIT Madras	CSR00004320
13	Digital Sakshar (Mumbai)	(ii) & (iii)	Yes	Maharashtra	Mumbai	25.01	No	Pratham Infotech Foundation	CSR00002475
14	Digital Sakshar (Pune)	(ii) & (iii)	Yes	Maharashtra	Pune	5.50	No	Pratham Infotech Foundation	CSR00002475
15	Data Analytics Skilling	(ii) & (iii)	Yes	Tamil Nadu	Chennai	4.00	No	Hope Foundation	CSR00000472
16	Digital Skills with Lokbharti	(ii) & (iii)	Yes	Maharashtra	Mumbai	1.80	No	Lokbharti	CSR00001361
17	Skill and Knowledge Development Center	(iii)	Yes	Maharashtra	Mumbai and Pune	5.01	No	Sankalp Manav Vikas Sanstha	CSR00002603
18	Women Artisans Skill based Project	(iii)	Yes	Maharashtra	Mumbai	10.04	No	Charities Aid Foundation (CAF) India	CSR00001692
19	Women Livelihood Project	(iii)	Yes	Maharashtra	Mumbai	4.19	No	Development Alternatives	CSR00000829
20	IT Skills Project with Sujaya Foundation	(ii)	Yes	Maharashtra	Mumbai	4.23	No	Sujaya Foundation	CSR00001235
21	Vocation Training Center	(ii)	Yes	Tamil Nadu	Chennai	1.80	No	The Spastics Society of Tamil Nadu (SPASTN)	CSR00001373
22	Tree Plantation	(iv)	Yes	Karnataka, Maharashtra and Tamil Nadu	Bengaluru, Mumbai and Chennai	22.50	No	SayTrees Environmental Trust	CSR00000702
23	Tree Plantation	(iv)	Yes	Telangana	Hyderabad	5.14	No	SayTrees Environmental Trust	CSR00000702
24	Greenathon - Tree Plantation	(iv)	Yes	Maharashtra	Pune	3.98	No	Being Volunteer Foundation	CSR00000932
25	Tree Plantation	(iv)	Yes	Karnataka and Kerala	Mysuru, Uttara Kannada, Chikkamagaluru and Wayanad	1.04	No	Wildlife Conservation Society - India	CSR00001273
26	Tree Plantation	(iv)	Yes	Maharashtra	Raigad	10.00	No	Swades Foundation	CSR00000440
27	Palghar Tree Plantation Project	(iv)	Yes	Maharashtra	Palghar	3.55	No	Shop for Change Fair Trade	CSR00007165
28	Farm Pond	(iv)	Yes	Karnataka	Hubli and Dharwad	7.50	No	Deshpande Foundation	CSR00001646
29	Tree Plantation	(iv)	Yes	Maharashtra	Pune	3.00	No	Being Volunteer Foundation	CSR00000932
30	Ecochulhas - Biostove	(iv)	Yes	Maharashtra	Alibaug	1.54	No	Applied Environmental Research Foundation	CSR00005317
31	Covid relief support with UNGC Network India	(i) & (xii)	Yes	Karnataka	Bengaluru	64.12	No	Charities Aid Foundation (CAF)	CSR00001692
32	Covid relief support with Collective Good Foundation	(i) & (xii)	Yes	Karnataka	Bengaluru	26.95	No	Collective Good Foundation	CSR00001648
33	Covid relief support with Deshpande Foundation	(i) & (xii)	Yes	Karnataka	Bengaluru	7.63	No	Deshpande Foundation	CSR00001646
34	Covid relief support with SELCO Foundation	(i) & (xii)	Yes	Karnataka	Bengaluru	6.14	No	SELCO Foundation	CSR00002487
35	Covid relief support with Akshar Bharati	(i) & (xii)	Yes	Maharashtra	Pune	9.90	No	Akshar Bharati	CSR00000559
36	Covid relief support with Vigyan Ashram	(i) & (xii)	Yes	Maharashtra	Pune	0.76	No	Vigyan Ashram	CSR00003659
37	Covid relief support with Sankalp Manav Vikas Sanstha	(i) & (xii)	Yes	Maharashtra	Mumbai and Pune	0.37	No	Sankalp Manav Vikas Sanstha	CSR00002603
38	Covid relief support with Pratham Education	(i) & (xii)	Yes	Maharashtra	Mumbai	2.38	No	Pratham Education	CSR00000751
39	Covid relief support with FUEL	(i) & (xii)	Yes	Maharashtra	Pune	3.48	No	Friends Union for Energising Lives (FUEL)	CSR00000051
40	Covid relief support with Sujaya Foundation	(i) & (xii)	Yes	Maharashtra	Mumbai	10.58	No	Sujaya Foundation	CSR00001235
41	Contribution for PSA O2 Plant	(i) & (xii)	Yes	Tamil Nadu and Telangana	Chennai and Warangal	28.99	No	Not Applicable	Not Applicable
	Total					**382.96**			

(d) Amount spent on Administrative Overheads: ₹8.96 Mn

(e) Amount spent on Impact Assessment, if applicable: ₹1.53 Mn

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹393.45 Mn

(g) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (₹ in Mn)
(i)	Two percent of average net profit of the Company as per Section 135(5)	391.68
(ii)	Total amount spent for the financial year	393.45
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.77
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer	
----NOT APPLICABLE----							

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NIL

Place: Mumbai
Date: April 19, 2022

Sudhir Chaturvedi
President – Sales & Whole-time Director
and Member – CSR Committee

Sanjay Jalona
Chief Executive Officer & Managing Director
and Chairman – CSR Committee

Executive Summary — Impact Assessment of Digital Sakshar Program

January 14, 2022

Background

Larsen & Toubro Infotech Limited (LTI), as part of its CSR initiative, equips the rural youth with important skills, required to participate in an increasingly digital world. LTI has invested in making digital literacy available to the underprivileged societies. LTI is working with Pratham Infotech Foundation (PIF) to provide the necessary digital skill to the youths. It is actively working to bridge the digital gap, facilitate the adoption of information technologies in education and equip disadvantaged youth with skills, tools and capabilities that the new global economy needs.

LTI's 'Digital Sakshar' program is aimed to empower the youth from marginalized communities by imparting digital literacy in computer and IT skills, enhancing their communication and employability skills and helping them to get better employment. When education, training, assistive devices and technologies are made accessible, the youth is able to access better employment opportunities. This results in improved well-being of their families which has a positive socio-economic impact for the entire community.

Summary of key findings

Relevance

Overall, the assessment found the program to be relevant to the needs of the youth, as well as market requirements. The interactions with the youth and their perspectives on the relevance of the skills taught in the program highlighted that the content is in tandem with the employability skills of present day. All current trainees who were surveyed found the content to be useful for both the digital and the financial literacy programmes. Along with digital and financial literacy, students are taught about the importance of communication at workplace, work ethics and other soft skills which were reported to be useful in securing jobs.

Effectiveness

For both, the employability program that focusses on digital skills as well as the financial literacy program, the team at Pratham ensured that not only the youth but the community was also sensitized about the importance of the program. Pratham engaged with parent and youth stakeholders through regular community visits. The Pratham team also ensured that these efforts continued alongside the classes/training continued during the pandemic. Almost all respondents reported that they were satisfied with the training guidance received during the course.

A social return on investment study carried out by Thinkthrough Consulting (TTC) in the later part of 2021, reveals that for each unit of currency invested by LTI towards Digital Sakshar program, the potential is to generate 14 units worth socio-economic value for stakeholders. Against the overall investment worth ₹38,636,716 for the Digital Sakshar program, the overall present value of outcomes amounts to ₹511,060,762. This is reflective of the benefit derived by the youth beneficiaries, in terms of monetized value of increase in confidence and increase in employability. It also reflects how the savings for parents derives from these youth beneficiaries. For LTI, this translates into visible improvements in trainer capacities and satisfaction derived by the LTI employee volunteers. In the long run, LTI will be benefiting by an increase in visibility and brand image, while Pratham will benefit in terms of a larger donor base, owing to an improved market reputation. All these aspects have been further validated by the current assessment as well, across past and present batches.

Efficiency

The program adapted seamlessly to the requirements of the pandemic; it was converted to an online mode of teaching and learning that the students found useful. Job fairs and access to interactions with human resource teams of various companies was part of the program which continued online in spite of the challenges posed by the pandemic restrictions. Through these strategies, students were given adequate access to job interviews and placement interviews.

Impact

The program impact was highlighted through positive beneficiary responses about the increase in confidence and increase in employability skills attained through the training. A visible rise in income was also observed for students of both the programs. The details of each parameter are illustrated in the ensuing pages. The overall objective of the program, to ensure employability amongst youth and increase their skills in digital technology appears to have been achieved to a great extent. Interactions with beneficiaries highlighted that they were able to secure better employment after undertaking the course.

Sustainability

The sustainability of the program depends on a strong backward and forward linkage; the program ensures a strong engagement with the community on helping them understand the importance of undertaking this training as well as ensures to a large extent the connect with industry for employment. The training goes beyond digital skills and ensures that trainees understand the importance of soft skills in everyday life especially when securing a job. It imparts in them, the knowledge and skill of interacting with different kinds of people at workplace and teaches work-place ethics and rights.

Recommendations

The Digital Sakshar program has evolved over time and ensured that it adapts to the need of the time and situation smoothly. It has also ensured that there is continuity in beneficiary's learning and has adapted quickly whilst also achieving its primary objectives of employability and skill enhancement.

Interactions with program stakeholders have highlighted some aspects that can be strengthened going forward:

- Greater involvement of LTI volunteers through a systematic employee engagement program is needed. This will ensure transfer of knowledge and drive greater effectiveness, efficiency and sustainability of the program. LTI can explore the development of a dedicated volunteer program in line with key flagship projects being supported by them to make the involvement more structured.
- Post placement feedback from recruiters and relationship building should provide the program useful feedback and guidance on key emerging market trends.
- Strengthened engagement with alumni to trace the long-term impact of the program. The alumni engagement needs to be structured better for greater visibility and impact.
- Concurrent assessments and a centralized system for tracking learning outcomes on a regular basis will provide participants greater engagement. These elements can be incorporated into the application going forward.

Executive Summary — Impact Assessment of e-Vidyaloka Program

January 14, 2022

Executive summary

Larsen & Toubro Infotech Limited (LTI) as part of its CSR initiatives across India, partnered with eVidyaloka in 2017 to launch the Digital Classroom Program, to improve learning outcomes for children in under-resourced government schools through digital learning. The idea was to provide children access to innovative learning models supported by a class assistant, these assistants primarily being from the local community. Learning inputs were further augmented with teaching content which facilitated critical thinking. The sessions were supported by volunteers from LTI as well as volunteer teachers from the community, who have a passion for teaching. The program was implemented in 75 rural schools across Karnataka, Andhra Pradesh, Maharashtra, Tamil Nadu and Uttarakhand, particularly for students enrolled in the 5th to 8th grades. In March 2020, the rampant spread of Covid-19 forced governments to impose strict lockdown measures, the Digital Classroom Programme came to an abrupt halt, being re-commenced on April 20, 2020. The program reached out to 5498 children between FY19-20 and FY20-21.

Thinkthrough Consulting (TTC) Private Limited was hired by LTI to conduct an Impact Assessment of the Digital Classroom Program. The aim of the impact assessment was to assess the continuation of the program through the Covid-19 pandemic, with the key assessment framework being adopted from the OECD DAC criteria. Herein, the key objectives included verification and analysis of the program relevance in lieu of the pandemic restrictions; effectiveness in terms of operational functioning and stakeholder engagement; efficiency in mitigating challenges and mobilizing volunteer field cadres; impact in terms of continuing student engagement and maximizing stakeholder outreach; and sustainability in terms of ensuring stakeholder interest. In line with these objectives, this Impact Assessment Report presents key findings as part of the assessment and provides key recommendations for the long-term sustainability of the program.

Relevance

The relevance of the eVidyaloka program stems from its focus on ensuring that children in under resourced government schools have continued access to enhanced ways and means of learning despite challenges brought forth by the Covid-19 pandemic. The challenges herein, included lack of student access to digital devices and internet; geographic remoteness and inaccessibility; and conversion of government schools into Covid facilities among others. Through continuous pilots across states in close association with volunteer assistants and teachers, the program was adapted into a multi-delivery approach to ensure continuation in education for the intended student target population. The multi-modal approach of the program proved to be crucial in ensuring that children across states had continued access to education, thereby showing the program design to be relevant.

Effectiveness

The program has been effective in terms of pivoting itself into a completely digital delivery model to account for the pandemic induced disruption. According to a Social Return on Investment assessment, the Virtual Classroom program has been successful in creating value for its beneficiaries, owing to the program structure; use of digital mediums for pedagogy; staffing strategies of taking local personnel as class assistants. Additionally, the presence of volunteers and class assistants puts pressure on the school system to deliver and function. These are tacit elements that the program also impacts. The effectiveness of the program is especially highlighted in the achievement of learning outcomes, with students witnessing a 30-50% gain in learning in Mathematics, English and Science as per eVidyaloka's internal assessments. The strategy of having local personnel as class assistants has enabled the program to coordinate effectively with all parents and get classes scheduled based on availability of the digital devices at home. This basically ensured that the program was able to constantly keep in touch with children while sensitizing parents about the key role their support will play in their child's learning journey.

Efficiency

The efficiency of the Digital Classroom program is established due to the efforts of LTI and eVidyaloka in moving the program into a completely virtual mode. This is in consideration of the inherent infrastructural challenges which were mitigated such that it ensured retaining the number of children due to the grassroot mobilization by class assistants, sensitization of parents and building alternate pathways. The manner in which the class assistants were able to mobilize themselves, establish closer rapport with parents and the overall program design was able to ensure that all other elements operate in close coordination. This makes a case for the assessment team to state that the program, despite disruptions in the external environment continued to deliver on its key objectives.

The disruptions herein were caused by the mandatory lockdown measures imposed due to the rampant spread of the Covid-19 pandemic, this including closure of schools; conversion of government schools to Covid facilities; and the overall hindrances caused by inaccessibility to digital infrastructure and geographical locations. In order to overcome these challenges, a robust mechanism was adopted, such that with continuous pilot tests and feedback loops, a multi-delivery model could be implemented to ensure continuation of class transactions.

Impact

As part of this study, the key impact areas of the program included its outreach; continuation of the learning focus for children; volunteer engagement and parent involvement. The adaptability of the program during the Covid-19 pandemic was successful in creating a significant impact in these areas. Having achieved an **outreach of 5498 students in March 2021,** the program, as reported by **nearly 74%** of the assessment sample, allowed students to **understand and grasp concepts more clearly** than they would otherwise through purely physical classroom interactions. This was possible due to the manner in which the local volunteer network was established and developed, **with 256 community volunteer teachers and 65** LTI **volunteers** being part of the ground efforts.

The program was able to instill within children a sense of awareness regarding the differences between offline and online class transaction, thus allowing them to distinguish between different models of delivery and also develop a preference towards the kind of pedagogy approach required going forward with this program. Results indicate that **70%** of the students have a **preference towards a model combining regular class room and audio-visual content**. Parental Interactions have also revealed that children appear to be more involved and confident, while children feel that the program has enabled them to approach learning in a more engaged manner. **Nearly the entire student sample reported an increase in confidence** while answering questions in class. While **nearly 98%** of them felt that they **could approach teachers and** facilitators in case of any learning challenges, **89% of the students reported that they received help from class assistants** during assignments.

Sustainability

Sustainability of social development programs needs to be seen in terms of the stakeholder ownership of the program; perception of value the program brings in; ability of stakeholders to discern the differentiated program offerings and a dotted line linkage between the program and its end objectives. Seen from this lens, the assessment has revealed that the program is seen as valuable by parents, students and teachers alike. The program value has been especially enhanced during the lockdown and school closure period when nationally there have been widespread fears on loss of learning outcomes for children across grades. The program has through its myriad efforts, enabled students to continue learning. This is especially important, given that due to the pandemic, eVidyaloka adapted not only its program but also its outcome indicators to include student attendance and level of achievement of learning outcomes.

Furthermore, students are now in a position to compare and articulate the model of learning they would prefer going forward. The ability to discern and make a choice is a favorable outcome, arising out of efforts to induce behavior change at the student and parent level, particularly in relation to how the program adaptations are viewed and received by beneficiary stakeholder. In this regard, parent sensitization has led them to become more engaged with their children's learning journey and as children speak more and more about their experiences, parents have a unique opportunity to see their children learn and grow.

Key stakeholder interactions with the eVidyaloka leadership have revealed that there is an effort to define sustainability through a stakeholder capacitation perspective. There is a plan being developed to focus on training of teachers on the eVidyaloka platform in a way that they do not need class assistants in the near future. This model will be applicable to schools supported for over 4-5 years by LTI. Additionally, while a focused capacity building plan for school management committees is understood as a focus area, a structured plan to define the goals of the same are on the anvil, for the time being.

Recommendations

- The eVidyaloka program may want to build on the foundational efforts that have ensured that children do not drop out and remain connected with the program. This is particularly important considering that children are moving grades despite disruptions in academic calendars due to the pandemic or allied factors. It will be useful to have visibility on learning levels of each child, across platforms so that a learning level appropriate plan of action can be put in place.
- Assessment of the skill levels of class assistants is important as their roles and expectations may see a change if another academic year gets disrupted. This will help eVidyaloka to plan a structured capacitation effort for their community cadre.
- It is important for eVidyaloka to define program sustainability from a system strengthening perspective. This can be done by identification and capacitation of key stakeholders like school management committees and parent groups to understand their roles and responsibilities towards the education of their children and to make the school a completely functional and effective unit. It will be useful to engage with School Management Committees (SMCs) and parents on right to education aspects, which makes SMCs responsible for the school development plan. In this way, a closer parent school engagement can be fostered which may contribute to greater teacher interest towards their teaching and nurturing responsibilities.
- LTI may also need to define sustainability from such interventions in a time bound manner. The MOUs with partners on such projects need to clearly define a capacity building time frame which will contribute to an exit plan as well. Given that education projects have a longer gestation period and may need greater investments towards broader stakeholder engagement, it will be useful to develop a comprehensive school focused program in the future. This will enable closer government collaborations and greater recognition of the efforts being made by the project.

Annexure D

Report on Corporate Governance

1. Corporate Governance

1.1 Company's philosophy on Corporate Governance

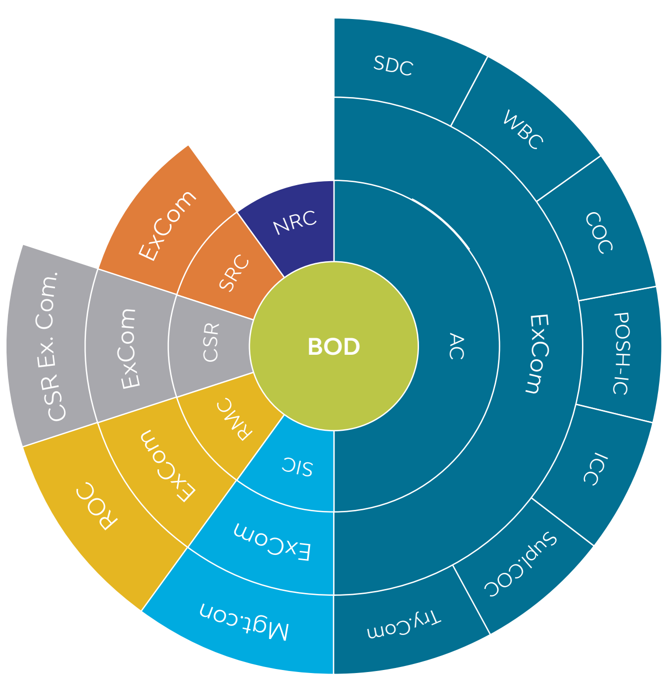
LTI considers Corporate Governance as one of the pillars to build and maintain the trust reposed by its stakeholders. LTI's character is embedded with the value system of L&T Group which rests on transparency, integrity and accountability.

1.2 Governance structure

While the Board is accountable for oversight of the governance process, the Executive Management is responsible for implementing the policies and procedures by way of which governance is imbibed within the organization. LTI holds the belief that governance is a continuous journey as a result of the ever evolving developments in the business environment, both internally and externally. The governance structure at LTI comprises of following four levels with the objective to garner involvement of the Executive Management under adequate oversight of the Board and its Committees:

1) Board of Directors
2) Board Committees
3) Executive Committee
4) Management Sub-Committees

Governance Structure at LTI



Acronyms:

Tier 1: **BOD:** Board of Directors

Tier 2: **AC:** Audit Committee
SIC: Strategic Investment Committee
RMC: Risk Management Committee
CSR: Corporate Social Responsibility Committee
SRC: Stakeholders' Relationship Committee
NRC: Nomination and Remuneration Committee

Tier 3: **ExCom:** Executive Committee

Tier 4: **SDC:** Securities Dealing Committee
WBC: Whistle Blower Investigation Committee
COC: Code of Conduct Committee
POSH IC: Internal Complaint Committee for Prevention of Sexual Harassment at Workplace
ICC: Internal Compliance Committee
Supl.COC: Committee on Supplier Code of Conduct
Try.Com.: Treasury Committee
Mgt. Con.: Management Council
ROC: Risk Operating Committee
CSR Ex.Com.: CSR Executive Committee

2. Board of Directors

A. Board composition

Details of composition of the Board of Directors, attendance of Directors at the Board meetings and at the last Annual General Meeting held during FY22, number of other Directorships, Membership/ Chairpersonship in Committees held by them as on March 31, 2022, are as follows:

Name of the Director	No. of Board meetings held during FY22 during tenure of the Director	Attendance at Board Meetings	Attendance at last AGM held on July 17, 2021	Directorships in other Companies[1]	No. of Committee Membership[2]	No. of Committee Chairpersonship[2]
Mr. A. M. Naik (Non-Executive Founder Chairman)	6	5	Yes	6	0	0
Mr. S. N. Subrahmanyan (Non-Executive Vice Chairman)	6	5	Yes	7	0	0
Mr. R. Shankar Raman (Non-Executive Director)	6	6	Yes	9	6	0
Mr. Sanjay Jalona (Chief Executive Officer & Managing Director)	6	6	Yes	1	1	0
Mr. Sudhir Chaturvedi (Whole-time Director & President-Sales)	6	6	Yes	1	1	0
Mr. Nachiket Deshpande (Whole-time Director & Chief Operating Officer)	6	6	Yes	1	0	0
Mr. M. M. Chitale[3] (Independent Director)	6	6	Yes	5	7	3
Mr. Sanjeev Aga (Independent Director)	6	6	Yes	5	5	2
Mr. Sudip Banerjee (Independent Director)	6	6	Yes	4	2	0
Mrs. Aruna Sundararajan (Independent Director)	6	5	Yes	1	3	1
Mr. James Abraham[4] (Independent Director)	3	3	N.A.	1	0	0
Mr. Rajnish Kumar[5] (Independent Director)	3	3	N.A.	2	1	0

Notes:

1. *Includes Directorship of all public limited companies (including LTI) whether listed or not, and excludes private limited companies, foreign companies and Section 8 companies.*
2. *Includes membership/ chairpersonship of Audit Committee and Stakeholders' Relationship Committee only as per Regulation 26 of SEBI Listing Regulations, including Committee membership/ chairpersonship in LTI. Number of committee membership includes Committee chairpersonship(s).*
3. *Mr. M. M. Chitale ceased to hold office of Director w.e.f. March 31, 2022 (closing business hours) upon completion of his second term as Independent Director.*
4. *Mr. James Abraham was appointed as Independent Director w.e.f. July 18, 2021.*
5. *Mr. Rajnish Kumar was appointed as Independent Director w.e.f. August 26, 2021.*

Mr. Vinayak Chatterjee was appointed as Independent Director w.e.f. April 1, 2022.

None of the Directors hold directorship in more than 10 public companies and none of the Independent Directors are serving as Independent Director in more than seven listed companies.

Directors have given necessary disclosures regarding Committee positions held by them in other Indian public companies as at March 31, 2022.

None of the Directors of the Company are *inter-se* related to each other.

As on March 31, 2022, the composition of the Board was in compliance with Regulations 17 and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with Section 149 of the Companies Act, 2013 ('Act').

Further, details of Directorships held by Directors in other listed entities (excluding Directorship in LTI) as on March 31, 2022, are as follows:

Name of the Director	Name of other listed entity(ies)	Category of Directorship
Mr. A. M. Naik	Larsen & Toubro Limited	Group Chairman
	L&T Technology Services Limited	Non-Executive Chairman
	Mindtree Limited	Non-Executive Chairman
Mr. S. N. Subrahmanyan	Larsen & Toubro Limited	Chief Executive Officer and Managing Director
	L&T Technology Services Limited	Non-Executive Vice Chairman
	Mindtree Limited	Non-Executive Vice Chairman
	L&T Finance Holdings Limited	Chairman
Mr. R. Shankar Raman	Larsen & Toubro Limited	Whole Time Director
	L&T Finance Holdings Limited	Non-Executive Director
	Mindtree Limited	Non-Executive Director
Mr. Sanjay Jalona	None	-
Mr. Sudhir Chaturvedi	None	-
Mr. Nachiket Deshpande	None	-
Mr. M. M. Chitale	Larsen & Toubro Limited	Independent Director
	Atul Limited	Independent Director
	Macrotech Developers Limited	Independent Director
	Bhageria Industries Limited	Independent Director
Mr. Sudip Banerjee	L&T Technology Services Limited	Independent Director
	IFB Industries Limited	Non-Executive Director
	Kesoram Industries Limited	Independent Director
Mr. Sanjeev Aga	Larsen & Toubro Limited	Independent Director
	UFO Moviez India Limited	Independent Director
	Pidilite Industries Limited	Independent Director
	Mahindra Holidays & Resorts India Limited	Independent Director
Mrs. Aruna Sundararajan	None	-
Mr. James Abraham	None	-
Mr. Rajnish Kumar	Hero Motocorp Limited	Independent Director

B. Board Meetings

Board Meetings are convened at appropriate intervals by giving advance notice and agenda papers to the Directors, and the gap between two consecutive meetings does not exceed 120 days. The Company adheres to the Secretarial Standards on Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India. In consultation with the head of business units, the Company Secretary prepares the draft agenda, and post confirmation by Chairman of the Board/respective Committees, finalizes the same. The yearly calendar of Board and Committee meetings is finalized before beginning of the year. The Directors are given the option to attend Board/Committee meetings via video conferencing. The Board has complete access to any information within the Company. In case of exigency or urgency of the matter, resolutions are passed by circulation for such matter as permitted by law and the same is taken on record in the succeeding Board/Committee meeting.

Due to the ongoing pandemic, majority of the Board meetings and Committee meetings during FY22 were held through Video Conferencing or Other Audio-Visual Means, in compliance with the Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014. During the year under review, six Board Meetings were held on April 14, 2021, May 4, 2021, July 15, 2021, October 18, 2021, January 19, 2022 and March 17, 2022 and information as required in Part A of Schedule II under Regulation 17 (7) of SEBI Listing Regulations were placed before the Board for its consideration. The quorum was present in all the meetings.

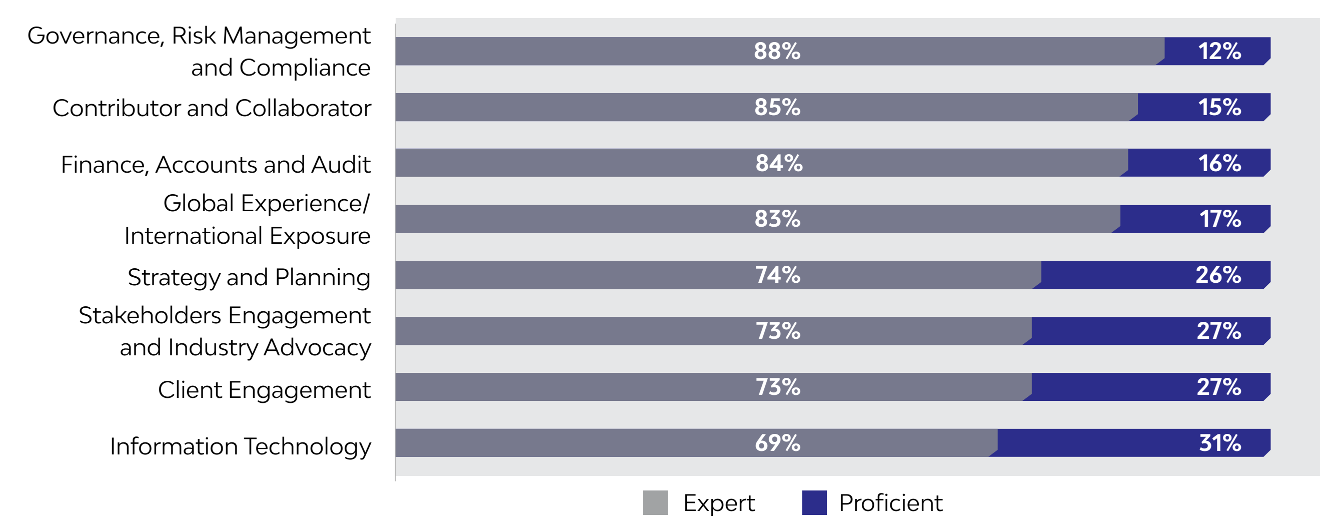
As a green initiative, agenda of the Board and Committee meetings are circulated to the Directors via the secured in-house web-based application viz. iboard, which is accessed on i-Pad. All important decisions taken at Board/Committee meetings are promptly communicated to the concerned departments for their follow-up action. In compliance with the Secretarial Standards, draft and signed minutes of Board & Committee meetings are circulated amongst the Board/Committee members within the prescribed time.

C. Matrix of skills/expertise/competencies of the Board of Directors

In terms of the requirements of the SEBI Listing Regulations, the Board has identified the core skills/expertise/ competencies of Directors which are relevant in the context of Company's business(es). Broadly, the essential skill sets identified by the Board are categorised as under:

a. Strategy and Planning
b. Governance, Risk Management and Compliance
c. Finance, Accounts and Audit
d. Global experience / international exposure
e. Contributor and Collaborator
f. Information Technology
g. Client Engagement
h. Stakeholders Engagement and Industry Advocacy

As part of performance evaluation of the Board/individual Directors for FY22, analysis of the skills, experience and expertise of the Directors was carried out, which outlined that Board of Directors of the Company possess the right and optimal skill sets fundamental for the effective functioning of the Company. The results of the analysis are presented below:



Number of Directors as on March 31, 2022 – 12

Skill mapping at Individual Director level

Name of Director	Strategy & Planning	Governance, Risk Management and Compliance	Finance, Accounts and Audit	Global Experience/ International Exposure	Information Technology	Client Engagement	Stakeholders Engagement & Industry Advocacy	Contributor & Collaborator
	1	2	3	4	5	6	7	8
Mr. A. M. Naik	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. S. N. Subrahmanyan	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. R. Shankar Raman	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. Sanjay Jalona	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. Sudhir Chaturvedi	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. Nachiket Deshpande	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. M. M. Chitale	Expert	Expert	Expert	Expert	Proficient	Proficient	Expert	Expert
Mr. Sanjeev Aga	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. Sudip Banerjee	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mrs. Aruna Sundararajan	Expert	Expert	Expert	Expert	Expert	Expert	Expert	Expert
Mr. James Abraham	Expert	Expert	Expert	Expert	Proficient	Proficient	Proficient	Expert
Mr. Rajnish Kumar	Proficient	Expert	Expert	Expert	Proficient	Expert	Expert	Expert

Expert Proficient

The identified skills/ competencies are broad-based and marking of 'Proficient' against a particular director does not imply that he/she does not possess the corresponding skill/ competency.

3. Board committees

The Committees of the Board are guided by their Charter or Terms of Reference, which outline their composition, scope, power, duties and responsibilities. Basis the recommendations, suggestions and observations of these Committees, the Board of Directors take an informed decision. The Chairman of respective Committees update the Board on the deliberations at the Committee meetings. As on March 31, 2022, there were six standing Committees, namely: -

(a) Audit Committee

(b) Nomination and Remuneration Committee

(c) Stakeholders' Relationship Committee

(d) Risk Management Committee

(e) Corporate Social Responsibility Committee

(f) Strategic Investment Committee

The details of terms of reference and composition of the Committees and the number of meetings held during FY22 and attendance therein, are provided below:

A. Audit Committee

The Audit Committee meets the criteria laid down under Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. As on March 31, 2022, the Audit Committee comprised of three Independent Directors and one Non-Executive Director. Consequent upon completion of term of Mr. M. M. Chitale as Independent Director of the Company, he ceased to be the Chairman and Member of Audit Committee, w.e.f. close of business hours of March 31, 2022 and Mr. Rajnish Kumar was appointed as the Chairman of the Audit Committee in his place w.e.f. April 1, 2022.

During FY22, seven meetings of Audit Committee were held with gap not exceeding 120 days between two consecutive meetings. These meetings were held on April 14, 2021, May 4, 2021, July 15, 2021, October 18, 2021, November 18, 2021, January 19, 2022 and March 30, 2022, as per following details:

Name of Director	Category	Position in the Committee	No. of meetings held during the year vis-à- vis member's tenure	No. of meetings attended
Mr. M. M. Chitale[1]	Independent Director	Chairman	7	7
Mr. R. Shankar Raman	Non-Executive Director	Member	7	7
Mrs. Aruna Sundararajan	Independent Director	Member	7	7
Mr. Rajnish Kumar[2]	Independent Director	Member	1	1

Notes:

1. *Mr. M. M. Chitale ceased to be Chairman & Member w.e.f. close of business hours of March 31, 2022.*
2. *Mr. Rajnish Kumar inducted as Member w.e.f. March 17, 2022 and appointed as Chairperson w.e.f. April 1, 2022.*
3. ***Invitees/participants:** Chief Executive Officer & Managing Director, President Sales & Whole-time Director, Chief Operating Officer & Whole-time Director, Chief Financial Officer, Head Finance Function, Partner/ Representative of the Statutory Auditor and the Internal Auditor are invitees to the meetings of Audit Committee. Vice President-Legal, Risk Head and other Corporate Heads deliver presentations to the Audit Committee at periodic intervals. The Company Secretary acts as the Secretary to the Committee.*

Terms of reference

The terms of reference of the Audit Committee are in accordance with Part C of Schedule II of the SEBI Listing Regulations.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee ('NRC') of the Board of Directors meets the criteria laid down under Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. As on March 31, 2022, NRC comprised of two Independent Directors and one Non-Executive Director.

During FY22, five meetings of NRC were held on April 14, 2021, May 4, 2021, July 15, 2021, October 18, 2021 and January 19, 2022, as per following details:

Name of Director	Category	Position in the Committee	No. of meetings held during the year vis-à- vis member's tenure	No. of meetings attended
Mr. Sanjeev Aga[1]	Independent Director	Chairman	5	5
Mr. A. M. Naik	Non-Executive Director	Member	5	4
Mrs. Aruna Sundararajan[2]	Independent Director	Member	4	4
Mr. James Abraham[3]	Independent Director	Member	1	1

Notes:

1. *Mr. Sanjeev Aga was re-designated as Chairman of the Committee w.e.f. April 1, 2021.*
2. *Mrs. Aruna Sundararajan ceased to be Member w.e.f. October 18, 2021.*
3. *Mr. James Abraham was inducted as Member w.e.f. October 18, 2021.*

Terms of reference

The terms of reference of the NRC are in accordance with Part D of Schedule II of the SEBI Listing Regulations.

Board membership criteria

NRC identifies and recommends to the Board, suitable candidates for the position of Director, basis the skills, competencies, attributes and criteria laid down, and the Board Skill Matrix identified and approved by the Board. NRC considers attendance, participation, contribution and involvement in Company's strategic matters by a Director during the Board/ Committee meetings, while recommending re-appointment of Directors.

NRC ensures that the Board of Directors has an optimum composition of Directors with diversity of thought, knowledge, perspective, age, gender, expertise and skill, to support the Company in attainment of its objectives.

Additionally, for the appointment or re-appointment of Independent Director, NRC while giving its recommendation to the Board ensures that the candidate fulfills the criteria of independence as prescribed under the Act and SEBI Listing Regulations, including his/her independence from the management.

Performance evaluation criteria for Independent Directors

An indicative list of criteria on which evaluation of Independent Directors was carried out included participation and contribution to the Board's decision making, understanding of Company's strategy and business model, update on business and industry, effective communication of knowledge and expertise in Board discussions and maintenance of independence & disclosure of conflict of interest.

During the year, in terms of the requirement of the Act and SEBI Listing Regulations, annual performance evaluation of the Board, its Committees, Chairman and other individual Directors was carried out with the help of an external agency, details of which have been provided in the Board's Report forming part of this Integrated Annual Report.

Remuneration of Directors

Remuneration of Directors is based on various factors like Company's size, global presence, economic and financial position and Directors' participation in Board and Committee meetings. Based on these factors and performance evaluation of the concerned director, NRC recommends to the Board the remuneration payable to Directors.

The remuneration of Executive Directors includes base salary, stock options and variable compensation which is based on variable compensation plan as per Company's policy and achievement of the milestones/ goals laid out in the said policy, while remuneration to Independent Directors is based on various factors like committee position(s) held, chairpersonship, attendance, participation and performance evaluation. The Independent Directors are entitled to sitting fee, reimbursement of expenses for participation in Board/Committee meetings and commission on profit.

Non-Executive Directors are paid commission upto 1% of the net profit of the Company for each financial year, in accordance with the approval accorded at the Annual General Meeting held on May 31, 2016. Further, in terms of Regulation 46 of the SEBI Listing Regulations, the criteria for payment to Non-Executive Directors is available on the investor section of the Company's website, www.lntinfotech.com/Investors

Details of remuneration paid to the Directors for FY22 is as under:

i. Executive Directors

(Amount in ₹)

Name of Director	Salary	Perquisite (on exercise of Stock Options)	Retirement benefits	Variable Compensation# & Commission*	Total
Mr. Sanjay Jalona*	6,17,93,844	28,06,34,865	21,24,133	5,69,38,279	**40,14,91,121**
Mr. Sudhir Chaturvedi	5,14,45,925	2,47,98,004	1,09,93,318	1,97,47,406	**10,69,84,653**
Mr. Nachiket Deshpande	1,42,88,404	6,82,07,760	4,64,559	70,03,356	**8,99,64,079**

#Linked to individual and Company's performance

ii. Non-Executive Directors

(Amount in ₹)

Name of Director	Sitting Fees	Commission	Total
Mr. M. M. Chitale	4,75,000	24,00,000	**28,75,000**
Mr. Sanjeev Aga	4,75,000	23,00,000	**27,75,000**
Mr. Sudip Banerjee	3,75,000	16,50,000	**20,25,000**
Mrs. Aruna Sundararajan	5,75,000	24,25,000	**30,00,000**
Mr. James Abraham*	1,75,000	7,75,000	**9,50,000**
Mr. Rajnish Kumar#	2,00,000	8,75,000	**10,75,000**
Mr. A. M. Naik	3,50,000	1,00,00,000	**1,03,50,000**
Mr. S.N.Subrahmanyan	-	-	**-**
Mr. R. Shankar Raman	-	-	**-**

*Mr. James Abraham was appointed as Independent Director w.e.f. July 18, 2021
#Mr. Rajnish Kumar was appointed as Independent Director w.e.f. August 26, 2021

Details of service contracts (Executive Directors)

a. Notice Period

In case of cessation/termination: Three month's notice on either side or right to basic salary in lieu thereof and compensation, as per the terms and conditions in the respective agreements, as applicable.

b. Stock Options: During FY22, no stock options were granted to Executive Directors.

During FY22, there was no material pecuniary relationship or transaction between the Company and any of its Non-Executive/ Independent Directors apart from payment towards sitting fee, commission and reimbursement of out of pocket expenses.

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('SRC') of the Board of Directors meets the criteria laid down under Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. As on March 31, 2022, SRC comprised of one Independent Director and two Executive Directors.

During FY22, two meetings of SRC were held on May 3, 2021 and October 14, 2021, as per following details:

Name of Director	Category	Position in the Committee	No. of meetings held during the year vis-à- vis member's tenure	No. of meetings attended
Mrs. Aruna Sundararajan	Independent Director	Chairperson	2	2
Mr. Sanjay Jalona	Chief Executive Officer & Managing Director	Member	2	2
Mr. Sudhir Chaturvedi	Whole-time Director	Member	2	2

Terms of reference

The terms of reference of the SRC are in accordance with Part D of Schedule II of the SEBI Listing Regulations.

Number of complaints

During FY22, no investor complaints were received from SEBI/ Stock Exchanges/ Depositories by the Company and the Registrar and Share Transfer Agent.

D. Risk Management Committee

As on March 31, 2022, Risk Management Committee ('RMC') comprised of two Independent Directors and one Executive Director.

During FY22, two meetings of RMC were held on August 19, 2021 and February 11, 2022, as per following details:

Name of Director	Category	Position in the Committee	No. of meetings held during the year vis-à- vis member's tenure	No. of meetings attended
Mr. Rajnish Kumar[1]	Independent Director	Chairperson	1	1
Mr. Anil Rander[2]	Chief Financial Officer	Member	1	1
Mr. Sanjeev Aga[3]	Independent Director	Member	2	2
Mr. Nachiket Deshpande	Whole-time Director	Member	2	2

Notes:

1. *Mr. Rajnish Kumar was appointed as Chairman w.e.f. October 18, 2021 and held this office till March 31, 2022.*
2. *Mr. Anil Rander ceased to be Member w.e.f. October 18, 2021.*
3. *Mr. Sanjeev Aga was re-designated as Member (from Chairman) w.e.f. October 18, 2021.*

Mr. Vinayak Chatterjee was inducted in the RMC as Chairman w.e.f. April 1, 2022.

Terms of reference

The terms of reference of the RMC are in accordance with Part D of Schedule II of the SEBI Listing Regulations.

E. Corporate Social Responsibility Committee

As on March 31, 2022, CSR Committee comprised of one Independent Director and two Executive Directors.

During FY22, three meetings of CSR Committee were held on May 3, 2021, October 14, 2021 and January 19, 2022 as per following details:

Name of Director	Category	Position in the Committee	No. of meetings held during the year vis-à- vis member's tenure	No. of meetings attended
Mr. Sanjay Jalona	Chief Executive Officer & Managing Director	Chairman	3	3
Mr. Sudip Banerjee	Independent Director	Member	3	3
Mr. Sudhir Chaturvedi	Whole-time Director	Member	3	3

Terms of Reference

The terms of reference of the CSR Comiittee are in accordance with Schedule VII of the Companies Act, 2013, and CSR policy of the Company.

For details of Company's CSR Policy, CSR activities and CSR spent, please refer the Annual Report on CSR, appearing as **Annexure C** to Board's Report.

F. Strategic Investment Committee

As on March 31, 2022, the Strategic Investment Committee ('SIC') comprised of three Non-Executive Directors and one Executive Director.

During FY22, three meetings of SIC were held on April 10, 2021, June 15, 2021 & August 20, 2021, as per following details:

Name of Director	Category	Position in the Committee	No. of meetings held during the year vis-à- vis member's tenure	No. of meetings attended
Mr. A. M. Naik	Non-Executive Director	Chairman	3	2
Mr. S. N. Subrahmanyan	Non-Executive Director	Member	3	3
Mr. R. Shankar Raman	Non-Executive Director	Member	3	3
Mr. Sanjay Jalona	Chief Executive Officer & Managing Director	Member	3	0

Terms of reference

The terms of reference of SIC, *inter-alia,* includes the following:

- Identification, due diligence, reviewing and approving proposals for acquisition and investment in terms of broad business objectives and within the limits and parameters in-principally approved by the Board of Directors;
- Consideration, review and approval of investment proposals in subsidiaries within the limits delegated by the Board of Directors;
- Periodically reviewing the status of acquisitions and investments, in terms of business objectives, status of integration of acquired companies & financial returns and other key strategic activities.

4. Other information

A. General body meetings

Details of last three Annual General Meetings ('AGM') of the Company along with particulars of Special Resolution(s) passed by members of the Company in the said meetings are as under:

Financial Year	Venue	Date and Time	Special Resolutions passed
2020-21	In compliance with General Circular No. 02/2021 dated January 13, 2021 read with General Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs and SEBI's Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with SEBI's Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the AGM was conducted via Video Conference (VC) / Other Audio Visual Means (OAVM) in compliance with Section 96 of the Companies Act, 2013. The deemed venue of AGM was the registered office of the Company i.e. L&T House, Ballard Estate, Mumbai 400 001	July 17, 2021 at 4:00 p.m.	Re-appointment of Mr. Sanjeev Aga (DIN: 00022065) as Independent Director for second term of five years.
2019-20	- do -	July 18, 2020 at 4:30 p.m.	None
2018-19	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai 400 020	July 20, 2019 at 11:00 a.m.	None

B. Approval of members through Postal Ballot

During FY22, no resolutions were passed through Postal Ballot.

There are certain matters for which approval of members may be sought by way of Postal Ballot. Members shall be suitably communicated regarding the same in due course.

C. Means of communication

The Company communicates with all its stakeholders via multiple channels of communication as outlined below:

- **Financial Results announcement:** The quarterly, half-yearly and annual financial results of the Company (both standalone and consolidated) are submitted to National Stock Exchange of India Limited and BSE Limited on their respective web portal viz. "NEAPS" and "BSE Listing Center" within the prescribed timelines, and they are published in prominent newspapers, which include The Financial Express and local newspaper Loksatta. Simultaneously, the results are hosted on the Company's website: www.Lntinfotech.com/Investors. During the year, members were also communicated via e-mails, the financial results of the Company immediately upon their submission to the Stock Exchanges.
- **News Releases:** Official news releases by the Company are filed with stock exchanges electronically on "NEAPS" and "BSE Listing Centre". The same are also available on the Company's website: www.Lntinfotech.com/Investors
- **Website:** The Company's website contains a separate "Investors" section wherein shareholder related information is available. Besides the mandatory documents required to be uploaded on the Company's website under SEBI Listing Regulations, details of earnings call, presentations, press releases, factsheets and quarterly reports of the Company are hosted on the website: www.Lntinfotech.com/Investors
- **Chairman's Speech:** Chairman's speech to be delivered at the 26th AGM will be uploaded on the website of the Company in due course.
- **Presentation made to Institutional Investors and Analysts:** The schedule of analyst/ institutional investors' meetings & Analyst Day, and presentations made thereat are filed with the National Stock Exchange of India Limited and BSE Limited. The same are also available on the Company's website: https://www.lntinfotech.com/investors/events/

5. General shareholders' information

A. 26th Annual General Meeting

Day & Date	Time	Venue
Thursday, July 14, 2022	3:45 p.m. (IST)	In compliance with General Circular No. 2/2022 dated May 5, 2022, issued by the Ministry of Corporate Affairs, AGM will be conducted through Video Conference (VC) / Other Audio Visual Means (OAVM). Accordingly, there is no requirement to have a venue for the AGM. For the purpose of compliance with Section 96 of the Companies Act, 2013, the registered office of the Company at L&T House, Ballard Estate, Mumbai 400 001, shall be deemed to be the venue of the AGM.

B. Financial year and tentative calendar of the Company for FY23

The Company follows April to March as the financial year.

Tentative calendar of Board meetings for consideration of financial results during the financial year ending March 31, 2023 is as under:

Results for quarter ending June 30, 2022	On or before August 14, 2022
Results for quarter ending September 30, 2022	On or before November 14, 2022
Results for quarter ending December 31, 2022	On or before February 14, 2023
Results for the quarter and year ending March 31, 2023	On or before May 30, 2023

C. Final Dividend

The Board of Directors of the Company have recommended a final dividend of ₹30/- per equity share of face value of ₹1/- each. The final dividend, if approved, by the members at the 26th AGM, would be paid/dispatched within 30 days from the date of the AGM. The Company shall deduct tax at source at prescribed rates on the dividend paid to the members, as stipulated under the Income Tax Act, 1961. For more details, members are requested to refer to the 'TDS instructions on dividend distribution' appended as Annexure-1 to the Notice convening the 26th AGM.

As on March 31, 2022, no amount is liable to be transferred to the Investor Education and Protection Fund (IEPF). Details of unpaid/unclaimed dividend(s) declared during FY2015-16 which is liable to be transferred to the IEPF during Calender Year 2023 is provided in the Board's Report.

D. Listing of Equity Shares on Stock Exchanges & ISIN

The Equity Shares of the Company are listed on following Stock Exchanges:

Name of the Stock Exchange	Address of the Stock Exchange	Stock Code/Symbol
National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	LTI
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	540005

The Company has paid listing fee for FY22 to the above Stock Exchanges.

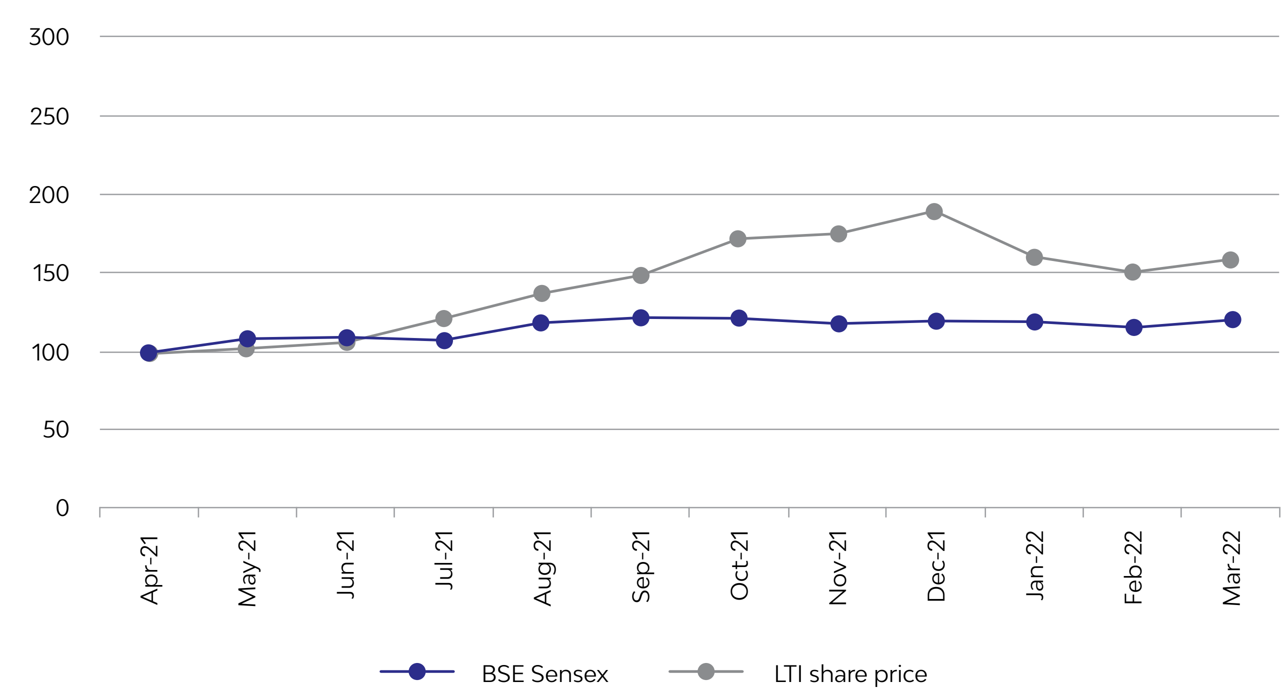
ISIN of the Equity Shares of the Company is INE214T01019.

E. Stock price data for FY22

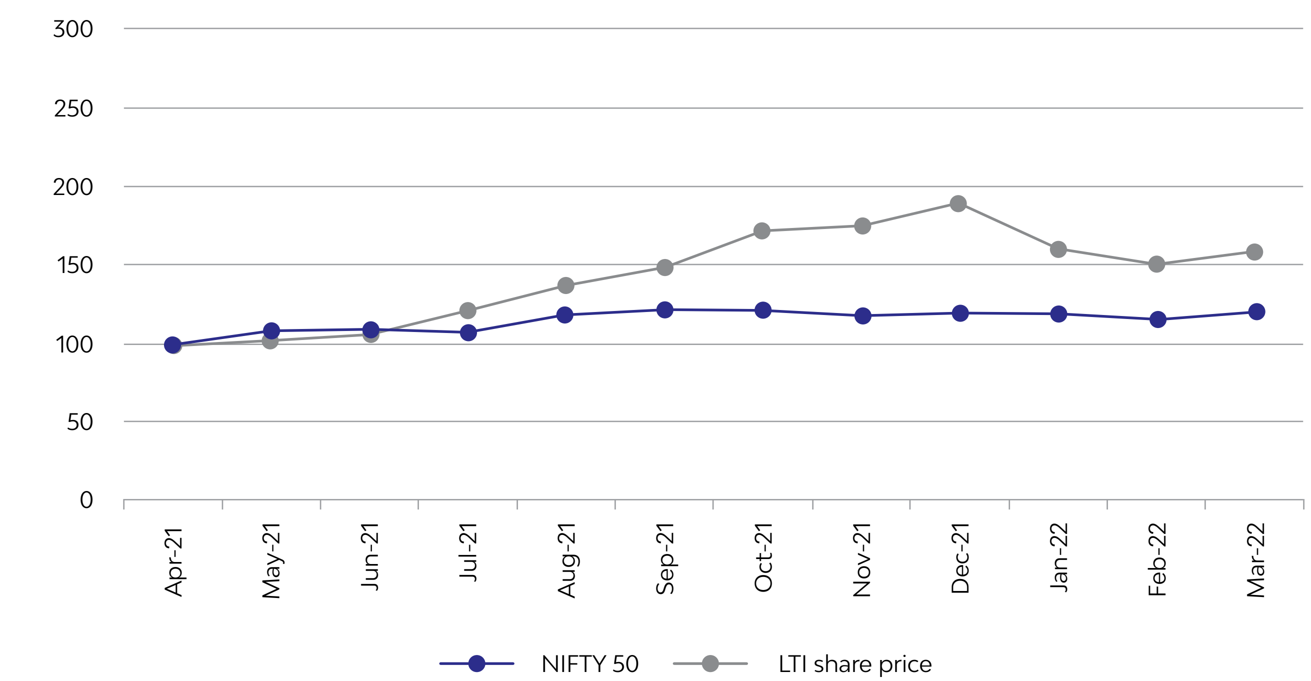
Month	BSE High (₹)	BSE Low (₹)	BSE No. of equity shares traded	NSE High (₹)	NSE Low (₹)	NSE No. of equity shares traded (in Lakhs)
April 2021	4,450.00	3,831.00	2,93,872	4,450.00	3,830.00	50.77
May 2021	3,996.65	3,525.95	4,58,969	3,994.90	3,525.00	81.18
June 2021	4,247.95	3,771.00	3,91,027	4,247.85	3,770.00	68.50
July 2021	4,726.00	3,970.20	7,43,267	4,727.80	3,970.00	99.10
August 2021	5,373.85	4,650.00	4,76,682	5,375.00	4,648.50	67.88
September 2021	6,498.00	5,265.35	4,43,384	6,498.50	5,265.75	73.48
October 2021	7,155.00	5,612.05	7,55,378	7,155.00	5,610.00	125.31
November 2021	7,562.00	6,396.55	3,22,062	7,564.95	6,392.35	53.13
December 2021	7,359.00	6,465.00	3,29,248	7,362.00	6,464.10	76.84
January 2022	7,595.25	5,725.20	3,86,242	7,588.80	5,722.00	89.89
February 2022	6,420.00	5,580.20	2,59,261	6,432.30	5,580.00	52.29
March 2022	6,520.00	5,770.80	2,93,982	6,524.80	5,755.20	70.86

Comparison of performance of share price of the Company with NIFTY 50 and BSE SENSEX

Movement of LTI share price at BSE during FY22



Movement of LTI share price at NSE during FY22



Note: LTI's share price, BSE SENSEX and NSE NIFTY 50 index values on April 1, 2021 have been baselined to 100.

F. Distribution of Shareholding as on March 31, 2022

No. of Equity Shares held	Shareholders Number	Shareholders %	Shareholding Number	Shareholding %
Upto 500	3,11,260	99.17	6,473,161	3.69
501-1000	972	0.31	721,055	0.41
1001-2000	502	0.16	710,505	0.41
2001-3000	190	0.06	473,219	0.27
3001-4000	145	0.05	511,450	0.29
4001-5000	97	0.03	452,452	0.26
5001-10000	254	0.08	1,804,951	1.03
10001 & Above	457	0.14	164,123,363	93.64
Total	**3,13,877**	**100.00**	**175,270,156**	**100.00**

G. Categories of Shareholders as on March 31, 2022

Category	No. of shares held	% shareholding
Body Corporate (Promoter Company)	129,784,034	74.05
Foreign Portfolio Investors (Corporate)	17,647,116	10.07
Mutual Funds	9,351,246	5.34
Alternate Investment Funds	577,198	0.33
Other Body Corporate	384,484	0.22
Insurance Companies	2,588,419	1.48
Clearing Members	123,715	0.07
NBFCs registered with RBI	4,602	0.00
Banks	28,961	0.02
Central Government	720	0.00
Public	11,830,336	6.75
Directors*	527,731	0.30
Hindu Undivided Family (HUF)	281,888	0.16
Non-Resident Indians (Repatriable)	1,486,842	0.85
Non-Resident Indians (Non Repatriable)	558,542	0.32
Foreign Nationals	27,691	0.01
Trusts	25,228	0.01
Foreign Institutional Investors	11,700	0.00
Limited Liability Partenership (LLP)	29,703	0.02
TOTAL	**175,270,156**	**100.00**

*Details of equity shares held by Directors as on March 31, 2022 are as under:

Name of the Director	No. of equity shares held
Mr. A. M. Naik	1,522
Mr. S. N. Subrahmanyan	200,000
Mr. R. Shankar Raman	100,000
Mr. Sanjay Jalona	100,581
Mr. Sudhir Chaturvedi	125,590
Mr. Nachiket Deshpande	0
Mr. M. M. Chitale	38

H. Dematerialization of shares & liquidity

The Company has dematerialised its equity shares with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). ISIN allotted to the Company is INE214T01019.

As on March 31, 2022, 99.83% of the Company's paid-up capital was held in dematerialised form. The particulars of number of shares held in dematerialised and physical form are as under:

Particulars	No. of shares	% of Issued Capital
Equity Shares held in dematerialised form in NSDL	170,359,215	97.20
Equity Shares held in dematerialised form in CDSL	4,612,427	2.63
Equity Shares held in Physical form	298,514	0.17
TOTAL	**175,270,156**	**100.00**

Members are advised to convert their physical shareholding into electronic holding which will mitigate the risks associated with holding physical certificates and avail other benefits of dematerialisation, which include easy liquidity, electronic transfer, etc. Pursuant to an amendment to the SEBI Listing Regulations effective from April 1, 2019, any request for transfer of shares, shall be processed for shares held in dematerialised form only. Further, SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated to issue securities in dematerialized form only, while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement, sub-division/splitting, consolidation of securities certificates, transmission and transposition etc.

SEBI vide Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 has mandated all listed entities to ensure that shareholders holding equity shares in physical form shall update their PAN, KYC, nomination and bank account details (if not updated or provided earlier) through the Registrar & Share Transfer Agent.

Members are requested to update the above details by submitting the forms available on the Company's website https://www.lntinfotech.com/investors/investor-services/ or the Company's RTA's website i.e. Link Intime India Pvt. Ltd, through the weblink: www.linkintime.co.in ---> Resources ---> Downloads ---> General ---> Formats for KYC.

Members holding shares in dematerialised form are requested to intimate change of address, e-mail id, bank details etc. to their Depository Participants.

I. Outstanding GDRs/ ADRs/ warrants or any convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ ADRs/ warrants/ convertible instruments of the Company.

J. Share transfer system

Transfer of shares in electronic form are processed and approved by NSDL/CDSL through their Depository Participant, without involvement of the Company.

The Board of Directors have constituted a 'Share Transfer Committee' comprising of Chief Executive Officer & Managing Director, Chief Financial Officer and Company Secretary to approve requests for transmission or transposition of securities of the Company.

K. Address for correspondence

Registrar and Share Transfer Agent	Compliance Officer
Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Maharashtra, India Tel: +91 22 4918 6270 Fax: +91 22 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in	Tridib Barat, Company Secretary & Compliance Officer, Larsen & Toubro Infotech Limited Corporate Office: L&T Technology Center, Gate No.5, Saki Vihar Road, Powai, Mumbai 400072, Maharashtra, India Tel: +91 22 6776 6776 Fax: +91 22 2858 1130 E-mail: investor@lntinfotech.com

6. Familiarisation programme for Independent Directors

The Directors are updated on significant changes/developments in the Company's business strategies, business model, risk minimization procedures, new initiatives by the Company, changes in domestic/overseas legislation impacting the Company and the IT Industry etc.

Independent Directors are given insight on the operations of the Company and its subsidiaries, business, industry and environment in which the Company operates, at the time of their induction. An Induction-cum-Familiarization kit for Independent Directors has been compiled to acquaint the incoming Board Members with Company's businesses, its operations, governance practices, policies, procedures, etc.

Members may visit the Company's website, www.Lntinfotech.com/Investors for more details.

7. Prevention of insider trading

The Company has adopted the Securities Dealing Code ('the Code' or 'SDC') in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') to regulate, monitor and report trading by the Designated Person(s)/ and other connected person(s). Pursuant to the PIT Regulations, structured digital database of Unpublished Price Sensitive Information (UPSI) is maintained with adequate internal controls.

During FY22, following measures were taken by the Company to further strengthen the control mechanism under the Code:

- Circulars, notifications, etc. were issued to the designated persons and insiders, sensitizing them on the importance/ need to comply with the Code.
- Facility extended to apply online for approvals, submission of disclosures, etc. for compliance of the Code and the PIT Regulations.

Mr. Tridib Barat, Company Secretary is designated as the Compliance Officer, while Mr. Nitin Mohta, Principal Director, Financial Planning & Analysis, is the Chief Investor Relation Officer of the Company.

The Company's Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the Company's website: https://www.lntinfotech.com/investors/corporate-governance/

8. Fee paid to statutory auditor

Details of fees paid to Statutory Auditor for all services rendered by them to the Company and its subsidiaries, on a consolidated basis, and to all entities in the network firm/ network entity of which the statutory auditor is a part, are provided in the notes to accounts forming part of this Integrated Annual Report.

9. Plant locations/ global footprint

The Company, being in IT industry, has development centers/ offices in India & overseas and does not require manufacturing plant. The address of development centers/ offices of the Company globally, are available on the Company's website under Global Footprint section: www.Lntinfotech.com/global-footprints/

10. Disclosures

A. Disclosure of materially significant related party transaction & Policy on dealing with Related Party Transactions

During FY22, there was no materially significant related party transaction entered into by the Company with its related parties that has potential conflict with the interests of the Company at large. All the related party transactions entered during the financial year were in the ordinary course of business and at arm's length terms and approved by the Audit Committee. The Board has approved a policy for related party transactions which is available on the Company's website: https://www.lntinfotech.com/investors/corporate-governance/

B. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

There is no instance of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

There is no non-compliance of any requirement of Corporate Governance Report as prescribed under sub-paras (2) to (10) of Part C of Schedule V of SEBI Listing Regulations.

C. Whistle Blower Policy & Vigil Mechanism

The Company has formulated a Whistle Blower Policy and has established a Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud and any wrong-doing or unethical or improper practice. Whistle Blower Investigation Committee has been constituted to address the concerns reported under this policy. The Company affirms that no personnel has been denied access to the Audit Committee. Details of the Whistle Blower Policy are provided in the Board's Report section of this Integrated Annual Report and is also available on the Company's website: https://www.lntinfotech.com/investors/corporate-governance/

D. Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has framed the Policy for Prevention of Sexual Harassment at Workplace to ensure prevention, prohibition and protection against sexual harassment. The policy provides the guidelines for reporting such harassment, and the procedure for redressal of complaints of such nature.

Details of such complaints for FY22 are as follows:

Number of complaints pending at the beginning of the financial year	0
Number of complaints filed during the financial year	3
Number of complaints disposed of during the financial year	3
Number of complaints pending as at end of the financial year	0

For more details, please refer the Board's Report in this Integrated Annual Report.

E. Policy for determining 'material subsidiaries'

The Company has formulated a policy for determining 'material subsidiaries' in compliance of the SEBI Listing Regulations. This Policy is available on the Company's website: https://www.lntinfotech.com/investors/corporate-governance/

During FY22, the Company did not have any material subsidiary, whether listed or unlisted, in India or outside India. The Audit Committee and Board reviews the financial statements & significant transactions of the subsidiaries, and minutes of these subsidiaries are placed before the Board.

F. Disclosure of commodity price risks and commodity hedging activities

The Company does not deal in commodity price risk and commodity hedging activities.

G. Code of Conduct

A Code of Conduct for the Board members and senior management of the Company is in place and the same is available on the Company's website: www.Lntinfotech.com/Investors. All Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2022. A declaration by Chief Executive Officer & Managing Director affirming compliance with the Code of Conduct is annexed as Annexure - 3 to this Corporate Governance Report.

H. Practising Company Secretary's certificate on non-disqualification of directors

A certificate has been issued by M/s. Alwyn Jay & Co., Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed as Annexure - 4 to this Corporate Governance Report.

I. Disclosure on acceptance of recommendations made by Board committees

During FY22, various recommendations were made by the Committees to the Board of Directors, which were all accepted by the Board, after due deliberations.

J. Compliance certificate

In terms of Schedule V of the SEBI Listing Regulations, the certificate of compliance of conditions of Corporate Governance from Secretarial Auditor is annexed as Annexure - 5 to this Corporate Governance Report.

K. Other disclosures

During the year under review, the Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, as applicable, save and except instance of the delay in filling the vacancy in the Board of Directors arising out of cessation of office of two Independent Directors.

These vacancies were filled on July 18, 2021 and August 26, 2021, by way of induction of two Independent Directors viz. Mr. James Abraham & Mr. Rajnish Kumar, respectively.

As at March 31, 2022, the composition of the Board of Directors was in compliance with the SEBI Listing Regulations.

11. Credit rating

During the year, CRISIL, a credit rating agency, re-affirmed its ratings on the bank facilities of the Company at CRISIL AAA/Stable as long-term rating and CRISIL A1+ as short-term rating.

12. Discretionary requirements as prescribed in part e of Schedule II of SEBI listing regulations

Among the discretionary requirements under SEBI Listing Regulations, the Company has complied with the following:

- The auditor's report on standalone and consolidated financial statements of the Company are unqualified.
- Mr. A. M. Naik is the Chairman and Mr. Sanjay Jalona is the Chief Executive Officer & Managing Director of the Company.
- The Head of Internal Audit of the Company reports directly to the Audit Committee.

Annexure - 1

To
The Board of Directors
Larsen & Toubro Infotech Limited

Dear Sirs/ Madam,

Sub: CEO/ CFO Certificate
[Issued in accordance with the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have reviewed the financial statements, read with the cash flow statement of Larsen & Toubro Infotech Limited for the year ended March 31, 2022 and that to the best of our knowledge and belief, we state that:

a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

   These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.

c. We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware of and steps have been taken or proposed to be taken for rectifying these deficiencies.

d. We have indicated to the Auditors and Audit Committee that:

   i. there were no significant changes in internal control over financial reporting during the aforesaid period;

   ii. there were no significant changes in accounting policies during the aforesaid period; and

   iii. there were no instances of significant fraud of which we have become aware.

Place: Mumbai
Date: April 19, 2022

Anil Rander
Chief Financial Officer

Sanjay Jalona
Chief Executive Officer
& Managing Director

Annexure - 2

Board confirmation on independence of Independent Directors

Based on the assessment carried out by the Board of Directors of the Company ('Board') and the declaration of independence submitted by the Independent Directors, this is to confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are independent of the management.

Place: Mumbai
Date: April 19, 2022

Sanjay Jalona
Chief Executive Officer & Managing Director

Annexure - 3

Declaration pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby confirm that all Directors and Senior Management Personnel of the Company have affirmed adherence to the "Code of Conduct for Board members and Senior Management" during the financial year ended on March 31, 2022.

Place: Mumbai
Date: April 19, 2022

Sanjay Jalona
Chief Executive Officer & Managing Director

Annexure - 4

Certificate of non-disqualification of Directors

[Pursuant to Regulation 34(3) read with sub-clause (10)(i) of Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Larsen & Toubro Infotech Limited
L&T House, Ballard Estate,
Mumbai - 400001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Larsen & Toubro Infotech Limited** having **CIN** L72900MH1996PLC104693 and having registered office at L&T House, Ballard Estate, Mumbai – 400001 (hereinafter referred to as **'the Company'**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) of Clause C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Designation	Date of appointment
1	Anilkumar Manibhai Naik	00001514	Non-Executive Director	23/12/1996
2	Sanjay Jalona	07256786	Managing Director	10/08/2015
3	Sudhir Chaturvedi	07180115	Whole time Director	09/11/2016
4	Nachiket Gopal Deshpande	08385028	Whole time Director	02/05/2019
5	Ramamurthi Shankar Raman	00019798	Non-Executive Director	28/10/2015
6	Sanjeev Aga	00022065	Independent Director	09/11/2016
7	Mukund Manohar Chitale	00101004	Independent Director	17/10/2011
8	Sekharipuram Narayanan Subrahmanyan	02255382	Non-Executive Director	10/01/2015
9	James Varghese Abraham	02559000	Additional Director	18/07/2021
10	Aruna Sundararajan	03523267	Independent Director	19/05/2020
11	Sudip Banerjee	05245757	Independent Director	20/05/2017
12	Rajnish Kumar	05328267	Additional Director	26/08/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : April 19, 2022

ALWYN JAY & Co.
Company Secretaries

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

Jay D'Souza FCS.3058
(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058D000153771]

Annexure - 5

Compliance of conditions of Corporate Governance

To,
The Members of **Larsen & Toubro Infotech Limited**

1. We have examined the compliances of the conditions of Corporate Governance by **LARSEN & TOUBRO INFOTECH LIMITED** ("the Company") for the financial year ended **March 31, 2022**, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of regulation 46 and paras C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 ('Listing Regulations').

2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanations given to us and representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations except the non-compliance of Regulation 17(1) of Listing Regulations, with respect to the Board composition whereby the Company is required to have minimum 50% Independent Directors on its Board. The aforementioned non-compliance was upto August 25, 2021 and as on the end of the financial year, the Company is fully complaint with the above.

4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place : Mumbai
Date : April 19, 2022

ALWYN JAY & Co.
Company Secretaries

Office Address:
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

Jay D'Souza FCS.3058
(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058D000153802]

Annexure E

Statement of disclosure of remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of remuneration of each Director to the median remuneration of the employees for FY22 and percentage increase in remuneration of each Director & Key Managerial Personnel ('KMP') during the financial year ended on March 31, 2022, is as under:

Name of the Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees in FY22[1]	% increase in remuneration in FY22[2]
Mr. A. M. Naik	Non-Executive Chairman	8.85	(19.46)
Mr. S. N. Subrahmanyan[3]	Non-Executive Vice Chairman	Not Applicable	Not Applicable
Mr. Sanjay Jalona[4]	Chief Executive Officer & Managing Director	343.41	58.88
Mr. R. Shankar Raman[3]	Non-Executive Director	Not Applicable	Not Applicable
Mr. Sudhir Chaturvedi[4]	President-Sales & Whole-time Director	91.51	(31.01)
Mr. Nachiket Deshpande	Chief Operating Officer & Whole-time Director	76.95	41.77
Mr. M. M. Chitale[5]	Independent Director	2.46	27.78
Mr. Sanjeev Aga	Independent Director	2.37	70.77
Mr. Sudip Banerjee	Independent Director	1.73	35.00
Mrs. Aruna Sundararajan	Independent Director	2.57	71.43
Mr. James Abraham[6a]	Independent Director	0.81	Not Applicable
Mr. Rajnish Kumar[6b]	Independent Director	0.92	Not Applicable
Mr. Anil Rander[6c]	Chief Financial Officer	-	Not Applicable
Mr. Manoj Koul[6d]	Company Secretary & Compliance Officer	-	Not Applicable
Mr. Tridib Barat[6e]	Company Secretary & Compliance Officer	-	Not Applicable

Notes:

1. *Median remuneration of employees during FY22 was ₹11,69,131/-. Ratio of remuneration of Director to the median remuneration of employees is calculated on pro-rata basis for those Directors who served for part of FY22.*
2. *Exercise of vested stock options during FY21 and/or FY22 has been considered for calculation of increase/decrease of remuneration during FY22.*
3. *No remuneration was paid.*
4. *Mr. Sanjay Jalona and Mr. Sudhir Chaturvedi have been paid remuneration in USD and GBP respectively.*
5. *Mr. M. M. Chitale ceased to hold office as Director w.e.f. March 31, 2022, consequent upon completion of his tenure as Independent Director.*
6. *Disclosure of percentage increase in remuneration during FY22 is not applicable for following Directors & KMPs:*
   a. *Mr. James Abraham – Appointed as Independent Director w.e.f. July 18, 2021*
   b. *Mr. Rajnish Kumar – Appointed as Independent Director w.e.f. August 26, 2021*
   c. *Mr. Anil Rander – Appointed as Chief Financial Officer w.e.f. April 14, 2021*
   d. *Mr. Manoj Koul – Ceased to be the Company Secretary & Compliance Officer w.e.f. November 8, 2021*
   e. *Mr. Tridib Barat – Appointed as Company Secretary & Compliance Officer w.e.f. January 19, 2022*

B. Percentage increase in the median remuneration of employees in FY22:

The median remuneration of employees of the Company during the financial year was ₹11,69,131. In FY22, there was an increase of 18.27% in the median remuneration of employees.

C. Number of permanent employees on the rolls of Company as on March 31, 2022:

The total number of permanent employees on the rolls of Company (excluding subsidiaries) as on March 31, 2022 was 43,924, and as on March 31, 2021 it was 32,422.

D. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the year, IT Industry experienced supply demand gap and huge pressure on employee attrition. Keeping the same in mind, LTI took prompt measures to increase the compensation moderately to manage attrition & retention challenges. In this exercise, an average increase in the salary of employees, other than managerial personnel, for FY22 was around 13% in India and 5% outside India, whereas the average increase in managerial remuneration was 26.99% inclusive of perquisite value associated with exercise of vested stock options.

E. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid during FY22 is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Nachiket Deshpande
Chief Operating Officer &
Whole-time Director
(DIN: 08385028)

Sanjay Jalona
Chief Executive Officer &
Managing Director
(DIN: 07256786)

Place: Mumbai
Date: April 19, 2022

Annexure G

Business Responsibility Report 2021-2022

[See Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015]

Section A: General information about the Company

Particulars	Details
Corporate Identity Number (CIN) of the Company	L72900MH1996PLC104693
Name of the Company	Larsen & Toubro Infotech Limited ('LTI')
Registered address	L&T House, Ballard Estate, Mumbai- 400001
Website	www.lntinfotech.com
E-mail id	Investor@lntinfotech.com
Financial Year reported	April 1, 2021 to March 31, 2022 (FY22)
Sector(s) that the Company is engaged in (industrial activity code-wise)	IT Software, Services, and related activities. [892 (1987 NIC Code) & 620 (NIC Code)]
List three key products/services that the Company manufactures / provides	• IT Consulting • Digital Services • Enterprise Solutions
Total number of locations where business activity is undertaken by the Company a. Number of international locations b. Number of national locations	Please refer to www.lntinfotech.com/global-footprints
Markets served by the Company Local/State/National/ International	Both local and international

Section B: Financial details of the Company as on March 31, 2022

S.No.	Particulars	Details
1	Paid up Capital	₹175.27 Mn
2	Total Turnover	₹144,064 Mn
3	Total Profit after Taxes	₹22,609 Mn
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Total amount spent on CSR for FY22 ₹393.45 Mn
5	List of activities in which expenditure in 4 above has been incurred	Please refer to Annual Report on Corporate Social Responsibility Activities for FY22, annexed as **Annexure C** to the Boards' Report

Section C: Other details

1. Does the Company have any Subsidiary Company/ Companies? **Yes**
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): **Yes. BR related policies extend to all the Subsidiaries of the Company.**
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: **Yes. Company's BR initiatives are extended to its suppliers, vendors, service providers, agents, subcontractors, consultants, business partners and their representatives ('LTI Suppliers') through LTI Supplier Code of Conduct**

Section D: BR information

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/ policies

S.No.	Particulars	Details
1	DIN Number	08385028
2	Name	Mr. Nachiket Deshpande
3	Designation	Chief Operating Officer & Whole-time Director

(b) Details of the BR head

S.No.	Particulars	Details
1	DIN Number (if applicable)	Not Applicable
2	Name	Mr. Anil Rander
3	Designation	Chief Financial Officer
4	Telephone number	+9122-6776 6776
5	e-mail id	investor@lntinfotech.com

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

S.No.		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N.A.	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Other than P7, Company's policies are aligned with the national/ international standards including ISO 9001, ISO 14001, ISO20000-1, ISO27001, ISO 45001, CMMI Dev & SVC L5 principles.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Except P7, all the Policies have been approved by the Board or Head of respective functions, as applicable.								
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N.A.	Y	Y
6	Indicate the link for the policy to be viewed online?	Please refer Note below.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. All the policies have been communicated to internal & external stakeholders and are available either on Company's website or intranet.								
8	Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	N.A.	Y	Y
9	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	N.A.	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. Regular audits are carried out to check compliance to the corporate policies pertaining to the area of audits. Further all cases referred to Whistle Blowing Investigation Committee are investigated or co-ordinated by the Internal Audit Department and are also reported to the Audit Committee.								

Note:

Principles	Policies/ Guidelines	Availability/ Location
P1. Governance with Ethics, Transparency and Accountability	• Code of Conduct ('COC') for Employees	www.lntinfotech.com/investors
	• COC for Board and Senior Management	www.lntinfotech.com/investors
	• Supplier Code of Conduct	www.lntinfotech.com/investors
	• Policy and Guidelines on Vigil Mechanism	www.lntinfotech.com/investors
	• Policy for Prevention of Sexual Harassment at Workplace	www.lntinfotech.com/investors
	• Policy for Safety of Women Employees	Company's intranet
	• Anti-harassment Policy	Company's intranet
	• Global Corporate Compliance Framework	Company's intranet
	• Anti-Bribery and Anti-Corruption Policy	Company's intranet
	• Anti-Money Laundering	Company's intranet
	• Policy on prevention of fraud	Company's intranet
P2: Providing sustainable services	• Supplier Code of Conduct	www.lntinfotech.com/investors
	• Quality Policy Manual	Company's intranet
P3: Promote Employee Wellbeing	• Equal Opportunity Policy	Company's intranet
	• Policy for Prevention of Sexual Harassment at Workplace	www.lntinfotech.com/investors
	• Policy for Safety of Women Employees	Company's intranet
	• Anti-harassment Policy	Company's intranet
	• Grievance Management Guidelines	Company's intranet
	• Drug Free Workplace	Company's intranet
	• Higher Study Policy	Company's intranet
	• Group Personal Accident Policy	Company's intranet
	• Group Term Life Insurance Scheme	Company's intranet
	• Medical Benefits Scheme	Company's intranet
	• Creche Benefit Policy	Company's intranet
P4: Stakeholder Engagement	• Policy on Corporate Social Responsibility	www.lntinfotech.com/social-responsibility
P5: Promote Human Rights	• COC for Employees	www.lntinfotech.com/investors
	• Policy for Prevention of Sexual Harassment at Workplace	www.lntinfotech.com/investors
	• Policy for Safety of Women Employees	Company's intranet
	• Equal Opportunity Policy	Company's intranet
	• Anti-Slavery and Human Trafficking Policy - UK	Company's intranet
	• Supplier Code of Conduct	www.lntinfotech.com/investors
P6: Protect Environment	• Employee Health & Safety (EHS) Policy	Company's intranet
	• Supplier Code of Conduct	www.lntinfotech.com/investors
P8: Inclusive growth and equitable development	• Policy on Corporate Social Responsibility	www.lntinfotech.com/social-responsibility
P9: Customer Value	• Quality Policy Manual	Company's intranet

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	*	-	-

*P7: The Company does not have a separate policy on Public Advocacy, however the Company lobbies with the Government, through its membership with various trade associations. LTI, being a member of The National Association of Software and Services Companies (NASSCOM), provides its views, opinions, and inputs on possible way forward for various matters as and when called for by NASSCOM.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

During FY22, the Corporate Social Responsibility Committee annually reviewed the BR initiatives related to CSR & Sustainability.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Company voluntarily publishes Sustainability Report annually since FY17. The sustainability reports of the Company are available on the Company's website at www.lntinfotech.com/social-responsibility

Section E: Principle-Wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

LTI has always had a keen eye not only on the outcome but also the way it conducts its business. Even in testing times of Covid-19 pandemic which continued during FY22, LTI has had a no-compromise approach on doing business the right way. Our Code of Conduct is the guiding light for all our business interactions, and it makes sure that every employee conducts himself/herself with the highest standards of ethics and integrity. We respect the laws and regulations of each geography that we operate in and take every measure to make sure that we adhere to all required standards of disclosure and reporting. This transparency and accountability are an important part of our business and is more than just a checkbox activity for us, which helps us in building lasting relationships with stakeholders who have reposed their faith in us.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Yes. Policies relating to ethics, bribery and corruption covers LTI, its subsidiaries, associates and LTI suppliers globally.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has various forums for redressal of grievances from its stakeholders. Details of various stakeholder grievances and complaints are as follows:

S.No.	Particulars	Received during the year	Resolved during the year	Pending
1	Employee grievance			
	• Whistle blower	4	4#	2
	• Discriminatory employment	0	0	0
	• Sexual harassment	3	3	0
	• Child labour /forced labour /involuntary labour	0	0	0
2	Customer query/complaint	43	43	0
3	Other stakeholder grievance*	0	0	0
	Total	**50**	**50#**	**2**

Note: #This includes 2 complaints pending from previous year.

*Other stakeholder grievance referred herein is with respect to complaints/ grievance of shareholders received from SEBI/ Stock Exchanges/ Depositories by the Company and its Registrar & Share Transfer Agent

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

At LTI, sustainability has always been a hallmark of our culture and a part of our DNA. The L&T Group has been enriching millions of lives and that same spirit also forms the backbone of our commitment to solving for the communities, globally. LTI incorporates environmental and social considerations in all its business operations and ensures engagements with stakeholders are conducted in keeping with the norms of good governance, ethics, and transparency. We work closely with our suppliers to tackle challenges through strategies and initiatives that drive efficiency and cost optimization in these processes.

"You cannot escape the responsibility of tomorrow by evading it today" – **Abraham Lincoln**.

As we progress in the age of technology, we have identified that it is our responsibility to engage in more sustainable ways of working, enable clients to operate in a more energy-efficient manner and work for the betterment of communities. We always keep an eye on the value we deliver for the client and its impact on Environment, Social and Governance factors. We plan to leverage our Cloud expertise to reduce the overall energy footprint while helping clients migrate from their energy-intensive legacy systems. Through our Digital Engineering practices, such as Business Process Management and Automation, we try to help the client ensure sustainable operations and allow AI and Analytics to improve governance. We leverage our platform and product engineering to enhance the total experience. Cybersecurity supports these critical practices to enable clients operate hassle-free in a digital world in their journey to sustainability.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

A. Mobile Apps developed by Company

(i) SmartCommute

SmartCommute has been introduced to enhance employee experience and optimize the operations. Following are some of the major aspects of SmartCommute from sustainability point of view:

- App on driver mobile phone for trip details – Resulting in zero usage of paper for driver and supervisors to keep track and record of trips.
- Vendor Portal- digitization of vehicle & driver onboarding process by uploading their documents in the system which helps in reduction of paper usage.
- Auto Rostering & Routing – optimization of routes which would result in reduction of carbon emissions.

(ii) Pazo

Pazo has been built from the ground up with keeping in mind high levels of scalability making use of the latest technology in terms of infrastructure, programming languages and storage. With the ongoing thrust on digitized approach towards operations, Pazo tool has been implemented at all locations to improve efficiency and adopt sustainable practices. Few key aspects of this tool which helped improve sustainability, are as below:

- All checklist's have been converted to digital checklist, eliminating paper usage.
- Eliminating plastic holders for displaying checklists.
- Schedules are well maintained on mobile phones without register books.
- Advantage in training the new and existing staff to perform their job effectively.

B. Transforming to Digital Ecosystem

India's undisputed market leader for bathroom and lighting solutions, needed a robust digital ecosystem. The client was working with the paper-based manual process causing a high turn-around time. Another challenge was lack of process governance across various warehouses due to customizations at each warehouse.

LTI's team started working with the client and delivered a lighting solution. LTI's solution standardized their common policies and process across all the warehouses, leading to the scaling up of the warehouses post-implementation. Our solution has eliminated the paper-based process resulting in higher operational efficiency.

One of the core principles of the client is 'Go Green' Philosophy and they also support initiatives for conserving water. Our solution helped the client in achieving this, by streamlining various processes in warehouse management.

The solution was tightly coupled with Oracle Software as a Services (SaaS), and customized solutions were built based on the inventory and the order management system. With this, the user was able to do all the transactions and track the plans on their devices from anywhere in the warehouses.

LTI has extended and integrated the order management and inventory of Oracle Supply Chain Management (SCM) for a custom Warehouse Magement System (WMS). A high-performance web portal using the Oracle Platform as a Service (PaaS) platform was built to address the various requirements. This whole system was integrated with barcode scanner to digitize and standardize the process. To eliminate the paper-based process and automate it, a mobile application was developed and integrated. The app also produces different reports to study and analyse across the warehouse in real-time. This has helped the client in eliminating the paper-based process resulting in higher operational efficiency and easy to scale system for the new warehouse.

Businesses in the past few years have started focusing more towards becoming sustainable. There is a growing trend towards adopting a more holistic approach to meet their various sustainability goals. Initiatives towards decarbonizing, go green, conserving water and reducing the carbon footprint are taking priority. Technology is playing an imperative role in monitoring and innovating solutions that can help businesses achieve their goals. With the LTI's innovative solution the client has been able to reduce its paperwork and is one step closer towards its go-green commitment.

C. Live emissions report for a co-generation facility at client premise

One of LTI's client uses co-generation turbines for inhouse power generation from residual process heat, which otherwise will go waste. A Continuous Emission Monitoring System (CEMS) is the control system necessary for the determination of a gas or particulate matter concentration or emission rate using sampling, analyzing, calculating and monitoring for emissions exceeding preset levels and further shutting down units if required prior to emission exceeding preset levels. The CEMS emissions report is necessary pre-requisite to run the turbines starting March 2022. If this report was not completed by the beginning of March, the Turbine could no longer run for in-house power resulting client to buy power from Pacific Gas and Electric Company (PG&E) to run process equipment thus increasing carbon emission footprint.

LTI Introduced the Co-gen facility in the CEMS Emission Power-BI reporting to display the emission report in CEMS Emission Portal, serving compliance regulatory requirement for the state regulatory body. Annually approx.~ 100 hours of saving for researching, analyzing, and reporting of emission data per facility was achieved.

D. **SAP based automated solution for Asset Retirement Obligation (ARO):**

An Asset Retirement Obligation (ARO) is a legal obligation associated with the retirement of a tangible long-lived asset. ARO accounting is particularly significant for remediation work needed to restore a property, such as decontaminating a nuclear power plant site, removing underground fuel storage tanks, clean-up around an oil well, or removal of improvements to a site. It does not apply to unplanned clean-up costs, such as costs incurred because of an accident.

LTI has addressed some of the 'must have' business requirements for the client's business to deliver the fit-to-use ARO solution for a leading oil & gas Company in US, helping reduce carbon footprint.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional): Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain, Reduction during usage by consumers (energy, water) that has been achieved since the previous year?**

LTI offers a range of IT services and solutions like cloud based services, managed services, internet of things, digital offerings which significantly help improve process efficiency and business outcomes for our customers. All these solutions directly or indirectly also improve the environmental impacts for our customers (refer examples listed in point 1 above). However, due to the nature of our services, it is difficult to quantify.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

LTI prefers to procure goods and services from local suppliers. While most of our non-IT products/services are sourced locally, the Company claims to ensure the procurement of high quality and energy efficient IT products from reputed suppliers. Due to the local nature of procurement, it's difficult to gauge the transparency of their processes.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes. As mentioned above, Company prefers to procure goods and services from local & small vendors who are within the state. EHS Policy of the Company also emphasize on sustainable procurement. At regular intervals, Company meets its contractors and suppliers to understand challenges and implement best business practices.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

During the year, we recycled paper waste to create notepads that can be used for office consumption. Organic waste converters in our campuses helped created manure for gardening and sewage treatment plants recycled water that was eventually used for gardening or flushing. However, during the last 2-year, waste generation has been reduced to nil or negligible. As a practice, we closely monitor our consumption and use latest technologies to reduce the consumption of various resources in all areas. All our hazardous wastes are disposed through State/Central Pollution Control Board (SPCB/CPCB) authorized dealers. Non-hazardous waste is disposed using the waste disposal facilities available at all our campuses in India.

LTI is ISO 14001 certified and the process for environmental management are in place to reduce the impact of our operations.

Principle 3: Businesses should promote the wellbeing of all employees

In the ever-changing landscape of our industry, the only way for us to keep setting new growth records is to keep improving the advantage that our family of employees bring to the table. Hence, LTI spends significant time, effort, and resources in making sure that our employees have access to opportunities for growth and development and are empowered to drive their own career at LTI.

LTI is committed to provide a safe, secure, and congenial work environment for all its employees that is free from sexual harassment. The Company has formulated a robust Prevention of Sexual Harassment (POSH) policy with clear guidelines for reporting acts of sexual harassment at the workplace and procedures for resolution and redressal of complaints of sexual harassment. Monthly awareness sessions as well as communication campaigns are conducted to promote a safe space for all genders. Besides that, the training program on POSH is mandatory for all employees annually across the globe.

LTI carried out 58 free vaccination drives in its office campuses across locations in India covering employees, their family members and contract staff thereby administering approx. 35,000 doses. For employees and their families located in cities other than LTI office locations, vaccination drives were facilitated through an integrated health-tech company having tie-ups with local hospitals.

During the year, the Covid Leave Policy of LTI was extended to provide 'Covid Leave and Covid Care Giver Leave', for employees to combat the Covid pandemic for self or their immediate family members.

LTI also took pro-active step to modify the 'Mediclaim Coverage' for employees to cover Covid treatment.

To learn more about our efforts in the human resource development space, please refer to the "Human Capital" section of Integrated Report section of this Annual Report.

Details of employees of the Company including its subsidiaries as on March 31, 2022, are as mentioned below.

S.No.	Details	
1	Please indicate the total number of employees	46,648
2	Please indicate the total number of employees hired on temporary/contractual/casual basis	2,125
3	Please indicate the number of permanent women employees	13,976
4	Please indicate the number of permanent employees with disabilities	17
5	Do you have an employee association that is recognized by management	Yes
6	What percentage of your permanent employees is members of this recognized employee association?	3 elected members representing 96 employees (3.13%)
7	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	Refer the table in Principle 1.

At LTI, we provide three types of trainings to our employees. The details of the same are as follows:

Category of Employees	Type of Training		
	Behavioral Training	Technical Training	Leadership Training
Permanent Male employees	28,427	23,707	13,247
Permanent Female employees	16,940	10,661	5,903
Casual/ Temporary/ Contractual Employees	450	1,672	0
Total Employees Covered*	**45,817**	**36,041**	**19,150**

*Includes training to employees with disabilities

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

At LTI, stakeholders play vital role where the engagement process is focused on stakeholder identification, consultation, prioritization, collaboration, engagement, and reporting, etc. We work in close collaboration with our identified stakeholders by regularly engaging with them through established communication channels, which helps us to continually address challenges in the sustainability realm and nurture long-lasting relationships. Our approach to corporate sustainability is based on analyzing stakeholder expectations as well as determine the internal and external risk factors that impact our business. We periodically assess the material issues based on short, medium, and long-term risks and opportunities. Our materiality analysis demonstrates areas of focus on issues that are truly critical to achieve the organization's goals, strengthen its business model and manage its impact on society.

At LTI, we believe that our actions, aimed at fulfilling the Sustainable Development Goals, and our commitment to United Nations Global Compact (UNGC) Principles and United Nation Women's Empowerment Principles will be effective contribution to make the world better place and create good business opportunities across the globe. Even during pandemic, we ensure our approach to businesses are conducted in a responsible manner that prioritizes sustainability and empowers the people, communities and protects the environment.

For more details, please refer Sustainability Report at www.Lntinfotech.com/social-responsibility

1. **Has the company mapped its internal and external stakeholders?**

   Yes. We have identified the following eight as our important stakeholders.

   1. Clients
   2. Employees
   3. Shareholders/Investors
   4. Suppliers
   5. NGOs
   6. Communities
   7. Regulators
   8. Academic Institutions

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Yes. Communities are the marginalized stakeholders.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   LTI, as a socially responsible company, is committed to continuing its work in 3E's – Education, Empowerment, and Environment as per our CSR policy. During pandemic, LTI has been steadfast in providing necessary support to communities on various relief measures announced by the government to combat Covid-19.

   For more details, please refer Annual Report on CSR activities attached to this Annual Report.

Principle 5: Businesses should respect and promote human rights

At LTI, diversity, equity, inclusion, and respect for human rights have always been more than just policies and headcounts - it's an important part of life at LTI. Our 'Code of Conduct' as well as our policies and guidelines around equal opportunity, anti-slavery, anti-discrimination, anti-harassment are well ingrained into each employee and in the way we conduct our business. LTI has no tolerance for discrimination based on caste, creed, race, religion, national origin, age, gender, sexual orientation, region, appearance or any disability or other protected classifications, while in India or abroad. We respect the unique needs and perspectives of all employees and make sure that such policies and guidelines are well-implemented and accommodated in every decision that we take.

The Supplier Code of Conduct expects its suppliers to embrace their commitment to integrity by complying with the applicable regulatory requirements including related to labour practices and human rights, health, safety and environment etc. and act with diligence, while conducting business with or on behalf of LTI.

1. **Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The Company has a detailed supplier code of conduct which is a compulsory requisite- https://www.lntinfotech.com/wp-content/uploads/2018/06/LTI_Supplier_Code_of_Conduct_March-13_2018_Branding_Guidelines.pdf?pdf=download

   The Supplier Code of Conduct expects its suppliers to embrace their commitment to integrity by complying with the applicable regulatory requirements including related to labour practices and human rights, health, safety and environment etc. and act with diligence, while conducting business with or on behalf of LTI.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   Please refer Principle 1 of this Report for details on the complaints received during the year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Energy conservation has been one of our spearheading strategies to fight climate change and reduce environmental impact. LTI stands by its commitment to achieve Carbon Neutrality by the year 2030.

Over the years, LTI has always focused on reducing the environmental impact of our operations. Our strategies and actions reflect our commitment towards a sustainable habitat. Over the span of last year, we have planted more than 2.4 L trees through various initiatives. LTI stands by its commitment to achieve Carbon Neutral & Water Neutral for India operations by the year 2030.

Energy conservation is a continuous and enduring process, and it has been at the forefront of Company's strategy in curbing emissions. Despite curtailed operations due to the pandemic, we have reduced our power consumption by investing in various energy efficient equipment and accessories. The energy conservation initiatives taken at various locations accrued a savings of approximately 8.4 L kWh by investing ₹22.8 Mn.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.**

   All policies cover LTI group and extends to LTI suppliers and the same is shared with them at the time of vendor registration.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes. LTI is committed to be Carbon Neutral and Water Neutral by the year 2030. We have chalked out a roadmap with intermediate targets to achieve this remarkable feat. A detailed report on our environmental activities is mentioned in the below sections

   - LTI has also committed to Science Based Targets initiatives (SBTi)
   - For more details refer Sustainability Report available on www.lntinfotech.com/social-responsibility.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes. All office locations of LTI in India are accredited as ISO 14001:2015 certified campuses. We have a location-wise Aspect-Impact Register maintained as per requirement by the ISO 14001:2015 Standard and is audited yearly by a third Party.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Currently, our energy conservation projects are not registered under Clean Development Mechanism.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes. An important part of roadmap to carbon neutrality is our commitment to substitute up to 50% of energy from clean & green sources by the year 2030. LTI Head Quater at Powai is sourcing 100% power from renewable energy since July 2021. We have a long-term open access agreement at our Bangaluru campus and have opted for Green Tariff at our Airoli office. LTI is currently sourcing 32.5% of the total energy requirements from renewable sources.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   During the period, no show cause / legal notices from Central/State Pollution Control Board (CPCB/SPCB) have been received and nothing is pending.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes. Below are the associations/ chamber of which Company is member of:

   1. National Association of Software & Service Companies (NASSCOM)
   2. Bombay Chamber of Commerce & Industry
   3. Swedish Chamber of Commerce India
   4. HYSEA – Hyderabad Software Enterprises Association

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   The Company continues to be a good corporate citizen and contributes to different industry associations and forums to share relevant insights, experiences, and views to develop policies related to its business. The Company's interactions with these associations are in the areas of innovation, talent development, industry development, research, and Diversity Equity and Inclusion (DEI) initiatives. The inputs and perspectives shared by the Company have helped shape policies and initiatives by the government.

Principle 8: Businesses should support inclusive growth and equitable development

In line with our commitment towards contributing to a better world by 2030, every year LTI has been reporting on the progress of our sustainability roadmap. Our business strategies are guided by the actions we take to operate as a responsible business while also enabling our clients with sustainable solutions. Our community initiatives continue to target integrated development across our operations, globally and in India. The aim and endeavour are to create economic value and inculcate self-reliance. Through our focused activities in the areas of Education, Empowerment and Environment, we are striving towards environment conservation, enabling vulnerable and marginalized communities to stand on their own feet and become more resilient to change & uncertainty with undeterred efforts, during pandemic too. Our projects help promote sustainable community development, with a commitment to promote the cause of creating a more inclusive society. Our approach to corporate social responsibility is built on delivering with impact and long-term value creation.

1. **Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes, as per our CSR policy, we have our annual action plan which is demonstrated on Company's website at www.lntinfotech.com/social-responsibility.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   As per the CSR policy, our projects are implemented through NGOs and Universities/Academic Institutions.

3. **Have you done any impact assessment of your initiative?**

   Yes.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   For details on Company's CSR initiatives and CSR spend, refer to CSR Report, which forms part of this Annual Report.

   LTI, as a socially responsible company, is committed to continuing its work in Education, Empowerment, and Environment. We have been steadfast in providing necessary support to various relief measures announced by the government to combat Covid-19. Our social initiatives help empower communities with focus on improving the quality of education among children from marginalized communities and helping them stay in school, enhancing skills of the marginalized youth and women, providing special education &skills for physically and intellectually challenged people, and addressing the critical issue of environment conservation.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

   There are 'Nil' pending client complaints/consumer cases as at the end of financial year.

   LTI considers each client complaint as an opportunity for improvement and has different mechanism to capture the same early. Account managers, onsite sales and the delivery teams share client feedback/complaints to the project manager. The complaint is captured in COMPASS Issue log and triggers causal analysis and resolution to address the client complaint and to prevent such instances in future.

   At LTI there is defined structured approach to identify specific actionable and, subsequent discussions are held with clients to gather more clarity on the feedback. The action plan is shared with the client and monitored during governance meetings/ steering committee meetings on monthly and quarterly basis. Both, the action plan, and its execution, are very closely monitored and reviewed by the senior management.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

   Yes. LTI complies all major International Organization for Standardization (ISO) and Capability Maturity Model Integration (CMMI) standards. All the ISO certifications undergo recertification or surveillance audit every year, as part of the combined external audit.

   - **ISO 9001:2015: Quality Management System**

     LTI is amongst the first few software organizations in India to have been awarded the ISO 9001 certification. ISO 9001 is one of the most widely recognized in the world that presents guidelines intended to increase business efficiency and client satisfaction. We hold ISO 9001 certification since March 2007.

   - **ISO 14001:2015 + ISO 45001:2018 (Integrated)**

     14001:2015 - It sets out the criteria for an Environmental Management System. The primary goal is to protect and prevent environment while respecting socio-economic requirements. 45001:2018 – It is a standard for management systems of occupational health and safety. The goal is to reduce occupational injuries and diseases. We hold integrated certification since 2019 for both the standards.

   - **ISO 20000-1: 2018: IT Service Management**

     ISO 20000 is an International Standard for IT Service Management. One of the distinguishing factors is that LTI has achieved this certification for the six centers in India, and for following 3 services across all Business Units: Internal Infrastructure Support, Infrastructure Management Services to external clients, Application support services for clients. We hold this certification since 2009, which we transitioned from 2011 to 2018 version in 2021.

   - **ISO27001:2013: Information Security Management System**

     ISO 27001 is an International Standard defining the desired methods of controlling the confidentiality, integrity, and availability of information. ISO 27001 is the upgraded version of BS 7799-2:2002. We hold this certification since 2004 (BS7799).

   - **CMMI Dev and SVC L5 certification**

     At LTI, we were first appraised for CMMI way back in 2000 and have been continuously re-appraised every 3 years with the respective latest version of the model by Quality and Accreditation Institute (QAI).

     LTI has been rated at Maturity Level 5 for both CMMI-DEV V 1.3 and CMMI SVC V 1.5 in May 2019 through a very stringent SCAMPI method of appraisal.

     As a part of the continuous journey, we are towards the next milestone of CMMI V 2.0 ML5 Appraisal for Development and Services view in April-22. Scope included all development, testing, ERP and maintenance projects with large enhancements and support projects, across all locations, with the new benchmarking method of appraisal. Projects executed in agile methodology are also covered in this new feature.

     CMMI 2.0 developed by CMMI Institute now part of Information Systems Audit and Control Association (ISACA) focuses on business strategy and outcomes and value delivered to Clients.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   No such case has been filed during the preceding five years against the Company and no such case is pending against the Company as on the date.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   We, at LTI, firmly believe that a regular survey mechanism, supported by transparent improvement plan, is the foundation for ensuring a high level of client satisfaction. To provide clients with ample avenues to provide feedback, we have the following major levels at which feedback is taken:

   (a) Feedback through LTI Client Satisfaction Survey Tool

   We have a structured and user-friendly process of assessing the satisfaction level of clients through an online 'Client Satisfaction Survey' (CSAT) tool. The tool enables clients to rate the services of LTI across different categories like project execution, quality, communication, culture and value delivered. This feedback is taken for each project every 6 months. In addition to project level, feedback is also taken at an account level, engagement level or individual employee level. The feedback obtained is analyzed and corrective actions are taken wherever required. These actions are also shared with the client.

   (b) Account level through independent third party consultant

   In addition to the project level survey there is an annual Client Satisfaction Survey ('CSAT') done by a research-led independent consulting firm who administers the survey on LTI's behalf. In this survey various levels of clients are covered right from Chief Executive Officer (CXO), senior management to middle management level. As a part of this survey, CXOs of our key clients are personally interviewed and an online survey link is shared with all client participants to provide an unbiased feedback. Through this survey, we measure the level of client experience we deliver to our clients through key parameters like satisfaction, loyalty, advocacy and business value for money. To increase the visibility of actions to clients, three levels of communication are done for each engagement. L1 communication where client feedback is acknowledged and actions planned are validated, L2 communication where midterm progress on improvement actions is shared and L3 communication where closure of actions and value delivered is communicated. For LTI, this survey is a very important exercise for gathering insights from clients to improve their experience with LTI and for us to deliver amplified outcomes.

   We have held on to CSAT Experience Index score compared to previous cycle. Positive feedbacks have been received on agility/flexibility, understanding business domain and customer centricity expectations. Evidently, LTI is seen as a key differentiator towards customer centricity.

Annexure H

Compliance Certificate

[Pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Larsen & Toubro Infotech Limited

We, **Alwyn Jay & Co.**, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on May 4, 2021 by the Board of Directors of Larsen & Toubro Infotech Limited (hereinafter referred to as **'the Company'**), having CIN L72900MH1996PLC104693 and having its registered office at L&T House, Ballard Estate, Mumbai - 400001. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as **"the Regulations'**), for the year ended March 31, 2022.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented "Larsen & Toubro Infotech Limited Employee Stock Option Scheme, 2015" in accordance with the Regulations and the Special Resolution passed by the members at the Extra Ordinary General Meeting of the Company held on September 14, 2015.

For the purpose of verifying the compliance of the Regulations, we have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders resolutions passed at the General Meeting(s);
5. Minutes of the meetings of the Nomination & Remuneration Committee;
6. Relevant Accounting Standards as prescribed by the Central Government;
7. Detailed terms and conditions of the scheme as approved by Nomination & Remuneration Committee;
8. Bank Statements towards Application money received under the scheme(s);
9. Exercise Price / Pricing formula;
10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
11. Disclosure by the Board of Directors;
12. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the "Larsen & Toubro Infotech Limited Employee Stock Option Scheme, 2015" in accordance with the applicable provisions of the Regulations and Resolution of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

Place : Mumbai
Date : April 19, 2022

ALWYN JAY & Co.
Company Secretaries

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

[Jay D'Souza FCS.3058]
(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058D000153857]

Annexure I

Form No. MR-3

Secretarial Audit Report

For the financial year ended March 31, 2022

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

To,
The Members,
Larsen & Toubro Infotech Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Larsen & Toubro Infotech Limited** (CIN: L72900MH1996PLC104693) (hereinafter called "the Company").

Subject to limitation of physical interaction and verification of records caused by Covid-19 pandemic restrictions, the Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances to express our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and has required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2022** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder for compliance to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings, **as applicable;**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **as amended from time to time**: -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable to the Company**;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not Applicable to the Company;**

(f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company;**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company;**

(h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company**;

(i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(vi) Other specific business/industry related laws applicable to the Company:

The Company has complied with specific applicable laws, rules, regulations and guidelines *viz.*,

- The Information Technology Act, 2000 and rules made thereunder;
- Special Economic Zones Act, 2005 and rules made thereunder;
- Software Technology Parks of India rules and regulations;
- Telecom Regulatory Authority of India (TRAI)/ Department of Telecommunication (DOT);
- The Indian Copyright Act, 1957;
- The Patents Act, 1970;
- The Trade Marks Act, 1999

and other applicable general laws, rules, regulations and guidelines.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India; and

(ii) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

During the period under review, the Company paid fine aggregating to ₹12,39,000 (including GST) *'under protest'* to each of National Stock Exchange Limited (NSE) and The BSE Limited (BSE), for non-compliance of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, upto August 25, 2021, regarding Board composition in relation to appointment of Independent Directors on the Board.

Despite the constraints arising out of the Covid-19 pandemic, the Company made continuous efforts to fill the vacancy(ies) in the office of Independent Director(s), and one vacancy was filled on July 18, 2021 upon appointment of Mr. James Abraham, while the other vacancy was filled by appointment of Mr. Rajnish Kumar on August 26, 2021.

We further report that

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

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

The minutes of the Board Meetings and Committee Meetings have not identified any dissent by members of the Board/ Committee of the Board, hence we have no reason to believe that the decisions by the Board were not approved by all the directors present. The Minutes of the Board Meetings and Committee Meetings were duly approved at the meeting by the Chairman of the Meeting.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period the following events/actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. The Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013, between Syncordis Software Services Private Limited ('Syncordis') and Ruletronics System Private Limited ('Ruletronics') (wholly-owned subsidiaries) with the Company was approved by the Hon'ble National Company Law Tribunal vide its order dated July 16, 2021. Consequently, Syncordis and Ruletronics stands merged with the Company, with effect from April 1, 2021 ('Appointed date').

2. The Board of Directors of the Company at its meeting held on January 19, 2022 had approved the Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013, between Powerupcloud Technologies Private Limited, Lymbyc Solutions Private Limited and Cuelogic Technologies Private Limited (wholly-owned subsidiaries) with the Company.

Place : Mumbai
Date : April 19, 2022

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

ALWYN JAY & Co.
Company Secretaries

[Jay D'Souza FCS.3058]
(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058D000153725]

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A

To
The Members,
Larsen & Toubro Infotech Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Larsen & Toubro Infotech Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further part of the verification was done on the basis of electronic data provided to us by the Company due to Covid-19 Pandemic restrictions and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : April 19, 2022

<u>Office Address :</u>
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

ALWYN JAY & Co.
Company Secretaries
[Jay D'Souza FCS.3058]
(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058D000153725]

Independent Auditors' Report

To the Members of Larsen & Toubro Infotech Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Larsen & Toubro Infotech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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 as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and total comprehensive income, its changes in equity and its cash flows 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 (SAs) specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities 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 ('the 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 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:

Revenue Recognition	
Key Audit Matter	Accuracy of recognition, measurement, presentation and disclosures of revenue and other related balances in view of the principles laid down under Ind AS 115 "Revenue from Contracts with Customers". The application of the revenue accounting standard (Ind AS 115) involves significant judgements/ material estimates relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, the standard requires disclosures, which involve collation of information in respect of disaggregated revenue, and periods over which the remaining performance obligations will be satisfied subsequent to the Balance Sheet date. The Company has also assessed (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts, (ii) onerous obligations, (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. Refer Note 2(d) and Note 27 to the Standalone Financial Statements for relevant accounting policy and disclosure respectively.

Revenue Recognition

Principal Audit Procedures	Our audit approach consisted of testing the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design and operating effectiveness of internal controls relating to the application of revenue accounting standard specifically, those relating to identification of the distinct performance obligations and determination of transaction price. Procedures performed included enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: o Read, analysed and identified the distinct performance obligations in these contracts. o Compared such performance obligations with those identified and recorded by the Company. o Reviewed contracts terms to determine the transaction price including any variable consideration to determine the appropriate transaction price for computing revenue and to test the basis of estimation of the variable consideration. o Samples in respect of revenue recorded for time and material contracts were tested through a review of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes. o In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and contracting systems. We also tested the access and change management controls relating to these systems. • Performed analytical procedures for reasonableness of revenue disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the management system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied after the Balance Sheet date.

Assessment of provisions and contingent liability in respect of compliance with various laws and regulations as applicable

Key Audit Matter	Adequacy of provisioning and assessing contingent liabilities in respect of compliance with applicable laws and regulations including Income tax assessments. The Company's operations are spread across several jurisdictions including those outside India requiring the Company to ensure compliance with relevant laws and regulations. Recognition of provisions and disclosure of contingent liabilities on account of potential claims in relation to same may require critical evaluation of legal positions/opinions taken by the Company involving a complex matter and a high degree of professional judgment. Refer Note 2(s) and Note 36 to the Standalone financial statements for relevant accounting policy and disclosure respectively.

Revenue Recognition

Principal Audit Procedures	• We have evaluated the design and operating controls in relation to the compliance tracker maintained by the Company with respect to compliance with local and international laws and regulations. • We read the summary of litigation matters provided by management and held discussions with the Company's legal counsel. • We have also enquired with some of the Company's external legal advisors with respect to the matters and examined related correspondence including advices for foreign branch compliances and obtained an external legal confirmation, wherever appropriate. • In respect of provisions against litigation and the assessment of contingent liabilities, we tested the calculation of the provisions/contingent liability assessment; we reviewed the assumptions against third party data, where available, and assessed the estimates against historical trends. We considered management's judgements on the level of provisioning/ recognition of contingent liability as appropriate.

Investment in Subsidiaries

Key Audit Matter	The carrying amount of investments in subsidiaries held at cost less impairment representing 5.65 % of the Company's total assets are reviewed annually for impairment. The carrying amount of investment is assessed based on financial performance of subsidiaries and projected cash flows, where necessary. This activity requires significant management judgement and estimates. Management has also carried out sensitivity analysis for all key assumptions, including the cash flow projections. Refer Note 2(p)(II) and Note 5 to the Standalone Financial Statements for relevant accounting policy and disclosure respectively.
Principal Audit Procedures	• We compared the carrying amount of investments with the relevant subsidiary Balance Sheet to identify whether their net assets, being an approximation of their minimum recoverable amount were in excess of their carrying amount and assessing whether those subsidiaries have historically been profit-making. • For the investments where the carrying amount exceeded the net asset value, compared the carrying amount of the investment with the expected value of the business based on a suitable multiple of the subsidiaries' earnings or discounted cash flow analysis including reviewing the sensitivity analysis carried out by the management . • Tested the assumptions and underlying cash flows based on our knowledge of the Company and the markets in which the subsidiaries operate; and • We also considered the adequacy of disclosures in the financial statements relating to the valuation of investments in subsidiaries, including those made with respect to judgements and estimates.

Information Other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information in the Annual Report but does not include the Standalone Financial Statements and our Auditors' 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 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities 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 auditors' 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents 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 control that we identify during our audit.

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

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 year and are therefore the key audit matters. We describe these matters in our auditors' 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, 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 Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 B. 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) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 36 to the Standalone Financial Statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were 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:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

(ii) 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:

(i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on such audit procedures as 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 (a) and (b) contain any material misstatement; and

(v) The dividend declared/paid/declared and paid during the year by the Company is in compliance with Section 123 of the Act.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No. 044784
UDIN is 22044784AHIEJJ6424

Place: Mumbai
Date: April 19, 2022

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

(i) (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme for physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).

(d) According to the information and explanations given to us, the Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company is in the business of rendering services and consequently, does not hold any inventory. Accordingly, the reporting under Clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of a first pari passu charge on the trade receivables. The statements of trade receivables filed by the Company with the banks on a monthly basis are in agreement with the respective unaudited books of account as certified by the management.

(iii) (a) According to the information and explanations given to us, during the year, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the reporting under Clauses 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the terms and conditions of the investment made by the Company during the year is not prejudicial to the Company's interest.

(c) According to the information and explanations given to us, the subsidiary companies have been regular in repayment of principal amounts and payments of interest as per the stipulated terms in respect of loans granted in earlier years.

(d) According to the information and explanations given to us, the principal and interest amounts of the loans granted by the Company to the subsidiaries in earlier years are not overdue. Accordingly, the reporting under Clauses 3(iii)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, there are no loans granted to the subsidiaries which have fallen due during the year. Accordingly, the reporting under Clauses 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us, 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. Accordingly, the reporting under Clauses 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Company's operations do not involve processing or manufacturing activities. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Cess and any other material statutory dues as at March 31, 2022, which have not been deposited with the appropriate authorities on account of any dispute. The statutory dues in respect of Goods and Services Tax, Income-tax and Value Added Tax as at March 31, 2022, which have not been deposited with the appropriate authorities on account of a dispute, are as under:

Name of statute	Nature of the dues	Amount ₹ in Mn*	Period to which the amount relates	Forum where dispute is pending
West Bengal Value Added Tax	Demand raised based on subcontractor turnover	8.42	FY2015-2016 and 2016-2017	Senior Joint Commissioner Kolkata South Circle
Maharashtra Value Added Tax (MVAT)	MVAT refund rejected and demand raised of liability adjusted against Input Tax Credit	7.78	FY2016-2017 and FY2017-2018	Commissioner Appeals
The Goods and Services Tax Act, 2017	Tamil Nadu SEZ GST Audit	109.10	FY2017-2018, 2018-2019 and 2019-2020	Commissioner Appeals
The Income-tax Act, 1961	Disallowance of exemption under Income Tax	84.26	FY2008-2009 (AY 2009-2010)	Income Tax Appellate Tribunal
	Disallowance of exemption under Income Tax	0.18	FY2010-2011 (AY 2011-2012)	Income Tax Appellate Tribunal
	Penalty	131.38	FY2006-2007 (AY 2007-2008)	Commissioner (Appeals)
	Disputes regarding calculation of notional interest on transactions with related party and disallowance of foreign tax credit	1.21	FY2010-2011 (AY 2011-2012)	Commissioner (Appeals)
	Disputes regarding exclusion of interest income from Section 10A calculation, addition of notional interest on transactions with related party and disallowance of foreign tax credit	2.08	FY2008-2009 (AY 2009-2010)	Assessing Officer (Assistant Commissioner of Income Tax)
	Disputes regarding non deduction of With Holding Tax under Section 195	1.04	FY2018-2019 (AY 2019-2020)	Commissioner (Appeals)

*Net of amounts paid including under protest.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds are raised on short-term basis. Accordingly, the reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

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

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company, or subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has two Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

(b) According to the information and explanations given to us, there are no ongoing projects relating to corporate social responsibility. Accordingly, the reporting under Clause 3(xx)(b) is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No. 044784
UDIN is 22044784AHIEJJ6424

Place: Mumbai
Date: April 19, 2022

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 2(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 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 financial statements of Larsen & Toubro Infotech Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to 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 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 financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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 system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to 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 B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No. 044784
UDIN is 22044784AHIEJJ6424

Place: Mumbai
Date: April 19, 2022

Balance Sheet

as at March 31, 2022

(₹ Mn)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	4,717	3,671
(b) Right of use assets	40(I)	5,956	5,940
(c) Capital work-in-progress	4	4,374	403
(d) Goodwill		26	26
(e) Other Intangible assets	4	1,052	694
(f) Intangible assets under development	4	130	27
(g) Financial Assets			
(i) Investments	5	10,062	7,542
(ii) Loans	6	1,145	1,115
(iii) Other financial assets	7	2,867	2,046
(h) Deferred tax assets (net)	8	472	479
(i) Income tax assets (net)		1,009	821
(j) Other non-current assets	9	1,832	1,320
Total Non-Current Assets		**33,642**	**24,084**
Current assets			
(a) Financial assets			
(i) Investments	10	31,366	36,282
(ii) Trade receivables	11	26,037	20,243
(iii) Unbilled revenue	12	8,113	5,299
(iv) Cash and cash equivalents	13	2,836	4,025
(v) Other bank balances	14	3,763	-
(vi) Loans	15	29	39
(vii) Other financial assets	16	2,772	2,091
(b) Other current assets	17	8,475	7,822
Total Current Assets		**83,391**	**75,801**
TOTAL ASSETS		**117,033**	**99,885**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	175	175
(b) Other equity			
(i) Other reserves	19	9,860	9,109
(ii) Retained earnings	19	73,994	60,134
Total Equity		**84,029**	**69,418**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	40(II)	6,301	6,084
(ii) Other financial liabilities	20	133	339
(b) Other non current liabilities	21	-	479
(c) Provisions	22	393	360
Total Non-Current Liabilities		**6,827**	**7,262**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
- Due to micro & small enterprises	23	75	82
- Due to creditors other than micro & small enterprises	23	7,895	7,922
(ii) Other financial liabilities	24	8,363	6,239
(iii) Lease liabilities	40(II)	1,052	1,144
(b) Other current liabilities	25	4,876	4,338
(c) Provisions	26	3,540	3,369
(d) Income tax liabilities (net)		376	111
Total Current Liabilities		**26,177**	**23,205**
TOTAL EQUITY AND LIABILITIES		**117,033**	**99,885**
Significant accounting policies	2		
Other notes to accounts	36-54		

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer & Managing Director
(DIN: 07256786)
Mumbai

Nachiket Deshpande
Chief Operating Officer & Whole-time Director
(DIN: 08385028)
Mumbai

Padmini Khare Kaicker
Partner
Membership No: 044784

Anil Rander
Chief Financial Officer
Mumbai

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ Mn)

Particulars	Note	April 21 -March 22	April 20 - March 21
Income from operations			
Revenue from operations	27	144,064	115,661
Other income	28	5,891	2,254
Total income		**149,955**	**117,915**
Expenses			
Employee benefits expense	29	85,900	68,098
Operating expenses	30	28,140	20,763
Finance costs	31	681	719
Depreciation & Amortization expense	32	2,881	2,676
Other expenses	33	2,249	1,735
Total expenses		**119,851**	**93,991**
Profit before tax		**30,104**	**23,924**
Tax expense			
Current tax	34(I)	7,696	5,843
Deferred tax	34(II)	(201)	197
		7,495	**6,040**
NET PROFIT FOR THE YEAR		**22,609**	**17,884**
OTHER COMPREHENSIVE INCOME	35		
A. Items that will not be reclassified subsequently to profit or loss, net		25	37
B. Items that will be reclassified subsequently to profit or loss, net		618	4,349
Total other comprehensive income		**643**	**4,386**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**23,252**	**22,270**
Basic		**129.14**	**102.51**
Basic earning per equity share	42		
Diluted			
Diluted earning per equity share	42	**128.77**	**101.85**
Significant accounting policies	2		
Other notes to accounts	36-54		

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer &
Managing Director
(DIN: 07256786)
Mumbai

Nachiket Deshpande
Chief Operating Officer &
Whole-time Director
(DIN: 08385028)
Mumbai

Padmini Khare Kaicker
Partner
Membership No: 044784

Anil Rander
Chief Financial Officer
Mumbai

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Standalone Cash Flow Statement
for the year ended March 31, 2022

(₹ Mn)

Particulars	April 21 -March 22	April 20 - March 21
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	**22,609**	**17,884**
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortization	2,881	2,676
Income tax expense	7,495	6,040
Employee stock options amortised	108	168
Realised income from current investment in mutual funds	(1,076)	(982)
Unrealised income from current investment	(133)	(560)
Interest income	(433)	(164)
Interest expense	681	719
Provision for doubtful debts (net)	262	191
Unrealised foreign exchange gain/loss (net)	(160)	(369)
Change in fair value of contingent consideration	113	-
Gain on buyback of shares by subsidiary	(1,172)	(9)
Gain from lease short close	(14)	(82)
Gain from lease - asset as a service	(11)	(145)
Gain on sale of property, plant and equipment	(9)	(1)
Operating profit before working capital changes	**31,141**	**25,366**
Changes in working capital		
Increase in trade receivables & unbilled revenue	(8,703)	(337)
Increase in other receivables	(1,020)	(1,692)
Increase in trade & other payables	2,159	4,338
(Increase)/decrease in working capital	**(7,564)**	**2,309**
Cash generated from operations	**23,578**	**27,675**
Income taxes paid	(7,508)	(5,882)
Net cash generated from operating activities	**16,070**	**21,793**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(7,552)	(1,791)
Sale of fixed assets	34	47
Purchase of investments (net)	(1,574)	(14,611)
Investment in subsidiaries	(451)	(37)
Receipt on buyback by subsidiary (net of tax)	1,585	10
Loan (given to)/repaid by subsidiaries	9	(1,098)
Payment towards business acquisition	(164)	(34)
Realised income from current investments	1,076	982
Interest received	350	162
Net cash (used in) investing activities	**(6,687)**	**(16,370)**

Standalone Cash Flow Statement
for the year ended March 31, 2022

(₹ Mn)

Particulars	April 21 -March 22	April 20 - March 21
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	0	1
Payment towards lease liabilities (net)	(1,590)	(1,559)
Deposit under credit support agreement received/(paid)	(89)	1,759
Interest paid	(41)	(15)
Dividend paid	(8,749)	(5,319)
Net cash (used in) financing activities	**(10,469)**	**(5,133)**
Net increase/(decrease) in cash and cash equivalents	**(1,086)**	**290**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(102)	12
Cash and cash equivalents at beginning of the period	**4,025**	**3,723**
Cash and cash equivalents at end of the period*	**2,836**	**4,025**

*Refer note 13 to Standalone Financial Statements

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer & Managing Director
(DIN: 07256786)
Mumbai

Nachiket Deshpande
Chief Operating Officer & Whole-time Director
(DIN: 08385028)
Mumbai

Padmini Khare Kaicker
Partner
Membership No: 044784

Anil Rander
Chief Financial Officer
Mumbai

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Standalone Statement of Changes in Equity

A Equity Share Capital

For the year ended March 31, 2022

(₹ Mn)

Balance as on April 1, 2021	Changes in equity share capital during the year	Balance as on March 31, 2022
175	0	175

For the year ended March 31, 2021

(₹ Mn)

Balance as on April 1, 2020	Changes in equity share capital during the year	Balance as on March 31, 2021
174	1	175

B Other Equity

For the year ended March 31, 2022

(₹ Mn)

Particulars	Share application money on pending allotment	Reserves and Surplus					Effective portion of Cash Flow Hedges	Other items of Other Comprehensive Income	Total
		Capital Reserve	Securities Premium	General Reserve	Employee Stock options outstanding	Deferred Employee Compensation Expense	Retained Earnings			
Balance as on April 1, 2021	**-**	**(60)**	**2,862**	**3,471**	**795**	**(288)**	**60,134**	**2,200**	**129**	**69,243**
Total Comprehensive Income for the year	-	-	-	-	-	-	-	618	25	643
Dividends	-	-	-	-	-	-	(8,749)	-	-	(8,749)
Transfer to retained earnings	-	-	-	-	-	-	22,609	-	-	22,609
Employee Stock Compensation Expense	-	-	-	-	211	(211)	-	-	-	-
Other changes/ Transfer to general reserve	0	-	286	-	(423)	245	-	-	-	108
Balance as on March 31, 2022	**0**	**(60)**	**3,148**	**3,471**	**583**	**(254)**	**73,994**	**2,818**	**154**	**83,854**

Standalone Statement of Changes in Equity

B Other Equity

For the year ended March 31, 2021

(₹ Mn)

Particulars	Share application money on pending allotment	Capital Reserve	Securities Premium	General Reserve	Employee Stock options outstanding	Deferred Employee Compensation Expense	Retained Earnings	Effective portion of Cash Flow Hedges	Other items of Other Comprehensive Income	Total
		Reserves and Surplus								
Balance as on April 1, 2020	**-**	(60)	2,514	3,469	1,063	(379)	47,564	(2,149)	92	52,114
Restatement due to amalgamation*	-	-	-	-	-	-	10	-	(0)	10
Restated Balance as on April 1, 2020	**-**	**(60)**	**2,514**	**3,469**	**1,063**	**(379)**	**47,574**	**(2,149)**	**92**	**52,124**
Total Comprehensive Income for the year	-	-	-	-	-	-	-	4,349	37	4,386
Dividends	-	-	-	-	-	-	(5,324)	-	-	(5,324)
Transfer to retained earnings	-	-	-	-	-	-	17,884	-	-	17,884
Employee Stock Compensation Expense	-	-	-	-	196	(196)	-	-	-	-
Other changes/ Transfer to general reserve	-	-	348	2	(464)	287	-	-	-	173
Balance as on March 31, 2021	**-**	**(60)**	**2,862**	**3,471**	**795**	**(288)**	**60,134**	**2,200**	**129**	**69,243**

*Refer note 44

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer & Managing Director
(DIN: 07256786)
Mumbai

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Partner
Membership No: 044784

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Notes forming part of Standalone Financial Statements

1. Company overview

Larsen & Toubro Infotech Limited ('the Company') offers extensive range of IT services like 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. Significant accounting policies

a. Basis of accounting and Statement of compliance

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, as 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 Mn] as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees.

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, provision for doubtful debts, future obligations in respect of retirement benefit plans, etc. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and by giving prospective impact in the standalone financial statements.

The Company has considered the possible effects that may result from Covid-19 on the recoverable values of its financial and non-financial assets. The impact of Covid-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

b. Presentation of financial statements

The statement of financial position (including statement of changes in equity) and the statement of profit and loss are prepared and presented in the format prescribed in Division II of Schedule III to the Companies Act, 2013, as amended from time to time. The cash flow statement has been prepared and presented as per the requirements of Ind AS 7 "Cash Flow Statements". 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. Revenue from Contracts with Customers

Revenue is recognised upon transfer of control of promised products or services to customers. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for volume discounts, rebates, and other similar allowances. Revenue from contracts priced on time and material basis is recognised when services are rendered, and the related costs are incurred.

Revenue related to fixed price maintenance and support services contracts where the Company is ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

Notes forming part of Standalone Financial Statements

Revenue from services performed on fixed-price basis is recognised using the input method as defined in Ind AS-115 - Revenue from Contracts with customers. The Company uses efforts or 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 recognised 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 recognised in the statement of profit and loss in the period 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 recognised 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 recognised 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 recognised as per input method.

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 period. 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 recognised.

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

Use of significant judgements 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 efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Further, the Company uses significant judgements while determining the transaction price to be allocated to performance obligations.

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

e. Other income

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

I) Interest income is recognised using effective interest method.

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

f. 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 recognised in the period in which the employee renders the related service.

II) Post-employment benefits

i) Defined contribution plan:

The Company's superannuation fund and state governed provident fund scheme are classified

Notes forming part of Standalone Financial Statements

as defined contribution plans. The contribution paid /payable under the schemes is recognised during the period 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 Life Insurance Corporation of India 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 recognises 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 recognised 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 recognised in other comprehensive income. The effect of any plan amendment is recognised in statement of profit and loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost resulting from a plan amendment or curtailment are recognised immediately in the statement of profit and loss.

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

iii) Long term employee benefits:

The obligation for long term employee benefits like long term compensation absences is recognised 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 recognised immediately in statement of profit and loss.

iv) 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 period 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 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 period in which, the Code and the corresponding Rules become effective.

g. Government grants

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

h. 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

Notes forming part of Standalone Financial Statements

acquisition or construction of the asset and cost incurred for bringing the asset to its present location and condition.

i. Intangible assets

Assets like customer relationship, computer software, and internally developed software are stated at cost, less accumulated depreciation, amortisation and impairment.

j. Impairment

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

The Company assesses at each date of statement of financial position 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 recognised during the period as expense or income respectively in the statement of profit and loss.

II) Impairment of intangible assets

At the end of each reporting period, 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.

k. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings, furniture & fixtures and vehicles. 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 lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease

Notes forming part of Standalone Financial Statements

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. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

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

The Company as a lessor

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

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the 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.

For Finance leases, initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease.

l. Depreciation

I) Tangible assets

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 or amortization on additions and disposals are calculated on pro-rata basis from and to the month of additions and disposals.

Particulars	Useful life
Buildings	Upto 60 years
Computers and IT peripherals	Upto 6 years
Plant and machinery	Upto 15 years
Office equipment	Upto 5 years
Vehicles	Upto 8 years
Furniture and fixtures	Upto 10 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
Computer software	Upto 5 years

m. 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 recognised 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 recognised as expense in respect of such options is transferred to the general reserve. If options granted lapse before the vesting period, the cumulative discount recognised as expense in respect of such options is transferred to the profit and loss.

n. 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.

o. Foreign currency transactions and balances

Foreign currency transactions 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 recognised 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.

p. Financial Instruments

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

I) Initial measurement

Financial assets and liabilities are initially measured at fair value, which are measured at 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.

II) Subsequent classification and measurement

i) Non-derivative financial assets

A) Financial assets at amortised cost

Financial assets are subsequently measured at amortised 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 amortised cost are subsequently measured using effective interest method

B) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets 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

C) 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 amortised 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 recognised in statement of profit and loss.

ii) Non-derivative financial liability

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

iii) Investment in subsidiaries

Investment in Subsidiaries is carried at cost less impairment, if any in the Standalone Financial Statements.

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 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.

A) Cash flow hedges

The Company designates certain foreign exchange forward and option contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.

Notes forming part of Standalone Financial Statements

When a derivative is designated as a Cash flow hedge instrument, the effective portion of changes in fair value of the derivative is recognised 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 recognised in statement of profit and loss.

III) Derecognition

The Company derecognises 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 derecognised 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 realise the asset and settle the liability simultaneously.

q. Taxes on income

Income tax expense comprises current and deferred income tax. Tax on income for the current period 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 recognise current tax /deferred tax liabilities and assets in accordance with the applicable local laws.

Income tax and deferred tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income, in which case income tax expense is recognised in other comprehensive income. Current income tax for current and prior periods is recognised 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 recognised 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 recognised 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 recognised 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.

r. Borrowing costs

Borrowing costs include finance costs, commitment charges, interest expense on lease liabilities and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to finance costs.

Notes forming part of Standalone Financial Statements

s. Provisions, contingent liabilities, and contingent assets

Provisions are recognised 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 recognised only when it is virtually certain that the reimbursement will be received.

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

II) a possible obligation unless the probability of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed.

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

t. 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 period, adjusted for bonus elements in equity shares, if any, issued during the period.

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 period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

u. Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow is reported using indirect method as per the requirements of Ind AS 7 ("Cash flow statements"), 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.

v. Business Combination

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

Business combinations through common control transactions are accounted on a pooling of interest method in accordance with Appendix C to Ind AS 103.

Transaction costs incurred in connection with a business acquisition are expensed as incurred.

w. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not

Notes forming part of Standalone Financial Statements

significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3. Intangible Assets

The balance useful life of internally developed intangible asset as on the respective balance sheet dates is as follows:

(₹ Mn)

Class of Assets	As at March 31, 2022		As at March 31, 2021	
	Useful life	Carrying amount	Useful life	Carrying amount
Internally developed Software	Upto 5 Years	835	Upto 5 Years	447
Total		**835**		**447**

Notes forming part of Standalone Financial Statements

4A.Property, Plant and Equipment and Intangible Assets - as of March 31, 2022

(₹ Mn)

Particulars	Gross Block				Depreciation/Amortisation				Net Block
	As at 01-04-2021	Additions	Deductions	As at 31-03-2022	As at 01-04-2021	For the year	On deductions	As at 31-03-2022	As at 31-03-2022
Tangible assets									
Leasehold land	10	-	-	10	1	0	-	1	9
Buildings	126	-	126	-	126	-	126	-	-
Leasehold improvements	926	118	57	987	389	141	45	485	502
Plant and machinery	1,179	209	60	1,328	521	130	58	593	735
Owned computers	3,288	1,862	104	5,046	1,847	711	89	2,469	2,577
Office equipments	996	86	18	1,064	668	122	17	773	291
Furniture and fixtures	1,121	65	79	1,107	547	109	58	598	509
Vehicles	283	17	59	241	159	30	42	147	94
Capital work in progress	-	-	-	-	-	-	-	-	4,374
Total tangible assets	**7,929**	**2,357**	**503**	**9,783**	**4,258**	**1,243**	**435**	**5,066**	**9,091**
Intangible assets									
Software	3,173	822	1,063	2,932	2,479	462	1,061	1,880	1,052
Intangible assets under development	-	-	-	-	-	-	-	-	130
Total intangible assets	**3,173**	**822**	**1,063**	**2,932**	**2,479**	**462**	**1,061**	**1,880**	**1,182**

CWIP ageing schedule as at March 31, 2022

(₹ Mn)

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	3,980	49	345	-	4,374
	3,980	**49**	**345**	**-**	**4,374**

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

Intangible assets under development ageing schedule as at March 31, 2022

(₹ Mn)

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	125	5	-	-	130
	125	**5**	**-**	**-**	**130**

Notes forming part of Standalone Financial Statements

4B. Property, Plant and Equipment and Intangible Assets - As of March 31, 2021

(₹ Mn)

Particulars	Gross Block					Depreciation/Amortisation					Net Block
	As at 01-04-2020	Pursuant to amalgamation*	Additions	Deductions	As at 31-03-2021	As at 01-04-2020	Pursuant to amalgamation*	For the year	On deductions	As at 31-03-2021	As at 31-03-2021
Tangible assets											
Leasehold land	10	-	-	-	10	1	-	0	-	1	9
Buildings	126	-	-	0	126	41	-	85	-	126	-
Leasehold improvements	869	2	58	3	926	251	1	138	1	389	537
Plant and machinery	1,141	2	63	27	1,179	398	1	141	19	521	658
Owned computers	2,398	16	894	20	3,288	1291	10	560	14	1,847	1,441
Office equipments	929	1	74	8	996	542	0	133	7	668	328
Furniture and fixtures	1,128	2	30	39	1,121	431	1	144	29	547	574
Vehicles	307	-	9	33	283	144	-	35	20	159	124
Capital work in progress	-	-	-	-	-	-	-	-	-	-	403
Total tangible assets	**6,908**	**23**	**1,128**	**130**	**7,929**	**3,099**	**13**	**1,236**	**90**	**4,258**	**4,074**
Intangible assets											
Software	2,820	2	600	249	3,173	2,466	2	256	245	2,479	694
Intangible assets under development	-	-	-	-	-	-	-	-	-	-	27
Total intangible assets	**2,820**	**2**	**600**	**249**	**3,173**	**2,466**	**2**	**256**	**245**	**2,479**	**721**

*Refer note 44

CWIP ageing schedule as at March 31, 2021

(₹ Mn)

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	58	345	-	-	403
	58	**345**	**-**	**-**	**403**

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

Intangible assets under development ageing schedule as at March 31, 2021

(₹ Mn)

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	27	-	-	-	27
	27	**-**	**-**	**-**	**27**

Notes forming part of Standalone Financial Statements

5 Non-Current Investments

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Long term investment in subsidiaries:		
Equity Shares (Unquoted) :		
5 fully paid equity shares of EUR 25,000 each in Larsen & Toubro Infotech GmbH	3,404	3,404
100 fully paid equity shares of CAD 1 each in Larsen & Toubro Infotech Canada Limited	7	7
400,000 (previous year 600,000) equity shares at no par value in L&T Infotech Financial Services Technologies Inc[1]	1,126	1,686
254,750 equity shares at no par value in Larsen And Toubro Infotech South Africa (Pty) Ltd	2	2
175,000 fully paid equity shares of USD 1 each in L&T Information Technology Services (Shanghai) Co. Ltd.	11	11
50,000 fully paid equity shares of EUR 1 each in L&T Information Technology Spain, SL	4	4
30,000 fully paid shares of NOK 1 each in Larsen & Toubro Infotech Norge AS	0	0
1,145,421 fully paid equity shares of ₹10 each in Lymbyc Solutions Private Limited	324	324
17,328 fully paid equity shares of ₹10 each in Powerupcloud Technologies Private Limited	1,056	1,056
1,000 fully paid equity shares of GBP 1 each in Larsen & Toubro Infotech UK Limited	0	0
1,860 shares of AED 1,000 each in Larsen & Toubro Infotech Middle East FZ-LLC	37	37
10,000 fully paid equity shares of ₹10 each in Cuelogic Technologies Private Limited[2]	639	-
Other:		
Membership interest of MXN 2,970 in L&T Infotech, S. DE R.L. DE C.V.	0	0
Other equity investments (Unquoted) :		
2,500 equity shares of USD 1 each in Larsen & Toubro LLC	1	1
Non trade investments (Unquoted) :		
Treasury Notes Philippines Govt.[3]	2	2
Corporate deposits	1,420	-
Non trade investments (Quoted) :		
Corporate bonds	2,029	1,009
	10,062	**7,542**
Other Disclosures :		
(i) Aggregate amount of quoted investments	2,029	1,009
Market Value of quoted investments	1,973	1,010
(ii) Aggregate amount of unquoted investments	8,033	6,533

1. On June 14, 2021, L&T Infotech Financial Services Technologies Inc. ("LTIFST") bought back 33.33% of its total equity capital (i.e. 200,000 shares) from its Shareholder (the Company) for a consideration of ₹1,732 Mn against cost of ₹560 Mn.
2. The Company acquired "Cuelogic Technologies Private Limited" on July 1, 2021 (refer note 45).
3. The Company has invested in Philippines Govt. Treasury notes and have deposited same with local Securities and Exchange Commission, as per Corporation Code of Philippines-126. The company has not held this investment primarily for the purpose of being traded and does not intend to sale or consume for normal business operation. The company intends to keep the deposit till the existence of its operations in Philippines.

Notes forming part of Standalone Financial Statements

6 Non Current Loans

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Advance to subsidiary* (refer note 43)		
Unsecured, considered good	1,145	1,115
	1,145	1,115

* Advance given to wholly owned subsidiary "Larsen & Toubro Infotech Middle East FZ-LLC" for its business and operations.

7 Other Non Current Financial Assets

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Derivative contracts receivables	1,922	1,440
Security deposits#	535	451
Bank deposits with more than 12 months maturity	318	-
Lease receivables	77	155
Interest accrued but not due	15	-
	2,867	2,046

Security deposits have been reclassified from loans to other financial assets.

8 Deferred Tax Assets

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Deferred tax asset / (liability)	472	479
	472	479

8 (I) Deferred tax liabilities/assets as at March 31, 2022

(₹ Mn)

Particulars	Deferred tax asset/(liability) as at March 31, 2021	Current year (charge)/credit to Profit & Loss	(Charge)/ credit to Other Comprehensive Income	Deferred Tax asset/(liability) as at March 31, 2022
Deferred tax assets/ (liabilities)				
Deferred taxes on derivative instruments	(631)	(104)	(208)	(943)
Branch profit tax	(683)	108	-	(575)
Unrealised (gains) / losses on investments	(274)	(0)	-	(274)
Provision for doubtful debts & advances	128	81	-	209
Provision for employee benefits	744	180	-	924
Depreciation / amortisation	521	118	-	639
Lease liabilities net of lease assets	332	(28)	-	304
Others	342	(154)	-	188
Net deferred tax assets/ (liabilities)	479	201	(208)	472

Notes forming part of Standalone Financial Statements

8 Deferred Tax Assets (Contd..)

8 (II) Deferred tax liabilities/assets as at March 31, 2021

(₹ Mn)

Particulars	Deferred tax asset/(liability) as at March 31, 2020	Current year (charge)/credit to Profit & Loss	(Charge)/ credit to Other Comprehensive Income	Deferred Tax asset/(liability) as at March 31, 2021
Deferred tax assets/(liabilities)				
Deferred taxes on derivative instruments	848	(16)	(1,463)	(631)
Branch profit tax	(683)	-	-	(683)
Unrealised (gains) / losses on investments	(142)	(132)	-	(274)
Provision for doubtful debts & advances	156	(28)	-	128
Provision for employee benefits	426	317	-	744
Depreciation / amortisation	421	100	-	521
Capital loss on buyback by L&T Infotech Financial Services Technologies Inc.	13	(13)	-	-
Lease assets net of lease liabilities	284	48	-	332
Others	322	20	-	342
MAT credit	493	(493)	-	-
Net deferred tax assets/(liabilities)	2,139	(197)	(1,463)	479

9 Other Non Current Assets

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Deferred contract costs	348	576
Advance recoverable other than cash	1,061	546
Prepaid expenses	123	198
Capital advances	300	-
	1,832	1,320

10 Current Investments

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Mutual funds - Quoted	26,008	32,720
Corporate deposits - Unquoted	2,800	3,020
Corporate bonds - Quoted	2,064	542
Commercial Paper - Quoted	494	-
	31,366	36,282
Other Disclosures :		
(i) Aggregate amount of quoted investments	28,566	33,262
Market Value of quoted investments	28,541	33,261
(ii) Aggregate amount of unquoted investments	2,800	3,020

Notes forming part of Standalone Financial Statements

11 Trade Receivables

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Due from related parties (refer note 43)	2,302	2,143
Due from others	24,391	18,637
Less : Allowance for doubtful trade receivables	(656)	(537)
Unsecured, considered good	**26,037**	**20,243**

Allowance for doubtful trade receivables movement

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Balance at the beginning of the year	537	545
Additions during the year, net	182	115
Uncollectable receivables charged against allowances (refer note 30)	(70)	(130)
Exchange (gain)/loss	7	7
Balance at the end of the year	**656**	**537**

Trade Receivables ageing schedule as at March 31, 2022

(₹ Mn)

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	18,242	6,549	1,205	244	112	317	26,669
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	24	24
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
	18,242	**6,549**	**1,205**	**244**	**112**	**341**	**26,693**
Less: Loss allowance	-	-	-	-	-	-	(656)
							26,037

Notes forming part of Standalone Financial Statements

11 Trade Receivables (Contd..)

Trade Receivables ageing schedule as at March 31, 2021

(₹ Mn)

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	18,386	1,922	672	266	86	121	21,453
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	24	24
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
	18,386	**1,922**	**672**	**266**	**86**	**145**	**21,477**
Less: Loss allowance	-	-	-	-	-	-	(642)
							20,835

12 Unbilled Revenue

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Unbilled revenue*	8,113	5,299
	8,113	**5,299**

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

13 Cash and Cash Equivalent

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Cash on hand	0	0
Balances with bank		
- in current accounts		
Overseas	1,877	2,044
Domestic	457	1,242
Remittance in transit	463	713
Cash and bank balance not available for immediate use	27	17
Earmarked balances with banks (unclaimed dividend)	12	9
	2,836	**4,025**

Notes forming part of Standalone Financial Statements

14 Other Bank Balances

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Bank deposits	3,763	-
	3,763	-

15 Current Loans

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Advance to subsidiary* (refer note 43)		
Unsecured, considered good	29	39
	29	39

* Loans to subsidiaries (Lymbyc Solutions Private Limited and Powerupcloud Technologies Private Limited) towards their working capital requirements.

16 Other Current Financial Assets

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Advances to employees	290	165
Derivative contracts receivables	1,944	1,497
Security deposits#	188	249
Lease receivable	102	86
Interest accrued but not due	230	63
Others	18	31
	2,772	2,091

#Security deposits have been reclassified from loans to other financial assets.

17 Other Current Assets

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Unbilled revenue*	5,448	5,118
Prepaid expenses	2,073	1,371
Advances recoverable other than in cash	604	862
Deferred contract costs	350	471
	8,475	7,822

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

Notes forming part of Standalone Financial Statements

18 Share Capital

I) Share capital authorised, issued, subscribed and paid up:

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Authorised :		
274,500,000 equity shares of ₹1 each (Previous year 260,000,000 of ₹1 each)	275	260
	275	260
Issued, paid up and subscribed		
175,270,156 equity shares for ₹1 each (Previous year 174,750,608 of ₹1 each)	175	175
	175	175

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 as at the end of the year:

Name of Shareholder	Number of Shares	Shareholding %	% Change during the year
	As at 31-03-2022		
Larsen & Toubro Limited (Promoter)	129,784,034	74.05%	0.22%
	As at 31-03-2021		
Larsen & Toubro Limited (Promoter)	129,784,034	74.27%	0.24%

IV) Reconciliation of the number of equity shares and share capital:

Due to allotment of shares on exercise of stock options by employees, there was a movement in share capital for the year ended March 31, 2022 and March 31, 2021 as given below:

Particulars	As at 31-03-2022	As at 31-03-2021
Issued, subscribed and fully paid up equity shares outstanding at the beginning	174,750,608	174,126,769
Add: Shares issued on exercise of employee stock options	519,548	623,839
Issued, subscribed and fully paid up equity shares	175,270,156	174,750,608

Notes forming part of Standalone Financial Statements

18 Share Capital (Contd..)

V) Stock option plans:

Employee Stock Ownership Scheme ('ESOS Plan')

Sr. No.	Particulars	ESOP scheme 2015 2021-22	ESOP scheme 2015 2020-21
i	Grant Price	₹1	₹1
ii	Grant Date	June 10, 2016 onwards	
iii	Vesting commences on	June 10, 2017 onwards	
iv	Options granted & outstanding at the beginning of the year	882,606	1,525,395
v	Options reinstated during the year	-	-
vi	Options granted during the year	45,285	83,650
vii	Options allotted/execised during the year	519,548	623,839
viii	Options Lapsed/cancelled during the year	82,428	102,600
ix	Options granted & outstanding at the end of the year	325,915	882,606
x	Options vested at the end of the year out of (ix)	143,122	122,208
xi	Options unvested at the end of the year out of (ix)	182,793	760,398
xii	Weighted average remaining contractual life of options (in years)	3.5	3.3

VI) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2022 are Nil (previous period of five years ended March 31, 2020 - Nil)

VII) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended March 31, 2022 – Nil (previous period of five years ended March 31, 2021 - Nil)

VIII) During the year ended March 31, 2022, the amount of special dividend of ₹10 per share (previous year Nil per share) and interim dividend distributed to equity shareholder was ₹15 per share (previous year ₹15 per share).

IX) Weighted average share price at the date of exercise for stock options exercised during the year is ₹4,889 per share (previous year ₹2,691 per share).

X) Weighted average fair value of options granted during the year is ₹4,668 (previous year ₹2,349).

XI) 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:

Sr. No.	Particulars	2021-22	2020-21
i	Weighted average risk-free interest rate	5.00%	4.62%
ii	Weighted average expected life of options	3 Years	3 Years
iii	Weighted average expected volatility	27.67%	25.17%
iv	Weighted average expected dividends over the life of option	₹189.16	₹148.59
v	Weighted average share price	₹4,668	₹2,349
vi	Weighted average exercise price	Re. 1	Re. 1
vii	Method used to determine expected volatility	The expected volatility has been calculated based on historic company share price.	The expected volatility has been calculated based on historic volatility IT Index.

Notes forming part of Standalone Financial Statements

19 Other Equity

(₹ Mn)

Particulars		As at 31-03-2022	As at 31-03-2021
I) General reserve[1]			
Opening balance		3,471	3,469
Add: Additions during the year		-	2
		3,471	**3,471**
II) Hedging reserve[2]			
Opening balance (net of taxes)		2,200	(2,149)
Add/(Less): Movement in forward contracts receivable		2,882	5,969
Add/(Less): Amount reclassified to profit or loss		(2,056)	(158)
Add/(Less): Deferred tax related to above		(208)	(1,462)
		2,818	**2,200**
III) Share premium[3]			
Opening balance		2,862	2,514
Add: Additions during the year		286	348
		3,148	**2,862**
IV) Employee stock options outstanding[4]			
Opening balance		795	1,063
Add: Additions during the year		211	196
Less: Deductions during the year		(423)	(464)
	(a)	**583**	**795**
Deferred employee compensation expense[4]			
Opening balance		(288)	(379)
Add: Additions during the year		(211)	(196)
Less: Deductions during the year		245	287
	(b)	**(254)**	**(288)**
Balance to be carried forward	**(a) + (b)**	**329**	**507**
V) Capital reserve on business combination[5]			
Opening balance		(60)	(60)
Add: Additions during the year		-	-
		(60)	**(60)**
VI) OCI - Remeasurements of net defined benefit plans (net of tax)			
Opening balance		129	92
Restatement due to amalgamation (refer note 44)			(0)
Restated Balance as on April 1, 2020			**92**
Add: Additions during the year		25	37
		154	**129**
VII) Retained Earnings[6]			
Opening balance		60,134	47,564
Restatement due to amalgamation (refer note 44)			10
Restated Balance as on April 1, 2020			**47,574**
Add: Profit for the year		22,609	17,884
Less: Dividend		(8,749)	(5,324)
		73,994	**60,134**
Total (I + II + III + IV + V + VI + VII)		**83,854**	**69,243**

Notes forming part of Standalone Financial Statements

19 Other Equity (Contd..)

1. 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.
2. 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.
3. Share 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.
4. It represents the fair value of services received against employee stock options.
5. 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.
6. Retained earnings represents the undistributed profits of the Company accumulated as on Balance Sheet date.

20 Other Non Current Financial Liabilities

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Payable for acquisition of business	133	337
Other financial liability	-	2
	133	339

21 Other Non Current Liabilities

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Deferred Social Security Obligation	-	479
	-	479

22 (I) Non Current Provisions

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Post retirement medical benefits (refer note 38)	282	250
Others	111	111
	393	360

Notes forming part of Standalone Financial Statements

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

(₹ Mn)

Particulars	Class of provisions		Total
	Sales Tax	Others	
Balance as at March 31, 2020	4	107	111
Additional provision during the year	-	-	-
Provision used during the year	-	-	-
Provision reversed during the year	-	-	-
Balance as at March 31, 2021	4	107	111
Additional provision during the year	-	-	-
Provision used during the year	-	-	-
Provision reversed during the year	-	-	-
Balance as at March 31, 2022	4	107	111

23 Trade Payables

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Total outstanding dues of micro enterprises and small enterprises	75	82
Total outstanding dues of creditors other than micro enterprises and small enterprises :		
Due to related parties (refer note 43)	546	277
Due to others	2,408	3,380
Accrued expenses	4,941	4,265
	7,895	7,922

Trade Payables ageing schedule as at March 31, 2022

(₹ Mn)

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	-	75	-	-	-	-	75
(ii) Others	4,941	2,156	683	90	20	5	7,895
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	4,941	2,231	683	90	20	5	7,970

Notes forming part of Standalone Financial Statements

23 Trade Payables (Contd..)

Trade Payables ageing schedule as at March 31, 2021

(₹ Mn)

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	-	74	8	-	-	-	82
(ii) Others	4,265	2,011	1,571	34	26	15	7,922
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	4,265	2,085	1,579	34	26	15	8,004

24 Other Current Financial Liabilities

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Liabilities for employee benefits	6,841	5,113
Liability for gratuity (refer note 38)	379	260
Payable for acquisition of business	533	163
Liability towards credit support agreements	594	683
Unclaimed dividend	13	9
Others	3	11
	8,363	6,239

25 Other Current Liabilities

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Unearned and deferred revenue	1,142	1,495
Other payable	3,734	2,843
	4,876	4,338

26 Current Provisions

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Compensated absences	3,536	3,366
Post-retirement medical benefits (refer note 38)	4	3
	3,540	3,369

Notes forming part of Standalone Financial Statements

27 Revenue From Operations

Revenue consists of the following:

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from software services		
Fixed Price & Maintenance	91,400	71,680
Time & Material	48,335	39,884
Revenue from products	4,329	4,097
	144,064	115,661

Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized 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, 2022, other than those meeting the exclusion criteria mentioned above, is ₹113,767 Mn (previous year ₹105,876 Mn). Out of this, the Company expects to recognize revenue of around 62% (previous year 58%) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

Changes in contract assets is as follows:

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	5,118	4,227
Less : Invoices raised during the year	(3,903)	(1,983)
Add : Revenue recognised during the year	4,228	2,889
Add : Translation exchange difference	5	(15)
Balance at the end of the year	5,448	5,118

Changes in contract liabilities is as follows:

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	1,495	1,425
Less : Revenue recognised during the year from opening balance	(1,092)	(1,010)
Add : Invoices raised during the year	765	1,080
Add/ (Less) : Translation exchange difference	(26)	(0)
Balance at the end of the year	1,142	1,495

Notes forming part of Standalone Financial Statements

28 Other Income

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Foreign exchange gain[1]	2,920	156
Net gain on investments carried at fair value through profit or loss	1,209	1,541
Miscellaneous income	157	384
Interest received from bank and others[2]	433	164
Gain on buy-back of shares by subsidiary	1,172	9
	5,891	**2,254**

1. The foreign exchange gain reported above includes gain on Derivative financial instrument which are designated as cash flow hedges of ₹2,056 Mn (previous year ₹158 Mn) and as fair value hedges of ₹77 Mn (previous year ₹469 Mn). Since, 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 aforesaid gain relates to the business operations of the company.
2. Includes interest income on financial assets measured at amortised cost, which has been recorded on the basis of Effective interest method.

29 Employee Benefits Expense

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries including overseas staff expenses *	80,501	63,449
Share based payments to employees	108	168
Staff welfare	656	598
Contribution to social security and other funds	2,731	2,605
Contribution to provident and other funds	1,519	965
Contribution to gratuity fund	346	276
Contribution to superannuation fund	39	37
	85,900	**68,098**

*During the year ended March 31, 2021 the Company received government grants amounting to ₹5 Mn from governments of various countries on compliance of several employment-related conditions consequent to the outbreak of Covid-19 pandemic and accordingly, accounted as a credit to employee benefits expense.

30 Operating Expenses

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consultancy charges	15,589	10,521
Cost of equipment, hardware and software packages	6,237	5,530
Repairs and maintenance	827	931
Lease rentals and establishment expenses*	946	768
Travelling and conveyance	1,102	640
Recruitment expenses	1,161	415
Rates and taxes	279	362
Telephone charges and postage	399	293

Notes forming part of Standalone Financial Statements

30 Operating Expenses (Contd..)

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Communication expenses	264	279
Allowance for doubtful debts and advances	262	191
Power and fuel	210	205
Advertisement	260	118
Bad debts	70	130
Less: Provision written back	(70)	(130)
Insurance charges	83	77
Commission	37	45
Miscellaneous expenses	484	388
	28,140	**20,763**

*Includes Lease rentals for short term lease – ₹772 Mn (previous year ₹719 Mn) and low value lease – ₹140 Mn (previous year ₹27 Mn)

31 Finance Cost

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on lease liabilities	584	685
Interest on financial liabilities*	28	27
Interest on deposits with respect to credit support agreement	21	2
Others	48	5
	681	**719**

*includes contingent consideration payable on business acquisitions.

32 Depreciation & Amortization Expense

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment (refer note 4)	1,243	1,236
Amortization of other intangible assets (refer note 4)	462	256
Depreciation of right of use assets (refer note 40)	1,176	1,184
	2,881	**2,676**

33 Other Expenses

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal and professional charges	1,770	1,494
Corporate social responsibility expenses (refer note 48)	383	141
Directors fees	21	25
Books and periodicals	12	11
Other miscellaneous expenses	63	64
	2,249	**1,735**

Notes forming part of Standalone Financial Statements

34 (I) Current Tax

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax	7,619	5,897
Provision for earlier year written (back)/off	78	(54)
	7,696	5,843

34 (II) Deferred Tax

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax charge/(credit)	(201)	(296)
MAT utilisation (net)	-	493
	(201)	197

34 (III) A 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:

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income taxes	30,104	23,924
Enacted tax rates in India*	25.17%	34.94%
Computed expected tax expense	7,577	8,360
Tax effect due to non-taxable income for Indian tax purposes	(13)	(2,225)
Overseas taxes	47	65
Effect of differential tax rates	(271)	(69)
Effect of non-deductible expenses	107	35
Tax pertaining to prior years	78	(54)
Others	(30)	(72)
Tax expense as per statement of profit and loss	7,495	6,040

* 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. The company has decided to adopt reduced corporate tax rate from FY21-22.

35 Statement of Other Comprehensive Income

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Items that will not be reclassified subsequently to profit or loss		
Defined benefit plan actuarial gain/(loss)	33	50
Income tax on defined benefit plan actuarial gain/(loss)	(8)	(13)
	25	37
Items that will be reclassified subsequently to profit or loss		
Net changes in fair value of cash flow hedges	826	5,812
Income tax on net changes in fair value of cash flow hedges	(208)	(1,463)
	618	4,349
	643	4,386

Notes forming part of Standalone Financial Statements

36 Contingent Liabilities

(₹ Mn)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income tax liability that may arise in respect of which the Company is in appeal*	2,915	2,899
Corporate guarantee given on behalf of subsidiary**	764	736
Service tax / VAT refund disallowed in respect of which the Company is in the appeal#	124	156
	3,803	3,791

* Out of contingent Tax liability disclosed above, ₹2,750 Mn (including interest of ₹141 Mn), pertains to the tax demand arising on account of disallowance of exemption u/s 10A/10AA on profits earned by STPI Units/SEZ units on onsite export revenue. Company is pursuing appeals against these demands before the relevant Appellate 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 of the Company.

**Guarantee issued to HSBC on behalf of wholly owned subsidiary LTI Middle East FZ-LLC towards working capital facility availed by the subsidiary.

#Out of the liability disclosed above, the major portion is towards the application filed for refund of accumulated service tax credit in accordance with relevant CENVAT credit Rules. However, the department has disallowed certain portion of such refunds considering the same as ineligible as not related with output services. The Company is in appeal against these disallowances before the relevant Authorities and is hopeful of getting a favourable order.

Others

A class action lawsuit was filed in the United States District Court, Southern District of New York against the Company alleging discrimination by an ex-employee and an ex-contractor. The Company is taking necessary actions to defend the claim. The Company is presently unable to predict the duration or the outcome of this matter.

37 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for: ₹ 4,048 Mn (previous year ₹118 Mn).

38 Employee benefits

I) General descriptions of defined benefit plans:

i) Gratuity plan

The Company makes contributions to the Company's employees' Company Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to employees at retirement or death while in employment or termination of employment of an amount equivalent to 15 days salary for every completed year of service or part thereof in excess of six months, provided the employee has completed five years in service.

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 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.

Notes forming part of Standalone Financial Statements

38 Employee benefits (Contd..)

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 recognised immediately in the statement of profit and loss as actuarial loss. Any loss arising out of the investment risk and actuarial risk associated with the plan is also recognised as expense in the period in which such loss occurs. Further, Nil has been provided for year ending March 31, 2022 and March 31, 2021 based on actuarial valuation towards the future obligation arising out of interest rate guarantee associated with the plan.

II) The amounts recognised in balance sheet are as follows:

(₹ Mn)

Particulars	Gratuity plan	
	As at 31-03-2022	As at 31-03-2021
a) Present value of defined benefit obligation		
- Wholly funded	1,685	1,429
- Wholly unfunded	-	-
b) Fair value of plan assets	1,306	1,169
Amount to be recognised as liability or (asset) (a-b)	379	260
Net liability/(asset)-current	379	260
Net liability/(asset)- non current	-	-

(₹ Mn)

Particulars	Post-retirement medical benefit plan	
	As at 31-03-2022	As at 31-03-2021
A.		
a) Present value of defined benefit obligation		
- Wholly funded	-	-
- Wholly unfunded	286	253
b) Fair value of plan assets	-	-
Amount to be recognised as liability or (asset) (a-b)	286	253
B.		
Amounts reflected in the balance sheet		
Liability	286	253
Assets	-	-
Net liability/(asset)	286	253
Net liability/(asset)-current	4	3
Net liability/(asset)-non current	282	250

(₹ Mn)

Particulars	Provident fund plan	
	As at 31-03-2022	As at 31-03-2021
A.		
a) Present value of defined benefit obligation		
- Wholly funded	14,228	11,117
- Wholly unfunded	-	-
b) Fair value of plan assets	15,310	12,142
Amount to be recognised as liability or (asset) (a-b)*	(1,081)	(1,025)

Notes forming part of Standalone Financial Statements

38 Employee benefits (Contd..)

(₹ Mn)

Particulars	Provident fund plan	
	As at 31-03-2022	As at 31-03-2021
B.		
Amounts reflected in the balance sheet		
Liability	255	161
Assets	-	-
Net liability/(asset)#	255	161
Net liability/(asset)-current	255	161
Net liability/(asset)-non current	-	-

#Employer's and employee's contribution for March 2022 paid in April 2022.

*Net asset is not recognised in the balance sheet

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

(₹ Mn)

Particulars	Gratuity plan	
	2021-22	2020-21
i Current service cost	336	267
ii Past service cost	-	-
iii Administration expenses	-	-
iv Interest on net defined benefit liability / (asset)	10	9
v (Gains) / losses on settlement	-	-
Total expense charged to profit and loss account	**346**	**276**

(₹ Mn)

Particulars	Post-retirement medical benefit plan	
	2021-22	2020-21
i Current service cost	66	57
ii Past service cost	-	-
iii Administration expenses	-	-
iv Interest on net defined benefit liability / (asset)	17	14
v (Gains) / losses on settlement	-	-
Total expense charged to profit and loss account	**83**	**71**

(₹ Mn)

Particulars	Provident fund plan	
	2021-22	2020-21
i Current service cost	956	550
ii Interest cost	983	808
iii Expected return on plan assets	(983)	(808)
Total expense for the year included in Employee benefit expense	**956**	**550**

Notes forming part of Standalone Financial Statements

38 Employee benefits (Contd..)

IV) The amounts recognised in statement of other comprehensive income (OCI) are as follows:

(₹ Mn)

Particulars	Gratuity plan		Post retirement medical benefit plan	
	2021-22	2020-21	2021-22	2020-21
Opening amount recognized in OCI	41	58	(200)	(164)
Re-measurements during the period due to:				
Changes in financial assumptions	(40)	10	(21)	5
Changes in demographic assumptions	-	-	-	-
Experience adjustments	46	(17)	(27)	(41)
Actual return on plan assets less interest on plan assets	9	(10)	-	-
Closing amount recognized in OCI	**56**	**41**	**(248)**	**(200)**

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

(₹ Mn)

Particulars	Gratuity plan	
	2021-22	2020-21
Opening balance of defined benefit obligation	1,429	1,159
Current service cost	336	267
Interest on defined benefit obligation	85	70
Re-measurements due to:		
Actuarial loss/(gain) arising from change in financial assumption	(40)	10
Actuarial loss/(gain) arising from change in demographic assumptions	-	-
Actuarial loss/(gain) arising on account of experience changes	46	(17)
Benefits paid	(189)	(60)
Liabilities assumed / (settled)*	18	-
Closing balance of defined benefit obligation	**1,685**	**1,429**

*On account of business combination or inter-company transfer

(₹ Mn)

Particulars	Post-retirement medical benefit plan	
	2021-22	2020-21
Opening balance of defined benefit obligation	253	218
Current service cost	66	57
Past service cost	-	-
Interest on defined benefit obligation	17	14
Re-measurements due to		
Actuarial loss/(gain) arising from change in financial assumption	(21)	5
Actuarial loss/(gain) arising from change in demographic assumptions	-	-
Actuarial loss/(gain) arising on account of experience changes	(27)	(41)
Benefits paid	(2)	(0)
Closing balance of defined benefit obligation	**286**	**253**

Notes forming part of Standalone Financial Statements

38 Employee benefits (Contd..)

(₹ Mn)

Particulars	Provident fund plan	
	2021-22	2020-21
Opening balance of defined benefit obligation	11,117	8,948
Add : Interest cost	983	808
Add : Current service cost	956	550
Add : Contribution by plan participants	1,764	1,131
Add/(Less) : Actuarial (gains)/losses	-	-
Liabilities assumed on acquisition/ (settled on divestiture)	1,195	448
Less : Benefits paid	(1,787)	(768)
Closing balance of defined benefit obligation	**14,228**	**11,117**

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

(₹ Mn)

Particulars	Gratuity plan		Provident fund plan	
	2021-22	2020-21	2021-22	2020-21
Opening balance of the fair value of the plan assets	1,169	917	12,142	9,482
Employer's contributions	260	242	915	536
Expected return on plan assets	75	61	983	808
Actuarial gains/(loss)			243	534
Re-measurements due to:				
Actual return on plan assets less interest on plan assets	(9)	10	-	-
Contribution by plan participants	-	-	1,619	1,102
Benefits paid	(189)	(60)	(1,787)	(768)
Assets acquired/(settled)*	-	-	1,195	448
Closing balance of plan assets	**1,306**	**1,169**	**15,310**	**12,142**

* On account of business combination or inter-company transfer

The Company expects to contribute ₹379 Mn (₹260 Mn in 2020-21) 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	2021-22	2020-21
		Provident fund plan	
Government of India securities	Scheme with LIC	17.47%	22.17%
State government securities		27.81%	23.13%
Corporate bonds		30.50%	29.38%
Fixed deposits under Special Deposit Scheme framed by central government for provident funds		3.29%	3.69%
Public sector bonds		10.38%	12.60%
Mutual Funds		5.23%	5.42%
Others		5.32%	3.61%

Notes forming part of Standalone Financial Statements

38 Employee benefits (Contd..)

VIII) Principal actuarial assumptions at the balance sheet date :

Particulars	As at 31-03-2022	As at 31-03-2021
i Discount rate		
For gratuity	6.65%	6.30%
For post -retirement medical benefits	6.65%	6.30%
ii Annual increase in healthcare costs (see note below)	5.00%	5.00%
iii Attrition rate :	Varies between 8% to 19%	Varies between 8% to 19%
iv Salary growth rate *	6.00%	6.00%

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

IX) 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 on March 31, 2022

(₹ Mn)

Maturity profile	Gratuity	Post-Retirement medical benefit
Expected benefits for year 1	232	4
Expected benefits for year 2	184	5
Expected benefits for year 3	192	6
Expected benefits for year 4	192	8
Expected benefits for year 5	194	9
Expected benefits for year 6	173	10
Expected benefits for year 7	160	11
Expected benefits for year 8	152	12
Expected benefits for year 9	139	13
Expected benefits for year 10 and above	1,269	1,484

As on March 31, 2021

(₹ Mn)

Maturity profile	Gratuity	Post-Retirement medical benefit
Expected benefits for year 1	151	3
Expected benefits for year 2	156	4
Expected benefits for year 3	168	5
Expected benefits for year 4	170	6
Expected benefits for year 5	161	7
Expected benefits for year 6	152	8
Expected benefits for year 7	135	9
Expected benefits for year 8	128	9
Expected benefits for year 9	121	10
Expected benefits for year 10 and above	1,076	1,224

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.

Notes forming part of Standalone Financial Statements

38 Employee benefits (Contd..)

X) Sensitivity analysis

i) 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 recognised 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 in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these three key parameters:

Particulars	Period ended March 31, 2022	Period ended March 31, 2021
Discount Rate		
Impact of increase in 100 bps on defined benefit obligation	(16.88%)	(17.41%)
Impact of decrease in 100 bps on defined benefit obligation	22.26%	23.08%
Healthcare costs rate		
Impact of increase in 100 bps on defined benefit obligation	12.53%	13.30%
Impact of decrease in 100 bps on defined benefit obligation	(10.18%)	(10.72%)
Life expectancy		
Impact of increase by 1 year on defined benefit obligation	1.41%	1.41%
Impact of decrease by 1 year on defined benefit obligation	(1.48%)	(1.47%)

ii) Gratuity:

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 and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption as below:

Particulars	Period ended March 31, 2022		Period ended March 31, 2021	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 100 bps on defined benefit obligation	(6.30%)	7.08%	(6.61%)	7.41%
Impact of decrease in 100 bps on defined benefit obligation	7.10%	(6.40%)	7.46%	(6.69%)

Notes forming part of Standalone Financial Statements

39 Financial instruments by category

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

(₹ Mn)

Particulars	As at 31-03-2022 Fair value through P&L (FVTPL)	As at 31-03-2022 Fair value through OCI (FVTOCI)	As at 31-03-2022 Amortised cost	As at 31-03-2022 Total carrying value	As at 31-03-2022 Total fair value	As at 31-03-2021 Fair value through P&L (FVTPL)	As at 31-03-2021 Fair value through OCI (FVTOCI)	As at 31-03-2021 Amortised cost	As at 31-03-2021 Total carrying value	As at 31-03-2021 Total fair value
Financial assets										
Investments(other than in subsidiaries)	26,009	-	8,809	34,818	34,737	32,721	-	4,574	37,295	37,295
Trade receivables	-	-	26,037	26,037	26,037	-	-	20,243	20,243	20,243
Unbilled revenue*	-	-	8,113	8,113	8,113	-	-	5,299	5,299	5,299
Cash and cash equivalents	-	-	2,836	2,836	2,836	-	-	4,025	4,025	4,025
Bank Deposits	-	-	4,081	4,081	4,081	-	-	-	-	-
Loans	-	-	1,174	1,174	1,174	-	-	1,154	1,154	1,154
Derivative financial instruments#	4	3,862	-	3,866	3,866	72	2,866	-	2,938	2,938
Other financial assets	-	-	1,455	1,455	1,455	-	-	1,200	1,200	1,200
Total	**26,013**	**3,862**	**52,504**	**82,380**	**82,299**	**32,793**	**2,866**	**36,495**	**72,154**	**72,154**

*Excludes Unbilled Revenue on Fixed Price Contracts where the right to consideration is conditional on factors other than passage of time

#Derivative Financial instruments fair valued through Profit and loss on account of Fair value hedges

(₹ Mn)

Particulars	As at 31-03-2022 Fair value through P&L (FVTPL)	As at 31-03-2022 Fair value through OCI (FVTOCI)	As at 31-03-2022 Amortised cost	As at 31-03-2022 Total carrying value	As at 31-03-2022 Total fair value	As at 31-03-2021 Fair value through P&L (FVTPL)	As at 31-03-2021 Fair value through OCI (FVTOCI)	As at 31-03-2021 Amortised cost	As at 31-03-2021 Total carrying value	As at 31-03-2021 Total fair value
Financial liability										
Trade payables	-	-	7,970	7,970	7,970	-	-	8,004	8,004	8,004
Lease liabilities	-	-	7,353	7,353	7,353	-	-	7,229	7,229	7,229
Other financial liabilities	666	-	7,830	8,496	8,496	500	-	6,078	6,578	6,578
Total	**666**	**-**	**23,153**	**23,819**	**23,819**	**500**	**-**	**21,311**	**21,811**	**21,811**

Notes forming part of Standalone Financial Statements

39 Financial instruments by category (Contd..)

II) Fair value hierarchy used by the Company for valuation of financial assets and liabilities recognised at FVTPL and FVTOCI is as below:

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

Level 2- Inputs other than quoted prices included with in 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)

(₹ Mn)

Particulars	As at 31-03-2022 Level 1	As at 31-03-2022 Level 2	As at 31-03-2022 Level 3	As at 31-03-2022 Total	As at 31-03-2021 Level 1	As at 31-03-2021 Level 2	As at 31-03-2021 Level 3	As at 31-03-2021 Total
Assets								
Investments	26,008	-	1	26,009	32,720	-	1	32,721
Derivative financial instruments	-	3,866	-	3,866	-	2,938	-	2,938
Total	**26,008**	**3,866**	**1**	**29,875**	**32,720**	**2,938**	**1**	**35,659**
Liabilities								
Derivative financial instruments	-	-	-	-	-	-	-	-
Liability towards contingent consideration*	-	-	666	666	-	-	500	500
Total	**-**	**-**	**666**	**666**	**-**	**-**	**500**	**500**

*Pertains to contingent consideration payable to the selling shareholders for acquisition of business

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

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Balance at the beginning of the year	500	663
Acquisitions during the year	187	-
Finance cost recognized in profit and loss	27	27
Amounts settled during the year	(164)	(179)
Remeasurement recognized as FVTPL	113	-
Foreign exchange difference	3	(11)
Balance at the end of the year	**666**	**500**

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

There have been no transfers among Level 1, Level 2 and Level 3 during the years ended March 31, 2022 and March 31, 2021.

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.

III) Financial risk management

The Company's primary focus is to foresee the uncertainty of financial markets and seek to minimize the potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange 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.

Notes forming part of Standalone Financial Statements

39 Financial instruments by category (Contd..)

i) 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.

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

The Board of Directors has approved the Company's 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). These hedges are cash flow hedges as well as fair value hedges.

The Foreign Currency Risk from Monetary assets and liabilities as at March 31, 2022 is as follows

(₹ Mn)

Particulars	US Dollar	Euro	Emirati Dirham	Swedish Krona	Australian Dollar	Other currencies*	Total
Net assets/(liabilities)	25,490	2,650	1,487	771	211	2,334	32,943

* Other currencies include currencies such as Pound sterling, Norwegian Krone, Japanese Yen, Saudi Riyal, South African Rand, etc.

The Foreign Currency Risk from Monetary assets and liabilities as at March 31, 2021 is as follows

(₹ Mn)

Particulars	US Dollar	Euro	Emirati Dirham	Swedish Krona	Australian Dollar	Other currencies*	Total
Net assets/(liabilities)	12,802	3,231	1,370	923	233	1,210	19,769

* Other currencies include currencies such as Pound sterling, Norwegian Krone, Japanese Yen, Saudi Riyal, South African Rand, etc.

To provide a meaningful assessment of the foreign currency risk associated with the Company's foreign currency derivative positions against off balance sheet exposures and unhedged portion of on-balance sheet exposures, the Company uses a multi-currency correlated VaR model. The VaR model uses a Monte Carlo simulation to generate thousands of random market price paths for foreign currencies against Indian rupee taking into account the correlations between them. The VaR is the expected loss in value of the exposures due to overnight movement in spot exchange rates, at 95% confidence interval. The VaR model is not intended to represent actual losses but is used as a risk estimation tool. The model assumes normal market conditions and is a historical best fit model. Because the Company uses foreign currency instruments for hedging purposes, the loss in fair value incurred on those instruments are generally offset by increases in the fair value of the underlying exposures for on-balance sheet exposures. The overnight VaR of the Company at 95% confidence level is ₹618 Mn as at March 31, 2022 (₹687 Mn as at March 31, 2021).

A) Derivative Financial Instruments

The company regularly reviews its foreign exchange forward and options positions, both on a standalone and in conjunction with its underlying foreign exchange exposures. The outstanding forward and option contracts at the year end, their maturity profile and sensitivity analysis are as under.

Notes forming part of Standalone Financial Statements

39 Financial instruments by category (Contd..)

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

Particulars	As at 31-03-2022 (in Mn)	As at 31-03-2022 (In ₹ Mn)	As at 31-03-2021 (in Mn)	As at 31-03-2021 (In ₹ Mn)
Instruments designated as cash flow hedges				
Forward contracts				
In US Dollar	1,715	139,567	1,354	107,787
In South African Rand	-	-	136	635
In Swedish Krona	60	482	125	1,085
In Danish Krone	-	-	33	389
In Euro	45	3,897	25	2,147
In Norwegian Krone	12	103	22	186
In Australian Dollar	3	167	13	721
In Canadian Dollar	2	135	7	378
In United Kingdom Pound Sterling	2	225	4	430
Options Contracts				
In Euro	106	9,594	95	8,269
Instruments designated as fair value hedges				
In US Dollar	112	8,547	65	4,767
In Emirati Dirham	56	1,158	56	1,129
In Swedish Krona	-	-	12	100
In Euro	8	634	10	863
In United Kingdom Pound Sterling	1	132	7	670
In South African Rand	-	-	4	19
In Canadian Dollar	1	46	1	35
In Australian Dollar	2	108	1	33
In Norwegian Krone	2	16	-	-
In Danish Krone	5	61	-	-
Total Forward and Options contracts		**164,872**		**129,643**

(ii) The foreign exchange forward and option contracts designated as cash flow hedges mature over a maximum period of 36 months. The company manages its exposures normally for a period of up to 3 years based on the estimated exposure over that period.

The table below analyses 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.

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Not later than twelve months	80,304	67,810
Later than twelve months	84,568	61,833
Total	**164,872**	**129,643**

Notes forming part of Standalone Financial Statements

39 Financial instruments by category (Contd..)

(iii) During the year ended March 31, 2022, 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 for a part of hedge reserve as at March 31, 2022 will occur and be reclassified to the statement of Profit and loss over a period of 36 months.

The reconciliation for the cash flow Hedge Reserve for the years ended March 31, 2022 and March 31, 2021 is as follows:

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Balance at the Beginning of the year	2,200	(2,149)
Changes in fair value of forward and options contract designated as hedging instruments	2,882	5,969
Amount reclassified to profit and loss during the year	(2,056)	(158)
Tax impact on the above	(208)	(1,462)
Total	**2,818**	**2,200**

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, 2022 due to the inherent limitations associated with predicting the timing and amount of changes in foreign currency exchanges rates and the Company's actual exposures and position.

ii) 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 on March 31, 2022.

iii) 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 ₹82,380 Mn and ₹72,154 Mn as at March 31, 2022 and March 31, 2021 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.

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 receivables, finance leases and unbilled revenue. For trade receivables and finance leases, these range from 1.2% for dues outstanding up to six months to 13.8% for dues outstanding for more than 36 months for 2021-22 (Previous year 1.5% and 15.7% for dues outstanding up to 6 months and for more than 36 months respectively) and for unbilled revenue 1.2% for dues outstanding up to six months to 3.4% for dues outstanding for more than 12 months for 2021-22 (Previous year 1.4% for dues outstanding up to six months to 3.9% for dues outstanding for more than 12 months).

Notes forming part of Standalone Financial Statements

39 Financial instruments by category (Contd..)

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 30.4% for 2021-22 (31.2% for 2020-21).

ECL allowance for non-collection and delay in collection of receivable and unbilled revenue, on a combined basis was ₹343 Mn and ₹296 Mn for the financial years ending on March 31, 2022 and March 31, 2021 respectively. The movement in allowance for doubtful debts comprising provision for both non-collection and delay in collections of receivable and unbilled revenue is as follows:

(₹ Mn)

Particulars	2021-22	2020-21
Opening balance	296	211
Impairment loss recognised or (reversed)	47	85
Closing balance	**343**	**296**

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, non-convertible debentures, 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.

iv) Liquidity risk

The Company's treasury department monitors the cash flows of the Company and surplus funds are invested in non-speculative financial instruments that include highly liquid funds and corporate deposits.

The Company has no borrowings as at March 31, 2022 but it has credit facilities with banks that will help it in generating funds for the business if required.

The contractual maturities of financial liabilities is as follows:

(₹ Mn)

Particulars	As at 31-03-2022			As at 31-03-2021		
	Within a year	More than one year	Total	Within a year	More than one year	Total
Trade payables	7,970	-	7,970	8,004	-	8,004
Lease liabilities	1,599	8,408	10,007	1,471	7,992	9,463
Other financial liabilities	8,367	144	8,511	6,239	367	6,606
Total	**17,936**	**8,552**	**26,488**	**15,714**	**8,359**	**24,073**

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 analysing 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 standalone financial statements.

Notes forming part of Standalone Financial Statements

40 Leases

40 (I) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022

(₹ Mn)

Particulars	Category of ROU Asset: Office Premises	Furniture & Fixtures	Vehicles	Total
Balance as at March 31, 2021	**5,886**	**51**	**3**	**5,940**
Additions during the year	1,308	-	-	1,308
Deletions during the year	(116)	-	-	(116)
Depreciation for the year	(1,158)	(17)	(1)	(1,176)
Balance as at March 31, 2022	**5,920**	**34**	**2**	**5,956**

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021

(₹ Mn)

Particulars	Category of ROU Asset: Office Premises	Furniture & Fixtures	Vehicles	Total
Balance as at March 31, 2020	7,284	68	0	7,352
Additions on amalgamation (refer note 44)	42	-	-	42
Additions during the year	339	-	3	342
Deletions during the year	(612)	-	-	(612)
Depreciation for the year	(1,167)	(17)	(0)	(1,184)
Balance as at March 31, 2021	**5,886**	**51**	**3**	**5,940**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

40 (II) The following is the break-up of current and non-current lease liabilities as at March 31, 2022

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Current lease liabilities	1,052	1,144
Non-current lease liabilities	6,301	6,084
	7,353	**7,228**

40 (III) The following is the movement in lease liabilities during the year ended March 31, 2022

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Balance at the Beginning of the year(refer note 2.k)	7,228	8,405
Additions on amalgamation (refer note 44)	-	46
Additions during the year	1,256	304
Finance cost accrued during the year	584	685
Deletions during the year	(130)	(661)
Payment of lease liabilities	(1,601)	(1,571)
Translation difference	16	20
Balance at the end of the year	**7,353**	**7,228**

Notes forming part of Standalone Financial Statements

40 Leases (Contd..)

40 (IV) The following is the movement in the net investment in sublease in ROU asset during the year ended March 31, 2022

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Balance at the beginning of the year	15	24
Interest income accrued during the year	1	2
Lease receipts during the year	(11)	(12)
Translation difference	2	1
Balance at the end of the year	**7**	**15**

40 (V) The table below provides details regarding the contractual maturities of net investment in sublease of ROU asset as at March 31, 2022 on an undiscounted basis:

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Less than one year	7	11
One to five years	-	7
Total	**7**	**18**

40 (VI) Leasing arrangements

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:

Minimum Lease Payment

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Not later than one year	101	92
Later than one year but not later than five years	80	155
Gross investment in lease	**181**	**247**
Less: Unearned finance income	5	16
Present value of minimum lease payment receivables	**176**	**231**

Present Value of Minimum Lease Payment

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Not later than one year	97	81
Later than one year but not later than five years	79	150
Gross investment in lease	**176**	**231**
Less: Unearned finance income	-	-
Present value of minimum lease payment receivables	**176**	**231**

Notes forming part of Standalone Financial Statements

40 Leases (Contd..)

40 (VI) Leasing arrangements (Contd...)

Included in the balance sheet as follows:

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
Non-current finance lease receivables	79	150
Current finance lease receivables	97	81
Total	**176**	**231**

Finance income on Finance Lease Receivables was ₹11 Mn for the year ended March 31, 2022 (Previous year : ₹11 Mn)

Selling profit on Finance Lease Receivables has been recognised amounting to ₹11 Mn for the year ended March 31, 2022 (Previous year : ₹145 Mn)

41 Auditor's Remuneration (excluding taxes) charged to the accounts include:

(₹ Mn)

Particulars	2021-22	2020-21
Audit fees	3	3
Tax audit fees	1	1
Other services	3	4
Expense reimbursement	0	1
	7	**9**

42 Basic and Diluted Earnings Per Share (EPS) at Face Value of ₹ 1

Particulars	As at 31-03-2022	As at 31-03-2021
Profit after tax (₹ in Mn)	22,609	17,884
Weighted average number of shares outstanding	175,073,125	174,460,220
Basic EPS (₹)	**129.14**	**102.51**
Weighted average number of shares outstanding	175,073,125	174,460,220
Add: Weighted average number of potential equity shares on account of employee stock options	505,078	1,135,891
Weighted average number of shares outstanding	175,578,203	175,596,111
Diluted EPS (₹)	**128.77**	**101.85**

43 Related Party Disclosure:

(I) Parent company / Ultimate holding company: Larsen & Toubro Limited

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

Name	Relationship
Larsen & Toubro Infotech GmbH	Wholly owned subsidiary
Larsen & Toubro Infotech Canada Limited	Wholly owned subsidiary
Larsen & Toubro Infotech LLC	Wholly owned subsidiary
L&T Infotech Financial Services Technologies Inc.	Wholly owned subsidiary

Notes forming part of Standalone Financial Statements

43 Related Party Disclosure: (Contd..)

Name	Relationship
Larsen & Toubro Infotech South Africa (Proprietary) Limited	Subsidiary
L&T Information Technology Services (Shanghai) Co. Limited	Wholly owned subsidiary
L&T Information Technology Spain, Sociedad Limitada	Wholly owned subsidiary
L&T Infotech S. DE R.L. DE C.V.	Wholly owned subsidiary
Syncordis S.A.[1]	Wholly owned subsidiary
Syncordis France SARL	Wholly owned subsidiary
Syncordis Limited	Wholly owned subsidiary
Syncordis Software Services S.A.	Wholly owned subsidiary
Larsen & Toubro Infotech Norge AS	Wholly owned subsidiary
Ruletronics Limited	Wholly owned subsidiary
Ruletronics Systems Inc	Wholly owned subsidiary
Nielsen + Partner Unternehmensberater GmbH	Wholly owned subsidiary
Nielsen + Partner Unternehmensberater AG	Wholly owned subsidiary
Nielsen+Partner Pte. Ltd.	Wholly owned subsidiary
Nielsen + Partner S.A.[1]	Wholly owned subsidiary
Nielsen&Partner Pty Ltd	Wholly owned subsidiary
Nielsen&Partner Company Limited	Wholly owned subsidiary
Lymbyc Solutions Private Limited	Wholly owned subsidiary
Lymbyc Solutions Inc.	Wholly owned subsidiary
Powerup Cloud Technologies Private Limited	Wholly owned subsidiary
Larsen & Toubro Infotech UK Limited (incorporated on August 17, 2020)	Wholly owned subsidiary
LTI Middle East FZ-LLC (incorporated November 25, 2020)	Wholly owned subsidiary
Cuelogic Technologies Inc. (w.e.f July 1, 2021)	Wholly owned subsidiary
Cuelogic Technologies Private Limited (w.e.f July 1, 2021)	Wholly owned subsidiary

1. Nielsen + Partner S.A. has been merged with Syncordis S.A. w.e.f December 21, 2020

(III) Key Management Personnel:

Name	Status
Mr. Sanjay Jalona	Chief Executive Officer (CEO) & Managing Director (MD)
Mr. Sudhir Chaturvedi	President – Sales & Whole time Director (WTD)
Mr. Nachiket Deshpande	Chief Operating Officer (COO) & Whole Time Director (WTD)
Mr. Ashok Kumar Sonthalia[1]	Chief Financial Officer (CFO)
Mr. Anil Rander[2]	Chief Financial Officer (CFO)

1. Ceased to be CFO from the close of business hours of January 25, 2021
2. Appointed as CFO w.e.f. April 14, 2021

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

Name	Relationship
L&T Hydrocarbon Engineering Limited#	Fellow Subsidiary
L&T Technology Services Limited	Fellow Subsidiary
L&T Valves Limited	Fellow Subsidiary

Notes forming part of Standalone Financial Statements

43 Related Party Disclosure: (Contd..)

Name	Relationship
L&T Investment Management Limited	Fellow Subsidiary
L&T Thales Technology Services Private Limited	Fellow Subsidiary
L&T Construction Equipment Limited	Fellow Subsidiary
(formerly known as L&T Construction Machinery Limited)	
L&T Finance Limited	Fellow Subsidiary
Larsen & Toubro LLC	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 Saudi Arabia LLC	Fellow Subsidiary
Mindtree Limited	Fellow Subsidiary
L&T Sargent & Lundy Limited	Joint venture of Holding Company
L&T Chiyoda Limited	Joint venture of Holding Company
L&T Infrastructure Development Projects Limited	Joint venture of Holding Company
L&T-MHI Power Turbine Generators Private Limited	Joint venture of Holding Company
L&T MHI Power Boilers Private Limited	Joint venture of Holding Company
L&T Officers & Supervisory Staff Providend Fund	Post employment benefit plans
Nexant Limited*	Company in which Directors are Interested
Calient Technologies Inc*	Company in which Directors are Interested

*Ceased to be a related party from October 28, 2020

#L&T Hydrocarbon Engineering Limited has amalgamated with Larsen & Toubro Limited w.e.f April 1, 2021

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

The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

(₹ Mn)

A. Transaction	Holding company 2021-22	Holding company 2020-21
Sale of services/product	1,557	1,154
Purchases of services / products	82	68
Purchases of assets	3,789	32
Overheads charged by	630	577
Overheads charged to	57	41
Trademark fees	399	309
Corporate Social Responsibility Expense	29	-
Security Deposit refund received	1	-
Capital advances given	700	-
Interim dividend paid	3,245	1,947
Final dividend paid	3,245	2,012

Notes forming part of Standalone Financial Statements

43 Related Party Disclosure: (Contd..)

Outstanding Balances	Holding company As at March 31, 2022	Holding company As at March 31, 2021
Trade receivable	321	220
Capital Commitments	3,115	-
Security Deposits	1	2

(₹ Mn)

B. Transaction	Joint venture of Holding Company 2021-22	Joint venture of Holding Company 2020-21
Sale of services / products	**46**	**39**
- L&T Infrastructure Development Projects Limited	22	39
- L&T Chiyoda Limited	24	-
Overheads charged to	**0**	**-**
- L&T MHI Power Boilers Private Limited	0	-

Outstanding Balance	Joint venture of Holding Company As at March 31, 2022	Joint venture of Holding Company As at March 31, 2021
Trade receivable	**4**	**17**
- L&T Infrastructure Development Projects Limited	3	17

(₹ Mn)

C. Transaction	Post employment benefit plans 2021-22	Post employment benefit plans 2020-21
Contribution to Post employment benefit plans	**957**	**536**
- L&T Officers & Supervisory Staff Providend Fund	957	536

Outstanding Balance	Post employment benefit plans As at March 31, 2022	Post employment benefit plans As at March 31, 2021
Contribution to Post employment benefit plans	**255**	**161**
- L&T Officers & Supervisory Staff Providend Fund	255	161

(₹ Mn)

D. Transaction	Fellow subsidiaries 2021-22	Fellow subsidiaries 2020-21
Sale of services / products	**1,496**	**829**
- L&T Technology Services Limited	516	457
- L&T Hydrocarbon Engineering Limited	-	249
- Mindtree Limited	914	16
Sale of assets	**-**	**0**
-Mindtree Limited	-	0
Purchases of services / products	**981**	**772**

Notes forming part of Standalone Financial Statements

43 Related Party Disclosure: (Contd..)

(₹ Mn)

D. Transaction	Fellow subsidiaries 2021-22	Fellow subsidiaries 2020-21
- L&T Technology Services Ltd.	874	663
- Mindtree Limited	106	106
Overheads charged by	**13**	**30**
- Larsen & Toubro (East Asia) SDN BHD.	8	14
- L&T Technology Services Limited	2	13
- L&T Technology Services LLC	2	2
Overheads charged to	**34**	**64**
- L&T Technology Services Limited	31	46
- L&T Hydrocarbon Engineering Limited	-	17
Security Deposit paid	**6**	**-**
- L&T Metro Rail (Hyderabad) Ltd	6	-
Interest Income on Debt Securities	**19**	**-**
- L&T Finance Limited	19	-

Outstanding Balance	Fellow subsidiaries As at March 31, 2022	Fellow subsidiaries As at March 31, 2021
Trade receivable	**59**	**391**
- Mindtree Limited	54	0
- L&T Technology Services Limited	-	227
- L&T Hydrocarbon Engineering Limited	-	118
Trade Payable	**171**	**3**
- L&T Technology Services Limited	169	-
- L&T Technology Services LLC	1	1
- Larsen & Toubro (East Asia) SDN BHD.	1	2
Security Deposits	**6**	**-**
- L&T Metro Rail (Hyderabad) Ltd	6	-
Investment (Principal amount) in debt securities	**996**	**-**
- L&T Finance Limited	996	-

(₹ Mn)

E. Transaction	Subsidiaries 2021-22	Subsidiaries 2020-21
Sale of services / products	**5,794**	**3,351**
- Larsen & Toubro Infotech GmbH	1,142	869
- L&T Infotech Financial Services Technologies Inc.	506	366
- Larsen & Toubro Infotech Canada Limited	1,059	1,022
- Larsen & Toubro Infotech Norge AS	434	332
- Larsen & Toubro Infotech UK Limited	1,112	64
Purchases of services / products	**4,721**	**2,206**
- Larsen & Toubro Infotech Canada Limited	2,057	1,451
- Nielsen+Partner Pte. Ltd	227	264
- Larsen & Toubro Infotech UK Limited	1,586	-

Notes forming part of Standalone Financial Statements

43 Related Party Disclosure: (Contd..)

(₹ Mn)

E. Transaction	Subsidiaries 2021-22	Subsidiaries 2020-21
Overheads charged by	**738**	**317**
- L&T Information Technology Spain, Sociedad Limitada	45	40
- L&T Information Technology Services (Shanghai) Co. Ltd.	264	161
- Powerup Cloud Technologies Private Limited	28	43
- Larsen & Toubro Infotech UK Limited	326	-
Overheads charged to	**734**	**328**
- Larsen & Toubro Infotech GmbH	102	86
- Larsen & Toubro Infotech Norge AS	25	110
- Larsen & Toubro Infotech UK Limited	265	20
- LTI Middle East FZ-LLC	207	12
Guarantee Commission charged to	**9**	**2**
- LTI Middle East FZ-LLC	9	2
Interest income on Loans given to subsidiaries	**48**	**14**
- LTI Middle East FZ-LLC	46	10
- Lymbyc India Solutions Private Limited	2	2
- Powerup Cloud Technologies Private Limited	0	2
Buyback of Shares	**1,732**	**10**
- Larsen & Toubro Infotech South Africa (Proprietary) Limited	-	10
- L&T Infotech Financial Services Technologies Inc.	1,732	-
Purchase of Assets	**0**	**1**
- Powerup Cloud Technologies Private Limited	0	1
Sale of Assets	**45**	**-**
- Larsen & Toubro Infotech UK Limited	45	-
Loan Given to Subsidiary	**-**	**1,116**
- LTI Middle East FZ-LLC	-	1,105
Loan Repaid by Subsidiary	**10**	**28**
- Powerup Cloud Technologies Private Limited	8	28
- Lymbyc India solutions private Limited	2	-
Investment in Subsidiary	**-**	**37**
- LTI Middle East FZ-LLC	-	37
Guarantees given on behalf of Subsidiary	**770**	**736**
- LTI Middle East FZ-LLC	770	736

Outstanding balance	Subsidiaries As at March 31, 2022	Subsidiaries As at March 31, 2021
Trade receivable	**1,918**	**1,516**
- Larsen & Toubro Infotech GmbH	642	654
- Larsen & Toubro Infotech Norge AS	113	263
- LTI Middle East FZ-LLC	392	117
- Larsen & Toubro Infotech UK Limited	302	77
Trade payable	**375**	**275**
- Larsen & Toubro Infotech Canada Limited	325	240
- Ruletronics Limited	-	31
Loan outstanding	**1,173**	**1,143**
- LTI Middle East FZ-LLC	1,145	1,105
Guarantees given on behalf of Subsidiary	**764**	**736**
- LTI Middle East FZ-LLC	764	736

Notes forming part of Standalone Financial Statements

43 Related Party Disclosure: (Contd..)

(₹ Mn)

F. Transaction	Joint venture of Holding Company	
	2021-22	2020-21
Sale of services / products	**-**	**5**
- Calient Technologies Inc	-	4

All balances are unsecured and to be settled in cash.

(VI) Managerial remuneration

(₹ Mn)

Particulars	2021-22	2020-21
(i) Short term employee benefits	220	207
(ii) Contribution to funds	14	14
(iii) Share based payments (on employee stock options granted)*	15	-

Particulars	2021-22	2020-21
Mr. Sanjay Jalona	121	112
Mr. Sudhir Chaturvedi	82	75
Mr. Nachiket Deshpande	22	21
Mr. Ashok Kumar Sonthalia	-	13
Mr. Anil Rander	24	-

*Share based payments on employee stock options granted (if any) are charged to P&L over vesting period of ESOPs

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

44 Amalgamation of Subsidiaries

Amalgmation of Syncordis Software Services India Private Limited and Ruletronics Systems Private Limited with Larsen & Toubro Infotech Limited

The Scheme of Arrangement ("the Scheme") for amalgamation between Syncordis Software Services India Private Limited and Ruletronics Systems Private Limited ('Transferor Companies'), wholly owned subsidiaries, with the Company ('Transferee Company') was approved by the Mumbai Bench of National Company Law Tribunal and the Company received the certified true copy of the order on September 6, 2021. The Company has filed the same with Registrar of Companies, Mumbai on September 8, 2021 which is the effective date of amalgamation. The Appointed date of the Scheme is April 1, 2021.

The amalgamation has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations' and the Scheme, on the carrying value of the assets and liabilities of the Transferor Companies as included in the consolidated Balance Sheet of the Company as at the beginning of the previous year. Accordingly, comparatives have been restated to give effect of the amalgamation from the beginning of the previous year and goodwill of ₹26 Mn has been recognized in the standalone statement of asset and liabilities of the Company as a result of transfer of net assets of ₹64 Mn.

Notes forming part of Standalone Financial Statements

44 Amalgamation of Subsidiaries (Contd..)

The following balances as on April 1, 2020 have been added to the respective opening balances of the Company

(₹ Mn)

Retained Earnings	10
Other comprehensive income	(0)

The amount recognised as goodwill pursuant to amalgamation is as follows:

(₹ Mn)

Investment in amalgamating company	80
Share capital taken over from the amalgamating company	10
Amount adjusted against reserves and surplus	44
Goodwill	**26**

45 Acquisition of Subsidiary

On July 1, 2021, the Company has acquired 100% stake in Cuelogic Technologies Private Limited ('Cuelogic'), along with its 100% subsidiary Cuelogic Technologies Inc for a total enterprise value of USD 8.4 Mn.

46 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, 2022 which is available as part of the audited consolidated financial statements of the Company

47 Dues to Micro Enterprises and Small Enterprises:

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	75	82
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	-	-
iii) the amount of interest due and payable for the period 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; and	-	-
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.	-	-

#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.

Notes forming part of Standalone Financial Statements

48 Corporate Social Responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year 2021-22 is ₹392 Mn. The actual amount spent by the company on Corporate Social Responsibility (CSR) related activities during the year 2021-22 is ₹393 Mn.

(₹ Mn)

Particulars	Disclosed under	Year ended March 31, 2022
CSR Expenses	Other expenses in note no 33	383
CSR Overheads	Salary Cost included in note no 29	9
Impact Assesment	Other expenses in note no 33	1
Total		**393**

Entire amount is spent during the year.

Particulars	As at 31-03-2022	As at 31-03-2021
i) Amount required to be spent by the company during the year	392	326
ii) Amount of expenditure incurred	393	328
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities	The CSR initiatives are primarily in relation to 3 major thrust areas of Education, Empowerment and Environment along with the Covid relief related support initiatives.	
vii) Details of related party transactions e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Entity: Larsen and Toubro Limited (Parent) Nature: Covid relief support- Donation of Oxygen Plant to Government Hospitals Amount: ₹29 Mn	NA

Notes forming part of Standalone Financial Statements

49 Ratios

Ratio	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	Variance %	Reason for variance
Current Ratio	Total current assets	Total current liabilities	3.2	3.3	(2%)	
Debt-Equity Ratio	Debt consists of lease liabilities	Total equity	0.1	0.1	(16%)	
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest	Debt service= Lease payments	16.4	13.0	26%	Improvement in profitability
Return on Equity Ratio	Profit for the year less Preference dividend (if any)	Average total equity	29.5%	29.4%	0%	
Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	6.2	5.5	13%	
Trade payables turnover ratio	Operating expenses + Other expenses	Average trade payables	3.8	3.0	26%	Extended credit period for certain vendors in previous year
Net capital turnover ratio	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	2.6	2.5	4%	
Net profit ratio	Profit for the year	Revenue from operations	15.7%	15.5%	1%	
Return on Capital employed	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities - Deferred tax assets - Goodwill	33.9%	32.4%	5%	
Return on investment	Income generated from invested funds	Average invested funds in treasury investments	4.6%	5.7%	(21%)	

Notes forming part of Standalone Financial Statements

50 Events occurring after the reporting period:

The Board of Directors at its meeting held on April 19, 2022, has recommended final dividend of ₹30 per equity share (Face value ₹1) for the financial year ended March 31, 2022.

51 The company is not required to transfer any amount to Investor Education and Protection Fund.

52 In case of figures mentioned as '0' in the financial statements, it denotes figures less than ₹0.5 Mn.

53 Previous year's figures have been regrouped/reclassified wherever applicable to facilitate comparability.

54 The financial statements were approved by the Board of Directors on April 19, 2022.

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer &
Managing Director
(DIN: 07256786)
Mumbai

Nachiket Deshpande
Chief Operating Officer &
Whole-time Director
(DIN: 08385028)
Mumbai

Padmini Khare Kaicker
Partner
Membership No: 044784

Anil Rander
Chief Financial Officer
Mumbai

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Independent Auditors' Report

To the Members of Larsen & Toubro Infotech Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Larsen & Toubro Infotech Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate Financial Statements of the subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, its consolidated profit, its consolidated total comprehensive income, its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs of the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated 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 Consolidated Financial Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated 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. The results of audit procedures performed by us provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Revenue Recognition	
Key Audit Matter	Accuracy of recognition, measurement, presentation and disclosures of revenue and other related balances in view of the principles laid down under Ind AS 115 "Revenue from Contracts with Customers". The application of the revenue accounting standard (Ind AS 115) involves significant judgements/ material estimates relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.

Revenue Recognition

Key Audit Matter	Additionally, the standard requires disclosures, which involve collation of information in respect of disaggregated revenue, and periods over which the remaining performance obligations will be satisfied subsequent to the Balance Sheet date. The Group has also assessed (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts, (ii) onerous obligations, (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. Refer Note 2(f) and Note 27 to the Consolidated Financial Statements for relevant accounting policy and disclosure respectively.

Principal Audit Procedures	Our audit approach consisted of testing the design and operating effectiveness of the internal controls and substantive testing as follows:
	• Evaluated the design and operating effectiveness of internal controls relating to the application of revenue accounting standard specifically, those relating to identification of the distinct performance obligations and determination of transaction price. Procedures performed included enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
	• Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard.
	• Selected a sample of continuing and new contracts and performed the following procedures:
	  • Read, analysed and identified the distinct performance obligations in these contracts.
	  • Compared such performance obligations with those identified and recorded by the Company.
	  • Reviewed contract terms to determine the transaction price including any variable consideration to determine the appropriate transaction price for computing revenue and to test the basis of estimation of the variable consideration.
	  • Samples in respect of revenue recorded for time and material contracts were tested through a review of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.
	  • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and contracting systems. We also tested the access and change management controls relating to these systems.
	• Performed analytical procedures for reasonableness of revenue disclosed by type and service offerings.
	• We reviewed the collation of information and the logic of the report generated from the management system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied after the Balance Sheet date.

Revenue Recognition

Assessment of provisions and contingent liability in respect of compliance with various laws and regulations as applicable

Key Audit Matter	Adequacy of provisioning and assessing of contingent liabilities in respect of compliance with local and international laws and regulations including Income tax assessments. The nature of Company's operations carries a compliance risk as well as financial risk in terms of recognition and measurement of any provision and disclosure of contingent liability on account of possible non-compliance with local and international laws and regulations. In some cases, an auditor may require a critical evaluation of legal positions/opinions taken by the Company involving a complex matter and a high degree of professional judgment. Refer Note 2(u) and Note 36 to the Consolidated Financial Statements for relevant accounting policy and disclosure respectively.
Principal Audit Procedures	• We have evaluated the design and operating controls in relation to the compliance tracker maintained by the Company with respect to compliance with local and international laws and regulations. • We read the summary of litigation matters provided by management and held discussions with the Company's legal counsel. • We have also enquired with some of the Company's external legal advisors with respect to the matters and examined related correspondence including advices for foreign branch compliances and obtained an external legal confirmation, wherever appropriate. • In respect of provisions against litigation and the assessment of contingent liabilities, we tested the calculation of the provisions/contingent liability assessment; we reviewed the assumptions against third party data, where available, and assessed the estimates against historical trends. We considered management's judgements on the level of provisioning/ recognition of contingent liability as appropriate.

Impairment testing of Goodwill in Consolidated Financial Statements

Key Audit Matter	Auditing standards require at least an annual testing of carrying value of goodwill. Value of Goodwill is a result of management's estimate of future cash flows from the relevant entity/ cash generating unit. As required by Ind AS 36 Impairment of Assets, the Company/Group annually carries impairment assessment of goodwill using a discounted cash flow model to estimate the recoverable value which is based on net present value of forecast earnings of cash generating units. The impairment test is a complex process. It involves high degree of judgement based on assumptions around discount rates, growth rates, cash flow forecasts that may contain certain inherent uncertainties in forecasting. Management has also carried out sensitivity analysis for all key assumptions, including the cash flow projections, consequent to the change in estimated future economic conditions. Refer Note 2(l) and Note 5 to the Consolidated Financial Statements for relevant accounting policy and disclosure respectively.

Revenue Recognition	
Principal Audit procedures	• We evaluated the appropriateness of management's identification of the Group's CGUs and the continued satisfactory operation of the Group's controls over the impairment assessment process. • Our procedures included discussion with management on the suitability of the impairment model and reasonableness of the assumptions, through performing the following procedures: • Obtaining management's assessment of recoverable amounts of relevant entities, testing the mathematical accuracy of the cash flow models and ensuring that the projections used agrees with the management approved long range plans. Assessing the reliability of management's forecast through a review of actual performance against previous forecasts. • Benchmarking company's key market-related assumptions in management's valuation models with industry comparators and with assumptions made in the prior years including revenue and margin trends, capital expenditure and market share and customer churn, foreign exchange rates and discount rates, against external data available.

Information other than the Financial Statements and Auditors' Report thereon

The Parent Company's Board of Directors is responsible for the other information. The other information at the date of this Auditors' Report comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our Auditors' Report thereon. Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information, compare with the Financial statements of the Company and Financial Statements of the subsidiaries audited by the other auditors, to the extent it relates to those entities and, in doing so, place reliance on the work of the other auditors and consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their Financial Statements audited by the other auditors.

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 for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate or cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial 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 Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other companies included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matters

We did not audit the financial statements of six subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹8,483 Mn as at March 31, 2022 and total revenues of ₹14,269 Mn, total net profit after tax of ₹1,498 Mn, total comprehensive income of ₹1,489 Mn and net cash inflows of ₹(2,251) Mn for the year ended March 31, 2022 as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated under 'Auditors' Responsibilities for the audit of the Consolidated Financial Statements' section above.

Certain of the subsidiaries / step down subsidiaries of the Group are located outside India, whose Financial Statements and other financial information has been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The management of these entities have converted the Financial Statements of such subsidiaries / step down subsidiaries located outside India from accounting principles generally accepted in the respective countries to the accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and step down subsidiaries located outside India is based on the report of the other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

We or other auditors have not audited the Financial Statements of twenty one subsidiaries / step down subsidiaries whose Financial Statements reflect total assets of ₹9,949 Mn, total revenues of ₹9,336 Mn, total net profit after tax of ₹(83) Mn, total comprehensive income of ₹(56) Mn and net cash inflows of ₹(206) Mn as of and for the year ended March 31, 2022 as considered in the Consolidated Financial Statements. These Financial Statements are unaudited and have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries / step down subsidiaries, and our report in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the management, these Financial Statements are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on other Legal and Regulatory requirements, is not modified in respect of the above matters with respect to our reliance on the work performed and the reports of the other auditors and the Financial Statements and other financial information certified by the management.

Report on other Legal and Regulatory requirements

1. The Company has certain subsidiaries incorporated outside India where reporting requirements under the Companies Act, 2013 are not applicable and hence, the provisions of Clause 3(xxi) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company. Further, the Company has the following subsidiaries incorporated in India where the audit reports have not been issued till date:

    (a) Powerupcloud Technologies Private Limited

    (b) Lymbyc Solutions Private Limited

    (c) Cuelogic Technologies Private Limited

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid Consolidated Financial Statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

    (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company, none of the directors of the Parent is disqualified as on March 31, 2022 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 financial statements and the operating effectiveness of such controls, refer to our separate report in Annexure A which is based on the auditors' report of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to financial statements of those companies.

    (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Parent to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

    (h) With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the reports of the other auditors on separate Financial Statements as also the other financial information of the subsidiaries as noted in the 'Other Matters' paragraph:

        (i) The Consolidated Financial Statements disclose the impact of pending litigations on consolidated financial position of the Group in its Consolidated Financial Statements – Refer Note 36 to the Consolidated Financial Statements;

        (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

        (iii) There were no amounts which were 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:

            (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

            (ii) 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:

            (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

            (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

        (c) Based on such audit procedures as 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 (a) and (b) contain any material misstatement; and

        (v) The dividend declared/paid/declared and paid during the year by the Parent is in compliance with Section 123 of the Act.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No. 044784
UDIN: 22044784AHIEMI6444

Place: Mumbai
Date: April 19, 2022

Annexure A to the Independent Auditors' Report

[Referred to under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

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

In conjunction with our audit of the consolidated financial statements of Larsen & Toubro Infotech Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Larsen & Toubro Infotech Limited (hereinafter referred to as the "Parent") as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent 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 Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated 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 system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to consolidated 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 consolidated 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 financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 Parent, has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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 B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Padmini Khare Kaicker
Partner
Membership No. 044784
UDIN: 22044784AHIEMI6444

Place: Mumbai
Date: April 19, 2022

Balance Sheet

as at March 31, 2022

(₹ Mn)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	4,968	3,857
(b) Right of Use Asset	40(I)	6,391	6,221
(c) Capital work-in-progress	5	4,374	403
(d) Goodwill	5	6,900	6,574
(e) Other Intangible assets	5	2,718	2,408
(f) Intangible assets under development	5	439	259
(g) Financial Assets			
(i) Investments	6	3,454	1,013
(ii) Other financial assets	7	3,020	2,052
(h) Deferred Tax Assets(Net)	8	549	546
(i) Income tax Assets (net)		1,135	930
(j) Other non-current assets	9	2,089	1,515
Total Non-Current Assets		**36,037**	**25,778**
Current assets			
(a) Financial Assets			
(i) Investments	10	31,366	36,282
(ii) Trade receivable	11	28,335	20,835
(iii) Unbilled Revenue	12	9,033	6,071
(iv) Cash and Cash Equivalents	13	3,949	7,594
(v) Other bank balances	14	3,824	-
(vi) Other Financial Assets	15	2,830	2,158
(b) Other current assets	16	9,319	8,373
Total Current Assets		**88,656**	**81,313**
TOTAL ASSETS		**124,693**	**107,091**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	17	175	175
(b) Other Equity			
(i) Other Reserves	18	12,187	11,294
(ii) Retained Earnings	18	75,784	61,565
(c) Non controlling interest	18	57	37
Total Equity		**88,203**	**73,071**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	40(II)	6,675	6,375
(ii) Other financial liabilities	19	134	445
(b) Other non current liabilities	20	-	479
(c) Deferred tax liabilities (net)	8	105	35
(d) Provisions	21	393	363
Total Non-Current Liabilities		**7,307**	**7,697**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	519	414
(ii) Trade payables			
- Due to micro and small enterprises	23	75	82
- Due to other than micro and small enterprises	23	7,953	8,195
(iii) Other financial liabilities	24	9,360	7,831
(iv) Lease liabilities	40(II)	1,161	1,194
(b) Other Current Liabilities	25	5,812	4,921
(c) Provisions	26	3,874	3,542
(d) Income tax Liabilities (Net)		429	144
Total Current Liabilities		**29,183**	**26,323**
TOTAL EQUITY AND LIABILITIES		**124,693**	**107,091**
Significant Accounting Policies	2		
Other notes to accounts	36-49		

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer & Managing Director
(DIN: 07256786)
Mumbai

Nachiket Deshpande
Chief Operating Officer & Whole-time Director
(DIN: 08385028)
Mumbai

Padmini Khare Kaicker
Partner
Membership No: 044784

Anil Rander
Chief Financial Officer
Mumbai

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ Mn)

Particulars	Note No.	April 21-March 22	April 20-March 21
Income from operations			
Revenue from operations	27	156,687	123,698
Other income	28	4,667	2,744
Total income		**161,354**	**126,442**
Expenses:			
Employee Benefits Expense	29	97,007	74,289
Operating expenses	30	26,565	20,194
Finance costs	31	728	788
Depreciation and Amortisation expense	32	3,549	3,325
Other expenses	33	2,531	1,964
Total Expenses		**130,380**	**100,560**
Profit before tax		**30,974**	**25,882**
Tax expense			
Current tax	34 (I)	8,181	6,314
Deferred tax	34 (II)	(192)	186
		7,989	**6,500**
Net Profit for the period		**22,985**	**19,382**
Other Comprehensive Income	35		
A. Items that will not be reclassified subsequently to profit or loss, net		25	36
B. Items that will be reclassified subsequently to profit or loss, net		762	4,752
Total other comprehensive income		**787**	**4,788**
Total Comprehensive Income for the period		**23,772**	**24,170**
Profit Attributable to :			
Owners of the Company		22,968	19,361
Non- Controlling interests		17	21
		22,985	**19,382**
Total Comprehensive Income Attributable to :			
Owners of the Company		23,752	24,146
Non- Controlling interests		20	24
		23,772	**24,170**
Basic			
Basic earning per equity share	41	131.19	110.98
Diluted			
Diluted earning per equity share	41	130.81	110.26
Significant Accounting Policies	2		
Other notes to accounts	36-49		

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

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Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(₹ Mn)

Particulars	April 21- March 22	April 20- March 21
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit after tax	**22,985**	**19,382**
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation	3,549	3,325
Income tax expense	7,989	6,500
Expense recognised in respect of equity settled stock option	108	168
Realised income from current investment	(1,076)	(982)
Unrealised income from current investment	(133)	(560)
Interest received	(393)	(162)
Interest expense	728	788
Unrealised foreign exchange (gain)/loss	2	(176)
Provision for doubtful debts (net)	384	232
Change in fair value of contingent consideration	71	(592)
Gain from lease short close	(20)	(83)
Unrealised gain from finance lease	(11)	(145)
Gain on sale of property, plant and equipment	(8)	(3)
Operating profit before working capital changes	**34,175**	**27,692**
Changes in working capital		
Increase in trade receivables & unbilled revenue	(10,600)	(203)
Increase in other receivables	(1,507)	(1,968)
Increase in trade & other payables	2,565	4,875
(Increase)/decrease in working capital	**(9,542)**	**2,704**
Cash generated from operations	24,633	30,396
Income taxes paid	(8,113)	(6,400)
Net cash (used in)/generated from operating activities	**16,520**	**23,996**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(8,590)	(2,719)
Sale of fixed assets	34	54
Purchase of investments (net)	(1,635)	(14,611)
Payment towards contingent consideration pertaining to acquisition of business	(427)	(408)
Payment towards business acquisition (net of cash)	(352)	(18)
Interest received	300	160
Realized income from current investment	1,076	982
Net cash (used in) from investing activities	**(9,594)**	**(16,560)**

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(₹ Mn)

Particulars	April 21- March 22	April 20- March 21
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	0	1
Proceeds from borrowings	105	94
Deposit under Credit support agreement received/(paid)	(89)	1,759
Payment towards lease liabilities (net)	(1,677)	(1,602)
Interest paid	(48)	(21)
Dividend paid	(8,749)	(5,319)
Net cash (used in) from financing activities	**(10,458)**	**(5,088)**
Net increase/(decrease) in cash and cash equivalents	**(3,532)**	**2,348**
Cash and cash equivalents at beginning of the period	**7,594**	**5,252**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(113)	(6)
Cash and cash equivalents at end of the period (Refer Note 13)	**3,949**	**7,594**

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer & Managing Director
(DIN: 07256786)
Mumbai

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Partner
Membership No: 044784

Anil Rander
Chief Financial Officer
Mumbai

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Consolidated Statement of Changes in Equity

A. Equity Share Capital

For the year ended March 31, 2022

(₹ Mn)

Balance as on April 1, 2021	Changes in equity share capital during the year	Balance as on March 31, 2022
175	0	175

For the year ended March 31, 2021

(₹ Mn)

Balance as on April 1, 2020	Changes in equity share capital during the year	Balance as on March 31, 2021
174	1	175

B Other Equity

For the year ended March 31, 2022

(₹ Mn)

Particulars	Share application money on pending allotment	General Reserve	Share Premium	Retained Earnings	Employee Stock options outstanding	Deferred employee compensation expense	Capital reserve	Other Components of Equity			Equity attributable to equity holders of the company	Non-controlling interest	Total Equity
								Hedging Reserve	FCTR	Other Comprehensive Income			
Balance as on April 1, 2021	-	4,508	2,862	61,565	794	(288)	0	2,200	1,090	128	72,859	37	72,896
Employee Stock Compensation Expense	-	-	-	-	211	(211)	-	-	-	-	-	-	-
Net Profit for the year	-	-	-	22,968	-	-	-	-	-	-	22,968	17	22,985
Other Comprehensive Income	-	-	-	-	-	-	-	618	141	25	784	3	787
Dividends	-	-	-	(8,749)	-	-	-	-	-	-	(8,749)	-	(8,749)
Other changes/ transfer to general reserve	0	-	286	-	(422)	245	-	-	-	-	109	-	109
Balance as on March 31, 2022	**0**	**4,508**	**3,148**	**75,784**	**583**	**(254)**	**0**	**2,818**	**1,231**	**153**	**87,971**	**57**	**88,028**

Consolidated Statement of Changes in Equity

B Other Equity (Contd..)

For the year ended March 31, 2021

(₹ Mn)

Particulars	Share application money on pending allotment	General Reserve	Share Premium	Retained Earnings	Employee Stock options outstanding	Deferred employee compensation expense	Capital reserve	Other Components of Equity			Equity attributable to equity holders of the company	Non-controlling interest	Total Equity
								Hedging Reserve	FCTR	Other Comprehensive Income			
Balance as on April 1, 2020	-	4,506	2,514	47,530	1,062	(379)	0	(2,149)	690	92	53,866	11	53,877
Employee Stock Compensation Expense	-	-	-	-	196	(196)	-	-	-	-	-	-	-
Net Profit for the year	-	-	-	19,361	-	-	-	-	-	-	19,361	21	19,382
Other Comprehensive Income	-	-	-	-	-	-	-	4,349	400	36	4,785	3	4,788
Dividends	-	-	-	(5,324)	-	-	-	-	-	-	(5,324)	-	(5,324)
Increase in non-controlling interest due to Divestment	-	-	-	(2)	-	-	-	-	-	-	(2)	2	-
Other changes/ Transfer to general reserve	-	2	348	-	(464)	287	0	-	-	-	173	-	173
Balance as on March 31, 2021	**-**	**4,508**	**2,862**	**61,565**	**794**	**(288)**	**0**	**2,200**	**1,090**	**128**	**72,859**	**37**	**72,896**

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
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Chief Financial Officer
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Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Mumbai
April 19, 2022

Notes forming part of Consolidated Financial Statements

1. Group overview

Larsen & Toubro Infotech Limited ('the Company') together with its subsidiaries shall mean Larsen & Toubro Infotech Limited ('the Group'). The Group offers extensive range of IT services like 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. Significant accounting policies

a. Basis of accounting and Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements of Indian subsidiaries have been prepared in compliance with Ind AS, under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, as 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). Financial statements of foreign subsidiaries have been prepared in compliance with the local laws and applicable Accounting Standards. Necessary adjustments for differences in the accounting policies, if any, have been made in the consolidated financial statements.

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

Preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management of the Group 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, provision for doubtful debts, future obligations in respect of retirement benefit plans, etc. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and by giving prospective impact in the standalone financial statements.

The Group has considered the possible effects that may result from Covid-19 on the recoverable values of its financial and non-financial assets. The impact of Covid-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

b. Presentation of consolidated financial statements

The statement of financial position (including statement of changes in equity) and the statement of profit and loss are prepared and presented in the format prescribed in Division II of Schedule III to the Companies Act, 2013, as amended from time to time. The cash flow statement has been prepared and presented as per the requirements of Ind AS 7 "Cash Flow Statements". 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 Group identifies asset/liabilities as current if the same are receivable/payable within twelve months else the same are considered as non-current.

d. Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Control is achieved when the company is exposed to or has rights to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the company controls an investee if and only if the company has:

i) Power over the investee,

ii) Exposure or rights to variable return from its involvement with the investee, and

iii) Ability to use its power over the investee to affect its returns.

Generally, it is presumed that, a majority of voting rights results in control. To support this presumption and when the company has less than a majority of the voting or similar rights of an investee, the company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

i) Contractual arrangement with the other vote holders of the investee,

ii) Rights arising from other contractual arrangements,

iii) The company's voting rights and potential voting rights

e. Business Combination

Business combinations other than the common control transactions are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. 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.

Transaction costs incurred in connection with a business acquisition are expensed as incurred.

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

f. Revenue from Contracts with Customers

Revenue is recognised upon transfer of control of promised products or services to customers. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for volume discounts, rebates and other similar allowances. Revenue from contracts priced on time and material basis is recognised when services are rendered, and the related costs are incurred.

Revenue related to fixed price maintenance and support services contracts where the Group is ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

Revenue from services performed on fixed-price basis is recognised using the input method as defined in Ind AS 115 - Revenue from Contracts with customers. The Group uses efforts or cost expended to measure progress towards completion as there is a direct relationship between input and productivity. If the Group does not have a sufficient basis to measure the progress of completion or to estimate total contract revenues and costs, revenue is recognised 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 recognised in the statement of profit and loss in the period 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 recognised 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 recognised over the access period. For allocating the transaction price to sale of licenses / hardware and related implementation and maintenance services, the Group 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 recognised as per input method.

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.

Notes forming part of Consolidated Financial Statements

'Unbilled revenues' (contract asset) represent revenue earned in excess of billings as at the end of the reporting period. 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 recognised.

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

Use of significant judgements in revenue recognition:

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

Further, the Group uses significant judgements while determining the transaction price to be allocated to performance obligations.

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

g. Other income

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

i) Interest income is recognised using effective interest method.

ii) Dividend income is accounted in the period in which the right to receive the same is established.

h. 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 recognised in the period in which the employee renders the related service.

II) Post-employment benefits

i) Defined contribution plan:

The Group's superannuation fund and state governed provident fund scheme are classified as defined contribution plans. The contribution paid / payable under the schemes is recognised during the period 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 Life Insurance Corporation of India (except for Powerupcloud Technologies Private Limited which has unfunded gratuity plan) and post-retirement medical benefit scheme are the Group'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 recognises 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 recognised 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 recognised in other comprehensive income. The effect of any plan amendment is recognised in statement of profit and loss.

Notes forming part of Consolidated Financial Statements

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

iii) Long term employee benefits:

The obligation for long term employee benefits like long term compensation absences is recognised 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 recognised immediately in statement of profit and loss.

iv) 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 period 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 Group towards Provident Fund and Gratuity. The effective date from which the changes will be applicable and the corresponding Rules, are yet to be notified. The Group will complete its evaluation and will give appropriate impact in the period in which, the Code and the corresponding Rules become effective.

i. Government grants

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

j. 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.

k. Intangible assets

Assets like customer relationship, computer software, rights acquired under contracts, and internally developed software are stated at cost, less accumulated depreciation, amortisation and impairment. Goodwill represents the cost of acquired businesses in excess of the fair value of net identifiable assets acquired.

l. Impairment

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

The Group assesses at each date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Group 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 Group's historically observed default rates over the expected life of trade receivables and unbilled receivables. ECL impairment loss allowance or reversal is recognised during the period 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 purposes of impairment testing, the carrying amount

Notes forming part of Consolidated Financial Statements

of the reporting unit, including goodwill, is compared with its fair value. When the carrying amount of the reporting unit exceeds its fair value, a goodwill impairment loss is recognised, up to a maximum amount of the recorded goodwill related to the reporting unit. Goodwill impairment losses are not reversed. The growth rate and discount rates as applicable are used for impairment testing.

ii) Other intangible assets

At the end of each reporting period, the Group 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 Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

m. Leases

The Group as a lessee

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

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

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

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

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

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

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

The Group as a lessor

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

Notes forming part of Consolidated Financial Statements

When the Group 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.

For Finance leases, initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Group's net investment in the lease.

n. Depreciation

i) Tangible assets

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 or amortization on additions and disposals are calculated on pro-rata basis from and to the month of additions and disposals.

Particulars	Useful life
• Buildings	Upto 60 years
• Computers and IT peripherals	Upto 6 years
• Plant and machinery	Upto 15 years
• Office equipment	Upto 5 years
• Vehicles	Upto 8 years
• Furniture and fixtures	Upto 10 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
• Computer software	Upto 5 years
• Customer contracts	Upto 10 years
• Rights under licensing agreement	Upto 6 years

o. Share based payments

In respect of stock options granted pursuant to the Group'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 recognised 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 recognised as expense in respect of such options is transferred to the general reserve. If options granted lapse before the vesting period, the cumulative discount recognised as expense in respect of such options is transferred to the profit and loss.

p. Functional and presentation currency

The functional currency of the Group is the Indian Rupee. The functional currency of Indian subsidiaries is the Indian Rupee and the functional currency of foreign subsidiaries is the currency of the primary economic environment in which these subsidiaries operate. The consolidated financial statements of the Group are prepared in the Indian Rupee.

q. Foreign currency transactions and balances

Foreign currency transactions 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 recognised 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.

Notes forming part of Consolidated Financial Statements

Translation of foreign currency transactions of foreign subsidiaries into functional currency are treated as under:

- Profit and loss items at the average rate for the period;
- All assets and liabilities at closing rates

Exchange difference on settlement / year end conversion is recognised in foreign currency translation reserve.

r. Financial Instruments

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

I) Initial measurement

Financial assets and liabilities are initially measured at fair value, which are measured at 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.

II) Subsequent classification and measurement

i) Non-derivative financial assets

A) Financial assets at amortised cost

Financial assets are subsequently measured at amortised 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 amortised cost are subsequently measured using effective interest method

B) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets 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

C) 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 amortised 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 recognised in statement of profit and loss.

ii) Non-derivative financial liability

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

iii) Derivative financial instrument

The Group 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 Group 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 Group 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.

Notes forming part of Consolidated Financial Statements

A) Cash flow hedges

The Group designates certain foreign exchange forward and option contracts 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 recognised 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 recognised in statement of profit and loss.

III) Derecognition

The Group derecognises 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 derecognised from the Group'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 Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

s. Taxes on income

Income tax expense comprises current and deferred income tax. Tax on income for Indian companies for the current period 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 subsidiaries recognise current tax/ deferred tax liabilities and assets in accordance with the applicable local laws.

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

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised 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 recognised 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 recognised 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 subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in

Notes forming part of Consolidated Financial Statements

the foreseeable future. Deferred Income taxes are not provided on dividend receivable from subsidiaries as the Group is able to control the timing of reversal of such temporary difference. Deferred tax is provided on unrealized intra Group profit at the rate of tax applicable to the purchasing entity.

t. Borrowing costs

Borrowing costs include finance costs, commitment charges, interest expense on lease liabilities and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to finance costs.

u. Provisions, contingent liabilities and contingent assets

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

I) the Group 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 flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

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

II) a possible obligation unless the probability of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed.

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

v. 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 period, adjusted for bonus elements in equity shares, if any, issued during the period.

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 period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

w. Segment accounting

Operating segments are defined as components of an enterprise for which discrete financial information is used regularly by the Group's Chief Operating Decision Maker in deciding how to allocate resources and assessing performance.

i) Segment revenue is the revenue directly identifiable with the segment.

ii) Expenses that are directly identifiable with or allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not identifiable with / allocable to segments are included under "Unallocable expenses".

iii) Other income relates to the Group as a whole and is not identifiable with / allocable to segments.

iv) Assets and liabilities used in the Group's business are not identified to any of the reportable segments as these are used interchangeably.

x. Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow is reported using indirect method as per the requirements of Ind AS 7 ("Cash flow statements"), whereby profit for the year is adjusted for the effects

Notes forming part of Consolidated Financial Statements

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.

y. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

3. Intangible Assets

The balance useful life of internally developed intangible asset as on the respective balance sheet dates is as follows:

(₹ Mn)

Class of Assets	As at March 31, 2022		As at March 31, 2021	
	Useful life	Carrying amount	Useful life	Carrying amount
Internally developed Software	Upto 5 Years	1,249	Upto 5 Years	671
Total		**1,249**		**671**

Notes forming part of Consolidated Financial Statements

4 (I) The list of subsidiaries included in the consolidated financial statements are as under

	Name of the Subsidiary Company	Country of incorporation	Proportion of ownership as at March 31, 2022 (%)	Proportion of ownership as at March 31, 2021 (%)
1	Larsen & Toubro Infotech Canada Limited	Canada	100	100
2	Larsen & Toubro Infotech GmbH	Germany	100	100
3	Larsen & Toubro Infotech LLC	USA	100	100
4	L&T Infotech Financial Services Technologies Inc.	Canada	100	100
5	Larsen And Toubro Infotech South Africa (Pty) Limited	South Africa	69.6	69.6
6	L&T Information Technology Services (Shanghai) Co. Limited	China	100	100
7	L&T Information Technology Spain, Sociedad Limitada	Spain	100	100
8	L&T Infotech S. DE. R.L. DE. C.V.	Mexico	100	100
9	Larsen & Toubro Infotech Norge AS	Norway	100	100
10	LTI Middle East FZ - LLC	UAE	100	100
11	L&T Infotech UK Limited	UK	100	100
12	Syncordis S.A.	Luxembourg	100	100
13	Syncordis Software Services India Private Limited *	India	-	100
14	Syncordis France SARL	France	100	100
15	Syncordis Limited	UK	100	100
16	Syncordis Support Services S.A.	Luxembourg	100	100
17	Ruletronics Systems Inc.	USA	100	100
18	Ruletronics Limited	UK	100	100
19	Ruletronics Systems Private Limited *	India	-	100
20	Nielsen + Partner Unternehmensberator GmbH	Germany	100	100
21	Nielsen + Partner Unternehmensberator AG	Switzerland	100	100
22	Nielsen + Partner PTE Limited	Singapore	100	100
23	Nielsen & Partner Pty Limited	Australia	100	100
24	Nielsen & Partner Co Limited	Thailand	100	100
25	Lymbyc Solutions Private Limited	India	100	100
26	Lymbyc Solutions Inc.	USA	100	100
27	Powerupcloud Technologies Private Limited	India	100	100
28	Cuelogic Technologies Inc (w.e.f. from July 1, 2021 refer note 44)	USA	100	-
29	Cuelogic Technologies Private ltd (w.e.f. from July 1, 2021 refer note 44)	India	100	-

* Merged with the Company w.e.f. April 1, 2021

Notes forming part of Consolidated Financial Statements

4 (II) Additional Disclosure as per Schedule III of Companies Act 2013:

(₹ Mn)

Name of entity	Net assets, i.e. total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
A - Parent								
- Larsen & Toubro Infotech Limited	95.27%	84,029	98.36%	22,609	81.70%	643	97.81%	23,252
Subsidiaries								
B - Indian								
1. Lymbyc Solutions Private Limited	0.01%	5	(0.09%)	(22)	0.00%	-	(0.09%)	(22)
2. Powerupcloud Technologies Private Limited	0.07%	65	0.09%	20	(0.02%)	(0)	0.08%	20
3. Cuelogic Technologies Private ltd	0.15%	136	(0.01%)	(1)	0.00%	-	(0.01%)	(1)
Sub Total	**0.23%**	**206**	**(0.01%)**	**(3)**	**(0.02%)**	**(0)**	**(0.01%)**	**(3)**
C - Foreign								
1. Larsen & Toubro Infotech Canada Limited	0.56%	493	0.50%	115	2.21%	17	0.56%	132
2. Larsen & Toubro Infotech GmbH	4.16%	3,669	(0.69%)	(160)	1.68%	13	(0.62%)	(147)
3. Larsen & Toubro Infotech LLC	0.08%	66	0.01%	2	0.30%	2	0.02%	5
4. L&T Infotech Financial Services Technologies Inc.	3.55%	3,128	4.74%	1,090	(3.67%)	(29)	4.46%	1,061
5. Larsen And Toubro South Africa (Pty) Limited	0.20%	178	0.25%	57	1.13%	9	0.28%	66
6. L&T Information Technology Services (Shanghai) Co. Ltd.	(0.02%)	(17)	0.10%	22	(0.26%)	(2)	0.09%	20
7. L&T Information Technology Spain, Sociedad Limitada	0.01%	5	0.01%	2	(0.01%)	(0)	0.01%	1
8. L&T Infotech S. DE. R.L. DE C.V.	0.05%	42	0.11%	25	0.24%	2	0.11%	26
9. Larsen & Toubro Infotech Norge AS	0.11%	93	0.25%	57	0.15%	1	0.24%	58
10. LTI Middle East FZ - LLC	0.20%	180	0.71%	162	0.42%	3	0.70%	166
11. L&T Infotech UK Limited	0.14%	127	0.56%	128	(0.38%)	(3)	0.53%	125
12. Syncordis S.A., Luxembourg	0.50%	445	0.37%	84	(1.04%)	(8)	0.32%	76
13. Syncordis France SARL	(0.08%)	(75)	(0.07%)	(15)	0.19%	2	(0.06%)	(14)
14. Syncordis Limited, UK	(0.28%)	(249)	(0.30%)	(70)	0.50%	4	(0.28%)	(66)
15. Syncordis Support Services S.A., Luxembourg	0.10%	90	0.27%	62	(0.29%)	(2)	0.25%	60
16. Ruletronics Systems Inc., USA	0.01%	10	0.01%	2	0.04%	0	0.01%	2
17. Ruletronics Limited, UK	0.00%	(0)	(0.01%)	(3)	0.02%	0	(0.01%)	(3)
18. Nielsen + Partner Unternehmensberator GmbH, Germany	0.11%	101	(0.06%)	(15)	(0.18%)	(1)	(0.07%)	(16)
19. Nielsen + Partner Unternehmensberator AG, Switzerland	0.04%	32	(0.02%)	(5)	0.25%	2	(0.01%)	(3)

Notes forming part of Consolidated Financial Statements

4 (II) Additional Disclosure as per Schedule III of Companies Act 2013: (Contd..)

(₹ Mn)

Name of entity	Net assets, i.e. total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
20. Nielsen + Partner Pte Ltd, Singapore	0.31%	274	(0.35%)	(80)	1.17%	9	(0.30%)	(70)
21. Nielsen & Partner Pty Ltd, Australia	(0.06%)	(51)	(0.18%)	(42)	(0.18%)	(1)	(0.18%)	(43)
22. Nielsen + Partner Co Ltd, Thailand	(0.03%)	(25)	(0.03%)	(8)	0.06%	0	(0.03%)	(8)
23. Lymbyc Solutions Inc., USA	0.00%	(4)	0.00%	(0)	0.00%	(0)	0.00%	(0)
24. Cuelogic Technologies Inc	0.01%	10	0.03%	6	0.02%	0	0.03%	6
Sub Total	**9.66%**	**8,523**	**6.17%**	**1,418**	**2.39%**	**19**	**6.04%**	**1,436**
Total A+B+C	**105.16%**	**92,759**	**104.52%**	**24,024**	**84.06%**	**662**	**103.84%**	**24,685**
Less : CFS adjustments and eliminations	5.16%	4,556	4.52%	1,039	(15.94%)	(125)	3.84%	913
Total share	**100.00%**	**88,203**	**100.00%**	**22,985**	**100.00%**	**787**	**100.00%**	**23,772**
Minority Interest		**57**		**17**		**3**		**20**
Attributable to equity shareholders		**88,146**		**22,968**		**784**		**23,752**

Notes forming part of Consolidated Financial Statements

5 Consolidated Property, Plant And Equipment and Intangible Assets - As of March 31, 2022

(₹ Mn)

Property Plant and Equipment and Intangible Assets	Gross Block						Depreciation/Amortization					Net Block
	As at 01-04-2021	Pursuant to acquisition of business (Refer Note 44)	Additions	Deductions	Foreign currency translation reserve	As at 31-03-2022	As at 01-04-2021	For the year	On deductions	Foreign currency translation reserve	As at 31-03-2022	As at 31-03-2022
Property Plant and Equipment												
Leasehold Land	10	-	-	-	-	10	1	0	-	-	1	9
Buildings	126	-	-	126	-	-	126	-	126	-	-	-
Leasehold Improvements	934	2	119	34	0	1,021	393	146	33	0	506	515
Plant and machinery	1,180	-	209	60	0	1,329	522	130	58	0	594	735
Computers	3,759	6	1,967	84	16	5,664	2,147	801	84	12	2,876	2,788
Office Equipments	1,025	0	89	25	1	1,090	688	127	23	0	792	298
Furniture and fixtures	1,151	0	66	60	2	1,159	576	110	56	1	631	528
Vehicles	283	-	17	59	-	241	158	30	42	-	146	95
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	4,374
Total of Property Plant and Equipment	**8,468**	**8**	**2,467**	**448**	**19**	**10,514**	**4,611**	**1,344**	**422**	**13**	**5,546**	**9,342**
Intangible Assets												
Goodwill on acquisition	398	-	-	-	15	413	-	-	-	-	-	413
Goodwill on consolidation	6,176	374	-	-	(63)	6,487	-	-	-	-	-	6,487
Software	7,640	0	1,048	971	176	7,893	6,475	647	971	170	6,321	1,572
Customer contracts	1,599	165	-	-	46	1,810	1,566	93	-	46	1,705	105
Rights under licensing agreement	1,243	-	-	-	46	1,289	33	210	-	5	248	1,041
Intangible assets under development	-	-	-	-	-	-	-	-	-	-	-	439
Total of intangible assets	**17,056**	**539**	**1,048**	**971**	**220**	**17,892**	**8,074**	**950**	**971**	**221**	**8,274**	**10,057**

Notes forming part of Consolidated Financial Statements

5 Consolidated Property, Plant And Equipment and Intangible Assets - As of March 31, 2022 (Contd..)

CWIP ageing schedule as at March 31, 2022

(₹ Mn)

	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in Progress	3,980	49	345	-	4,374
	3,980	**49**	**345**	**-**	**4,374**

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

Intangible assets under development ageing schedule as at March 31, 2022

(₹ Mn)

	Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in Progress	370	69	-	-	439
	370	**69**	**-**	**-**	**439**

Notes forming part of Consolidated Financial Statements

5 Consolidated Property, Plant And Equipment and Intangible Assets - As of March 31, 2022

(₹ Mn)

Property Plant and Equipment and Intangible Assets	Gross Block						Depreciation/Amortization					Net Block
	As at 01-04-2020	Pursuant to acquisition of business	Additions	Deductions	Foreign currency translation reserve	As at 31-03-2021	As at 01-04-2020	For the year	On deductions	Foreign currency translation reserve	As at 31-03-2021	As at 31-03-2021
Property Plant and Equipment												
Leasehold Land	10	-	-	-	-	10	-	1	-	-	1	9
Buildings	126	-	-	0	-	126	40	86	0	-	126	-
Leasehold Improvements	877	-	60	4	1	934	252	142	1	0	393	541
Plant and machinery	1,146	-	62	28	0	1,180	401	141	20	0	522	658
Computers	2,910	-	939	138	48	3,759	1,613	635	131	30	2,147	1,612
Office Equipments	958	-	78	13	2	1,025	556	140	11	3	688	337
Furniture and fixtures	1,161	-	31	43	2	1,151	459	145	29	1	576	575
Vehicles	307	-	9	33	-	283	143	35	20	-	158	125
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	403
Total of Property Plant and Equipment	**7,495**	**-**	**1,179**	**259**	**53**	**8,468**	**3,464**	**1,325**	**212**	**34**	**4,611**	**4,260**
Intangible Assets												
Goodwill on acquisition	364	-	-	-	34	398	-	-	-	-	-	398
Goodwill on consolidation	6,004	-	-	-	172	6,176	-	-	-	-	-	6,176
Software	6,844	-	811	386	371	7,640	5,970	547	382	340	6,475	1,165
Customer contracts	1,483	-	-	-	116	1,599	1,251	198	-	117	1,566	33
Rights under licensing agreement	-	-	1,243	-	-	1,243	-	33	-	-	33	1,210
Intangible assets under development	-	-	-	-	-	-	-	-	-	-	-	259
Total of intangible assets	**14,695**	**-**	**2,054**	**386**	**693**	**17,056**	**7,221**	**778**	**382**	**457**	**8,074**	**9,241**

Notes forming part of Consolidated Financial Statements

5 Consolidated Property, Plant And Equipment and Intangible Assets - As of March 31, 2022 (Contd..)

CWIP ageing schedule as at March 31, 2021

(₹ Mn)

	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	58	345	-	-	403
	58	**345**	**-**	**-**	**403**

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

Intangible assets under development ageing schedule as at March 31, 2021

(₹ Mn)

	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	215	24	20	-	259
	215	**24**	**20**	**-**	**259**

6 Non Current Investments

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Other equity investments (Unquoted) :		
2500 equity shares of USD 1 each in Larsen and Toubro LLC	1	1
Non trade investments (Unquoted) :		
Treasury Notes Philippines Govt.[1]	2	2
Corporate Deposits	1,420	-
Non trade investments (Quoted) :		
Corporate bonds	2,031	1,010
	3,454	**1,013**

Other Disclosures :

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
(i) Aggregate amount of quoted investments	2,031	1,010
Market Value of quoted investments	1,973	1,010
(ii) Aggregate amount of unquoted investments	1,423	3

1. The Company has invested in Philippines Govt. Treasury notes and have deposited same with local Securities and Exchange Commission, as per Corporation Code of Philippines-126. The company has not held this investment primarily for the purpose of being traded and does not intend to sale or consume for normal business operation. The company intends to keep the deposit till the existence of its operations in Philippines.

7 Other Non Current Finanacial Assets

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Derivative contracts receivables	1,922	1,440
Security Deposits [#]	688	457
Lease receivable	77	155
Interest accrued but not due	15	-
Bank deposits with more than 12 months maturity	318	-
	3,020	**2,052**

[#] Security deposits reclassified from Loans to Other Financial Assets

8 Deferred Tax Assets

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Deferred tax Asset / (liability)	444	511
	444	**511**

Deferred tax liabilities or assets for the year ended March 31, 2022

Deferred tax assets

(₹ Mn)

	Deferred tax asset/ (liability) as at March 31, 2021	Current year (charge) / credit to profit & loss A/c	(Charge) / credit to other comprehensive income	Foreign currency translation reserve	Pursuant to acquisition of subsidiary	Deferred tax asset/ (liability) as at March 31, 2022
Deferred tax assets/ (liabilities)						
Deferred taxes on derivative instruments	(630)	(104)	(208)	-	-	(942)
Branch profit tax	(683)	108	-	-	-	(575)
Unrealised (gains) / losses on investments	(274)	(0)	-	-	-	(274)
Provision for doubtful debts and advances	131	82	-	-	-	213
Provision for employee benefits	744	180	-	-	-	924
Depreciation / amortization	484	149	-	-	-	633
Lease assets net of lease liabilities	334	(31)	-	-	-	303
Others	440	(164)	-	(9)	-	267
Net deferred tax assets/ (liabilities)(A)	**546**	**220**	**(208)**	**(9)**	**-**	**549**

Notes forming part of Consolidated Financial Statements

8 Deferred Tax Assets (Contd..)

Deferred tax liabilities or assets for the year ended March 31, 2022

Deferred tax liabilities

	Deferred tax asset/ (liability) as at March 31, 2021	Current year (charge) / credit to profit & loss A/c	(Charge) / credit to other comprehensive income	Foreign currency translation reserve	Pursuant to acquisition of subsidiary (Refer Note 44)	Deferred tax asset/ (liability) as at March 31, 2022
Deferred tax assets/ (liabilities)						
Depreciation / amortization	(35)	(40)	-	(9)	(38)	(122)
Others		12		0	5	17
Net deferred tax assets/ (liabilities)(B)	**(35)**	**(28)**	**-**	**(9)**	**(33)**	**(105)**
Net deferred tax assets/ (liabilities)(A+B)	**511**	**192**	**(208)**	**(18)**	**(33)**	**444**

Deferred tax liabilities or assets for the year ended March 31, 2021

Deferred tax liabilities

(₹ Mn)

	Deferred tax asset/ (liability) as at March 31, 2020	Current year (charge) / credit to profit & loss A/c	(Charge) / credit to other comprehensive income	Foreign currency translation reserve	Pursuant to acquisition of subsidiary	Deferred tax asset/ (liability) as at March 31, 2021
Deferred tax assets/ (liabilities)						
Deferred taxes on derivative instruments	849	(16)	(1,463)	-	-	(630)
Branch profit tax	(683)	-	-	-	-	(683)
Unrealised (gains) / losses on investments	(142)	(132)	-	-	-	(274)
Provision for doubtful debts and advances	157	(26)	-	-	-	131
Provision for employee benefits	425	319	-	-	-	744
Depreciation / amortization	418	67	-	(1)	-	484
Capital loss on buyback of shares by L&T Infotech Financial Services Technologies Inc.	14	(14)	-	-	-	-
Lease assets net of lease liabilities	286	48	-	-	-	334
Others	405	(4)	-	39	-	440
MAT credit	493	(493)	-	-	-	-
Net deferred tax assets/ (liabilities)(A)	**2,222**	**(251)**	**(1,463)**	**38**	**-**	**546**

Notes forming part of Consolidated Financial Statements

8 Deferred Tax Assets (Contd..)

Deferred tax liabilities or assets for the year ended March 31, 2021

Deferred tax liabilities

	Deferred tax asset/ (liability) as at March 31, 2020	Current year (charge) / credit to profit & loss A/c	(Charge) / credit to other comprehensive income	Foreign currency translation reserve	Pursuant to acquisition of subsidiary	Deferred tax asset/ (liability) as at March 31, 2021
Deferred tax assets/ (liabilities)						
Depreciation / amortization	(101)	65	-	1	-	(35)
Net deferred tax assets/ (liabilities)(B)	**(101)**	**65**	**-**	**1**	**-**	**(35)**
Net deferred tax assets/ (liabilities)(A+B)	**2,121**	**(186)**	**(1,463)**	**39**	**-**	**511**

9 Other Non-Current Assets

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Deferred Contract Costs	492	679
Capital advances	300	-
Advances recoverable other than in cash	1,116	548
Prepaid expenses	181	288
	2,089	**1,515**

10 Current Investments

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Mutual funds - Quoted	26,008	32,720
Corporate deposits - Unquoted	2,800	3,020
Corporate bonds - Quoted	2,064	542
Commercial papers - Quoted	494	-
	31,366	**36,282**

Other Disclosures :

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
(i) Aggregate amount of quoted investments	28,566	33,262
Market Value of quoted investments	28,541	33,261
(ii) Aggregate amount of unquoted investments	2,800	3,020

Notes forming part of Consolidated Financial Statements

11 Trade Receivables

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Unsecured, considered good		
Due from related parties (refer note 42)	384	635
Due from others	28,716	20,842
Less : Allowance for doubtful trade receivables	(765)	(642)
	28,335	**20,835**

Allowance for doubtful trade receivables movement

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Balance at the beginning of the year	642	630
Additions during the year, net	298	147
Uncollectable receivables charged against allowances	(78)	(131)
Exchange gain/(loss)	(97)	(4)
Balance at the end of year	**765**	**642**

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

Trade Receivables ageing schedule as at March 31, 2022

(₹ Mn)

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	21,424	6,149	975	286	110	132	29,076
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	24	24
	21,424	**6,149**	**975**	**286**	**110**	**156**	**29100**
Less: Loss allowance	-	-	-	-	-	-	(765)
							28,335

Notes forming part of Consolidated Financial Statements

11 Trade Receivables (Contd..)

Trade Receivables ageing schedule as at March 31, 2021

(₹ Mn)

	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	18,386	1,922	672	266	86	121	21,453
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	24	24
	18,386	**1,922**	**672**	**266**	**86**	**145**	**21,477**
Less: Loss allowance	-	-	-	-	-	-	(642)
							20,835

12 Unbilled Revenue

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Unbilled revenue *	9,033	6,071
	9,033	**6,071**

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

13 Cash & Cash Equivalent

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Cash on hand	0	0
Balances with bank		
- in current accounts		
Overseas	2,520	3,396
Domestic	547	1,309
- in deposit accounts	319	2,104
Remittance in transit	463	714
Cash and bank balance not available for immediate use	88	62
Earmarked balances with banks (Unclaimed dividend)	12	9
	3,949	**7,594**

Notes forming part of Consolidated Financial Statements

14 Other Bank Balances

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Bank Deposits	3,824	-
	3,824	-

15 Other Current Financial Assets

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Advances to employees	321	186
Derivative contracts receivables	1,944	1,497
Lease receivable	102	86
Security deposits#	213	300
Interest accrued but not due	230	63
Others	20	26
	2,830	2,158

#Security deposits reclassified from Loans to Other Financial Assets

16 Other Current Assets

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Unbilled revenue*	5,948	5,335
Prepaid expenses	2,334	1,496
Advances recoverable other than in cash	644	1,049
Deferred contract costs	393	493
	9,319	8,373

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

17 Share Capital

(I) Share capital authorized, issued, subscribed and paid up:

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Authorized :		
274,500,000 equity shares of ₹1 each	275	260
(Previous year 260,000,000 of ₹1 each)		
	275	260
Issued, paid up and subscribed		
175,270,156 equity shares for ₹1 each	175	175
(Previous year 174,750,608 of ₹1 each)		
EQUITY SHARE CAPITAL	175	175

Notes forming part of Consolidated Financial Statements

17 Share Capital (Contd..)

(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 Group declares and pays dividend in Indian rupees.

(III) Shareholders holding more than 5% of equity shares as at the end of the year:

Name of Shareholder	Number of Shares	Shareholding %	% Change during the year
		As at 31-03-2022	
Larsen & Toubro Limited (Promoter)	129,784,034	74.05%	0.22%
		As at 31-03-2021	
Larsen & Toubro Limited (Promoter)	129,784,034	74.27%	0.24%

(IV) Reconciliation of the number of equity shares and share capital

Due to allotment of shares on exercise of stock options by employees, there was a movement in share capital for the year ended March 31, 2022 and March 31, 2021 as given below:

	As at 31-03-2022	As at 31-03-2021
Issued, subscribed and fully paid up equity shares outstanding at the beginning	174,750,608	174,126,769
Add: Shares issued on exercise of employee stock options	519,548	623,839
Issued, subscribed and fully paid up equity shares outstanding at the end	175,270,156	174,750,608

(V) Stock option plans:

Employee Stock Ownership Scheme ('ESOS Plan')

The grant of options to the employees under ESOS Plan is on the basis of their performance and other eligibility criteria.

Sr. no	Particulars	ESOP scheme 2015 2021-22	ESOP scheme 2015 2020-21
i	Grant Price	₹1	₹1
ii	Grant Dates	June 10, 2016 onwards	
iii	Vesting commences on	June 10, 2017 onwards	
iv	Options granted & outstanding at the beginning of the year	882,606	1,525,395
v	Options reinstated during the year	-	-
vi	Options granted during the year	45,285	83,650
vii	Options allotted/exercised during the year	519,548	623,839
viii	Options Lapsed/cancelled during the year	82,428	102,600
ix	Options granted & outstanding at the end of the year	325,915	882,606
x	Options vested at the end of the year out of (ix)	143,122	122,208
xi	Options unvested at the end of the year out of (ix)	182,793	760,398
xii	Weighted average remaining contractual life of options (in years)	3.5	3.3

Notes forming part of Consolidated Financial Statements

17 Share Capital (Contd..)

VI) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2022 are Nil (previous period of five years ended March 31, 2021 - Nil)

VII) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended March 31, 2022 – Nil (previous period of five years ended March 31, 2021 - Nil)

VIII) During the year ended March 31, 2022, the amount of special dividend of ₹10 per share (previous year Nil per share) and interim dividend distributed to equity shareholder was ₹15 per share (previous year ₹15 per share).

IX) Weighted average share price at the date of exercise for stock options exercised during the year is ₹4889 per share (previous year ₹2,691 per share).

X) Weighted average fair value of options granted during the year is ₹4668 (previous year ₹2,349).

XI) 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:

Sr. no	Particulars	2021-22	2020-21
i	Weighted average risk-free interest rate	5.00%	4.62%
ii	Weighted average expected life of options	3 Years	3 years
iii	Weighted average expected volatility	27.67%	25.17%
iv	Weighted average expected dividends over the life of option	₹189	₹149
v	Weighted average share price	₹4668	₹2349
vi	Weighted average exercise price	₹1	₹1
vii	Method used to determine expected volatility	The expected volatility has been calculated based on historic company share price.	The expected volatility has been calculated based on historic volatility IT Index.

18 Other Equity

(₹ Mn)

Particulars	As at 31-03-2022	As at 31-03-2021
I) General Reserve[1]		
Opening Balance	4,508	4,506
Add: Employee stock compensation outstanding	-	2
	4,508	**4,508**
II) Hedging Reserve[2] (Refer Note 2.q.iii)		
Opening balance (net of taxes)	2,200	(2,149)
Add: Movement in derivative contracts	2,882	5,969
Less: Amount reclassified to profit or loss	(2,056)	(158)
Less: Deferred tax related to above	(208)	(1,462)
	2,818	**2,200**
III) Share Premium[3]		
Opening balance	2,862	2,514
Add: Additions during the year	286	348
	3,148	**2,862**

Notes forming part of Consolidated Financial Statements

18 Other Equity (Contd..)

(₹ Mn)

Particulars		As at 31-03-2022	As at 31-03-2021
IV) Capital reserve[5]			
Opening balance		0	0
Add: Additions during the year		0	0
		0	**0**
V) OCI - Remeasurement of net defined benefit plans (Net of Tax)			
Opening balance		128	92
Add: Additions during the year		25	36
		153	**128**
VI) Employee Stock Options outstanding[4] (Refer Note 2.n.)			
Opening Balance		794	1,062
Add: Additions during the year		211	196
Less: Deductions during the year		(422)	(464)
	(a)	**583**	**794**
Deferred Employee Compensation Expense			
Opening Balance		(288)	(379)
Add: Additions during the year		(211)	(196)
Less: Deductions during the year		245	287
	(b)	**(254)**	**(288)**
Balance to be carried forward	**(a)+(b)**	**329**	**506**
VII) Foreign currency translation reserve (Refer Note 2.p.)			
Opening Balance		1,090	690
Add: Transfer to other comprehensive income		141	400
		1,231	**1,090**
VIII) Retained Earnings[5]			
Opening Balance		61,565	47,530
Add: Profit for the year		22,968	19,361
Less: Increase in non-controlling interest due to divestment *		-	(2)
Less: Dividend		(8,749)	(5,324)
Less: Impact on account of adoption of Ind AS 116		-	-
		75,784	**61,565**
Total (I + II + III + IV + V + VI + VII + VIII)		**87,971**	**72,859**
IX Non Controlling Interest			
Opening Balance		37	11
Add: Net profit for the year		17	21
Add: Increase in non-controlling interest due to divestment *		-	2
Add: Transfer from / (to) other comprehensive income		3	3
		57	**37**

1. The Group 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 Group.

2. 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.

Notes forming part of Consolidated Financial Statements

18 Other Equity (Contd..)

3. Share 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 in respect of shares allotted pursuant to Stock Options Scheme.

4. It represents the fair value of services received against employee stock options.

5. Retained earnings represents the undistributed profits of the Group accumulated as on Balance Sheet date.

* On August 19, 2020, LTI South Africa (Pty) Ltd, a subsidiary of the Company bought back 5.32% of its shares from the Company. Resultantly, Company's shareholding in this subsidiary reduced from 74.90% to 69.58%.

19 Other Non Current Financial Liabilities

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Payable for acquisition of business	133	443
Other financial liabilities	1	2
	134	445

20 Other Non Current Liabilities

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Deferred social security obligation	-	479
	-	479

21 Non Current Provisions

(₹ Mn)

21 (I)

	As at 31-03-2022	As at 31-03-2021
Post-retirement medical benefit (Refer Note 38)	282	250
Others	111	113
	393	363

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

(₹ Mn)

Particulars	Class of provisions		
	Sales tax	Others	Total
Balance as at March 31, 2020	**4**	**111**	**115**
Additional provision during the year	-	-	-
Provision used during the year	-	-	-
Provision reversed during the year	-	(2)	(2)
Balance As at March 31, 2021	**4**	**109**	**113**
Additional provision during the year	-	-	-
Provision used during the year	-	-	-
Provision reversed during the year	-	(2)	(2)
Balance As at March 31, 2022	**4**	**107**	**111**

Notes forming part of Consolidated Financial Statements

22 Current Borrowings

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Unsecured loans		
Other loans from banks*	519	414
	519	414

*Loan repayable on demand from bank outside India which is a fund based working capital facility carrying a rate of interest between 1% to 2.5% p.a.

23 Trade Payables

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Total outstanding dues of micro enterprises and small enterprises	75	82
Total outstanding dues of creditors other than micro enterprises and small enterprises :		
Due to related parties (Refer Note 42)	177	3
Due to others	2,498	3,473
Accrued expenses	5,278	4,719
	7,953	8,195

Trade Payables ageing schedule as at March 31, 2022

(₹ Mn)

	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	-	75	-	-	-	-	75
(ii) Others	5,278	1,861	689	99	21	5	7,953
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	5,278	1,936	689	99	21	5	8,028

Trade Payables ageing schedule as at March 31, 2021

(₹ Mn)

	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	-	74	8	-	-	-	82
(ii) Others	4,719	1,910	1,490	32	29	15	8,195
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	4,719	1,984	1,498	32	29	15	8,277

Notes forming part of Consolidated Financial Statements

24 Other Current Financial Liabilities

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Liabilities for employee benefits	7,315	5,382
Payable for acquisition of business	1,055	878
Liability towards credit support agreements	594	683
Liability for gratuity	379	260
Unclaimed dividend	13	9
Capital creditors	-	619
Others	4	-
	9,360	**7,831**

25 Other Current Liabilities

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Unearned & deferred revenue	1,418	1,697
Other payables	4,394	3,224
	5,812	**4,921**

26 Current Provisions

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Compensated absences	3,870	3,539
Post retirement medical benefits	4	3
	3,874	**3,542**

27 Revenue From Operations

Revenue disaggregation by nature of services is as follows:

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from software services		
Fixed Price & Maintenance	97,746	74,146
Time & Material	51,511	42,745
Revenue from products	7,430	6,807
	156,687	**123,698**

Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 43).

Notes forming part of Consolidated Financial Statements

Performance obligations and remaining performance obligations:

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

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2022, other than those meeting the exclusion criteria mentioned above, is ₹143,867 Mn (previous year ₹129,774 Mn). Out of this, the Group expects to recognize revenue of around 57 % (previous year 54 %) within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

Changes in contract assets is as follows:

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	5,335	4,342
Less : Invoices raised during the period	(4,072)	(2,085)
Add : Revenue recognised during the year	4,686	3,088
Add : Translation exchange difference	(1)	(10)
Balance at the end of the year	**5,948**	**5,335**

Changes in contract liabilities is as follows:

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	1,697	1,559
Less : Revenue Recognised during the period from opening	(1,294)	(1,144)
Add : Invoices raised during the period	1,044	1,284
Add/ (Less) : Translation exchange difference	(29)	(2)
Balance at the end of the year	**1,418**	**1,697**

28 Other Income

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Foreign exchange gain*	2,854	62
Income from current investment in mutual funds	1,209	1,542
Interest received from bank and others**	393	162
Miscellaneous income #	211	978
	4,667	**2,744**

*The foreign exchange gain reported above includes gain on Derivative financial instrument which are designated as cash flow hedges of ₹2,056 Mn (previous year March 31, 2021 ₹158 Mn) and as fair value hedges of ₹77 Mn (previous year ended March 31, 2021 gain of ₹469 Mn). Since, 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 aforesaid gain relates to the business operations of the company.

#Miscelleneous Income includes change in fair value of Contingent consideration amounting to charge of ₹71 Mn (previous year ended March 31, 2021 credit of ₹571 Mn).

**Includes interest income on financial assets measured at amortised cost, which has been recorded on the basis of Effective interest method.

Notes forming part of Consolidated Financial Statements

29 Employee Benefit Expense

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries including overseas staff expenses *	90,753	69,168
Share based payments to employees	108	168
Staff welfare	688	622
Contribution to Social Security & other funds	3,461	2,993
Contribution to provident and other funds	1,612	1,023
Contribution to gratuity fund	346	278
Contribution to superannuation Fund	39	37
	97,007	**74,289**

*During the year ended March 31, 2022 the Group received government grants amounting to ₹109 Mn (previous year ₹309 Mn) from governments of various countries on compliance of several employment-related conditions consequent to the outbreak of Covid-19 pandemic and accordingly, accounted as a credit to employee benefits expense.

30 Operating Expenses

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Consultancy charges	13,171	9,424
Cost of equipment, hardware and software packages	6,473	5,701
Travelling and conveyance	1,263	675
Repairs and Maintenance	883	970
Lease Rentals and establishment expenses *	1,018	844
Recruitment expenses	1,267	452
Miscellaneous expenses	404	385
Telephone charges and postage	414	304
Power and fuel	216	208
Rates and taxes	305	383
Allowance for doubtful debts and advances	384	232
Advertisement	274	124
Communication expenses	361	355
Insurance charges	94	92
Bad debts	78	131
Less : Provision written back	(78)	(131)
Commission	38	45
	26,565	**20,194**

*Includes Lease rentals for short term lease – ₹833 Mn (previous year ₹827 Mn) and Lease rentals for low value lease – ₹145 Mn (previous year ₹32 Mn)

31 Finance Costs

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on lease liabilities	601	699
Interest on financial liabilities*	51	77
Interest on deposits with respect to credit support agreement	21	2
Others	55	10
	728	**788**

* includes interest on contingent consideration payable on business acquisitions.

Notes forming part of Consolidated Financial Statements

32 Depreciation And Amortisation

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment (refer note 5)	1,344	1,325
Amortisation of other intangible assets (refer note 5)	950	778
Depreciation of right of use assets (refer note 40)	1,255	1,222
	3,549	**3,325**

33 Other Expenses

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Legal and professional charges	2,010	1,688
Corporate social responsibility expenses	383	141
Director's fees	22	26
Books and periodicals	17	14
Other miscellaneous expenses	99	95
	2,531	**1,964**

34 (I) Current Tax (Net)

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax	8,115	6,360
Provision for earlier year written (back)/off	66	(46)
	8,181	**6,314**

34 (II) Deferred Tax

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Deferred tax charge/(credit)	(192)	(307)
MAT utilization (net)	-	493
	(192)	**186**

34 (III) A 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:

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income taxes	30,974	25,882
Enacted tax rates in India	25.17%	34.94%
Computed expected tax expense	7,795	9,044
Effect due to non-taxable income	(13)	(2,225)
Overseas taxes	52	92

Notes forming part of Consolidated Financial Statements

34 (III) A 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: (Contd..)

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Effect of allowances of eligible expenses	27	(396)
Effect of non-deductible expenses	100	52
Tax pertaining to prior years	66	(46)
Others	(38)	(21)
Tax expense as per statement of profit and loss	**7,989**	**6,500**

* 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.

The company and its Indian subsidiaries have decided to adopt reduced corporate tax rate from FY21-22.

35 Statement of other Comprehensive Income

(₹ Mn)

	Year ended March 31, 2022	Year ended March 31, 2021
Items that will not be reclassified to profit or loss		
Defined benefit plan actuarial gain/(loss)	33	48
Income tax on defined benefit plan actuarial gain/(loss)	(8)	(12)
	25	**36**
Items that will be reclassified to profit or loss		
Net changes in fair value of cash flow hedges	826	5,812
Income tax on net changes in fair value of cash flow hedges	(208)	(1,463)
Foreign currency translation reserve	144	403
	762	**4,752**
	787	**4,788**

36 Contingent liabilities

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
1. Income tax liability that may arise in respect of which the Group is in appeal*	2,915	2,899
2. Service tax refund disallowed, in respect of which the Group is in the appeal #	124	156
	3,039	**3,055**

* Out of contingent Tax liability disclosed above, ₹2,750 Mn (including interest of ₹141 Mn), pertains to the tax demand arising on account of disallowance of exemption u/s 10A/10AA on profits earned by STPI Units/SEZ units on onsite export revenue. Company is pursuing appeals against these demands before the relevant Appellate 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 of the Company.

Out of the liability disclosed above, the major portion is towards the application filed for refund of accumulated service tax credit in accordance with relevant CENVAT credit Rules. However, the department has disallowed certain portion of such refunds considering the same as ineligible as not related with output services. The Company is in appeal against these disallowances before the relevant Authorities and is hopeful of getting a favourable order.

Others

A class action lawsuit was filed in the United States District Court, Southern District of New York against the Company alleging discrimination by an ex-employee and an ex-contractor. The Company is taking necessary actions to defend the claim. The Company is presently unable to predict the duration or the outcome of this matter.

Notes forming part of Consolidated Financial Statements

37 Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for: ₹4,048 Mn (previous year ₹118 Mn).

38 Employee benefits

I) General descriptions of defined benefit plans:

i) Gratuity plan

The Group makes contributions to the Company's employees' , Company Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to employees at retirement or death while in employment or termination of employment of an amount equivalent to 15 days salary for every completed year of service or part thereof in excess of six months, provided the employee has completed five years in service.

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 Group'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 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 recognised immediately in the statement of profit and loss as actuarial loss. Any loss arising out of the investment risk and actuarial risk associated with the plan is also recognised as expense in the period in which such loss occurs. Further, Nil has been provided for year ending March 31, 2022 and March 31, 2021 based on actuarial valuation towards the future obligation arising out of interest rate guarantee associated with the plan.

II) The amounts recognised in balance sheet are as follows:

(₹ Mn)

	Gratuity plan	
	As at 31-3-2022	As at 31-3-2021
a) Present value of defined benefit obligation		
- Wholly funded	1,685	1,432
- Wholly unfunded	-	3
b) Fair value of plan assets as on	1,306	1,171
Amount to be recognised as liability or (asset) (a-b)	**379**	**264**
Net liability/(asset)-current	379	261
Net liability/(asset)- non current	-	3

Notes forming part of Consolidated Financial Statements

38 Employee benefits (Contd..)

II) The amounts recognised in balance sheet are as follows: (Contd..)

(₹ Mn)

	Post-retirement medical benefit plan	
	As at 31-3-2022	As at 31-3-2021
A.		
a) Present value of defined benefit obligation		
- Wholly funded	-	-
- Wholly unfunded	286	253
b) Fair value of plan assets	-	-
Amount to be recognised as liability or (asset) (a-b)	**286**	**253**
B.		
Amounts reflected in the balance sheet		
Liability	286	253
Assets	-	-
Net liability/(asset)	286	253
Net liability/(asset)-current	4	3
Net liability/(asset)- non current	282	250

(₹ Mn)

	Provident fund plan	
	As at 31-3-2022	As at 31-3-2021
A.		
a) Present value of defined benefit obligation		
- Wholly funded	14,228	11,117
- Wholly unfunded	-	-
b) Fair value of plan assets	15,310	12,142
Amount to be recognised as liability or (asset) (a-b)*	**(1,082)**	**(1,025)**
B.		
Amounts reflected in the balance sheet		
Liability	255	161
Assets	-	-
Net liability/(asset)#	255	161
Net liability/(asset)-current	255	161
Net liability/(asset)- non current	-	-

#Employer's and employee's contribution for March 2022 is paid in April 2022

*Net asset is not recognised in the balance sheet

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

(₹ Mn)

		Gratuity plan	
		2021-22	2020-21
i	Current service cost	336	269
ii	Past service cost	-	-
iii	Administration expenses	-	-
iv	Interest on net defined benefit liability / (asset)	10	9
v	(Gains) / losses on settlement	-	-
	Total expense charged to profit and loss account	**346**	**278**

Notes forming part of Consolidated Financial Statements

38 Employee benefits (Contd..)

III) The amounts recognised in balance sheet are as follows: (Contd..)

(₹ Mn)

		Post-retirement medical benefit plan	
		2021-22	2020-21
i	Current service cost	66	57
ii	Past service cost	-	-
iii	Administration expenses	-	-
iv	Interest on net defined benefit liability / (asset)	17	14
v	(Gains) / losses on settlement	-	-
	Total expense charged to profit and loss account	**83**	**71**

(₹ Mn)

		Provident fund plan	
		2021-22	2020-21
i	Current service cost	956	550
ii	Interest cost	983	808
iii	Expected return on plan assets	(983)	(808)
	Total expense charged to profit and loss account	**956**	**550**

IV) The amounts recognised in statement of other comprehensive income (OCI) are as follows:

(₹ Mn)

	Gratuity plan		Post retirement medical benefit plan	
	2021-22	2020-21	2021-22	2020-21
Opening amount recognized in OCI	42	59	(200)	(164)
Re-measurements during the period due to:				
Changes in financial assumptions	(40)	10	(21)	5
Changes in demographic assumptions	-	-	-	-
Experience adjustments	46	(17)	(27)	(41)
Actual return on plan assets less interest on plan assets	9	(10)	-	-
Closing amount recognized in OCI	**57**	**42**	**(248)**	**(200)**

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

(₹ Mn)

	Gratuity plan	
	2021-22	2020-21
Opening balance of defined benefit obligation	1,435	1,166
Current service cost	336	269
Past service cost		
Interest on defined benefit obligation	85	70
Re-measurements due to		
Actuarial loss/(gain) arising from change in financial assumption	(40)	10
Actuarial loss/(gain) arising from change in demographic assumptions	-	-
Actuarial loss/(gain) arising on account of experience changes	46	(17)
Acquisition/Disinvestment	14	-
Benefits paid	(191)	(60)
Liabilities assumed / (settled)	-	(4)
Closing balance of defined benefit obligation	**1,685**	**1,435**

Notes forming part of Consolidated Financial Statements

38 Employee benefits (Contd..)

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

(₹ Mn)

	Post-retirement medical benefit plan 2021-22	Post-retirement medical benefit plan 2020-21
Opening balance of defined benefit obligation	253	218
Current service cost	66	57
Past service cost	-	-
Interest on defined benefit obligation	17	14
Re-measurements due to		
Actuarial loss/(gain) arising from change in financial assumption	(21)	5
Actuarial loss/(gain) arising from change in demographic assumptions	-	-
Actuarial loss/(gain) arising on account of experience changes	(27)	(41)
Benefits paid	(2)	(0)
Closing balance of defined benefit obligation	**286**	**253**

(₹ Mn)

	Provident fund plan 2021-22	Provident fund plan 2020-21
Opening balance of defined benefit obligation	11,117	8,948
Add : Interest cost	983	808
Add : Current service cost	956	550
Add : Contribution by plan participants	1,764	1,131
Add/(Less) : actuarial (gains)/losses	-	-
Add: Business combination/acquisition	-	-
Liabilities assumed on acquisition/ (settled on divestiture)	1,195	448
Less : Benefits paid	(1,787)	(768)
Closing balance of defined benefit obligation	**14,228**	**11,117**

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

(₹ Mn)

	Gratuity plan 2021-22	Gratuity plan 2020-21	Provident fund plan 2021-22	Provident fund plan 2020-21
Opening balance of the fair value of the plan assets	1,171	918	12,142	9,482
Employer's contributions	260	243	915	536
Expected return on plan assets	75	61	983	808
Actuarial gains/(loss)			243	534
Re-measurements due to:				
Actual return on plan assets less interest on plan assets	(9)	10	-	-
Contribution by plan participants	-	-	1,619	1,102
Benefits paid	(191)	(60)	(1,787)	(768)
Assets acquired/(settled)*	-	-	1,195	448
Closing balance of plan assets	**1,306**	**1,171**	**15,310**	**12,142**

* On account of business combination or inter-company transfer

The Group expects to contribute ₹379 Mn (₹261 Mn in 2020-21) towards its gratuity, in the next financial year.

Notes forming part of Consolidated Financial Statements

38 Employee benefits (Contd..)

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

	Gratuity plan	Provident fund plan 2021-22	Provident fund plan 2020-21
Government of India securities	Scheme with LIC	17.47%	22.17%
State government securities		27.81%	23.13%
Corporate bonds		30.50%	29.38%
Fixed deposits under Special Deposit Scheme framed by central government for provident funds		3.29%	3.69%
Public sector bonds		10.38%	12.60%
Mutual Funds		5.23%	5.42%
Others		5.32%	3.61%

VIII) Principal actuarial assumptions at the balance sheet date :

		As at 31-03-2022	As at 31-03-2021
i	**Discount rate**		
	For gratuity	6.65%	6.30%
	For post -retirement medical benefits	6.65%	6.30%
ii	Annual increase in healthcare costs (see note below)	5.00%	5.00%
iii	Attrition rate :	Varies between 8% to 19%	Varies between 8% to 19%
iv	Salary growth rate*	6.00%	6.00%

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

IX) 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 on March 31, 2022

(₹ Mn)

Maturity profile	Gratuity	Post-Retirement medical benefit liability
Expected benefits for year 1	232	4
Expected benefits for year 2	184	5
Expected benefits for year 3	192	6
Expected benefits for year 4	192	8
Expected benefits for year 5	194	9
Expected benefits for year 6	173	10
Expected benefits for year 7	160	11
Expected benefits for year 8	152	12
Expected benefits for year 9	139	13
Expected benefits for year 10 and above	1,269	1,484

Notes forming part of Consolidated Financial Statements

38 Employee benefits (Contd..)

IX) Projected plan cash flow: (Contd..)

As on March 31, 2021

(₹ Mn)

Maturity profile	Gratuity	Post-Retirement medical benefit liability
Expected benefits for year 1	151	3
Expected benefits for year 2	156	4
Expected benefits for year 3	168	5
Expected benefits for year 4	170	6
Expected benefits for year 5	161	7
Expected benefits for year 6	152	8
Expected benefits for year 7	135	9
Expected benefits for year 8	128	9
Expected benefits for year 9	121	10
Expected benefits for year 10 and above	1,076	1,224

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.

X) Sensitivity analysis

i) Post retirement benefits:

Although the obligation of the Group under the post-retirement medical benefit plan is limited to the overall ceiling limits, assumed healthcare cost trend rates may affect the amounts recognised 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 in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these three key parameters:

	Period ended March 31, 2022	Period ended March 31, 2021
Discount Rate		
Impact of increase in 100 bps on defined benefit obligation	(16.88%)	(17.41%)
Impact of decrease in 100 bps on defined benefit obligation	22.26%	23.08%
Healthcare costs rate		
Impact of increase in 100 bps on defined benefit obligation	12.53%	13.30%
Impact of decrease in 100 bps on defined benefit obligation	(10.18%)	(10.72%)
Life expectancy		
Impact of increase by 1 year on defined benefit obligation	1.41%	1.41%
Impact of decrease by 1 year on defined benefit obligation	(1.48%)	(1.47%)

Notes forming part of Consolidated Financial Statements

38 Employee benefits (Contd..)

X) Sensitivity analysis (Contd..)

ii) Gratuity:

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 and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption as below:

	Period ended March 31, 2022		Period ended March 31, 2021	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 100 bps on defined benefit obligation	(6.30%)	7.08%	(6.61%)	7.41%
Impact of decrease in 100 bps on defined benefit obligation	7.10%	(6.40%)	7.46%	(6.69%)

39 Financial instruments by category

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

(₹ Mn)

	As at 31-03-2022					As at 31-03-2021				
	Fair value through P&L (FVTPL)	Fair value through OCI (FVTOCI)	Amortised cost	Total carrying value	Total fair value	Fair value through P&L (FVTPL)	Fair value through OCI (FVTOCI)	Amortised cost	Total carrying value	Total fair value
Financial assets										
Investments	26,009	-	8,811	34,820	34,737	32,721	-	4,573	37,294	37,294
Trade receivables	-	-	28,335	28,335	28,335	-	-	20,835	20,835	20,835
Unbilled revenue*	-	-	9,033	9,033	9,033	-	-	6,071	6,071	6,071
Cash and cash equivalents	-	-	3,949	3,949	3,949	-	-	7,594	7,594	7,594
Bank Deposits (Current+Non-current)	-	-	4,142	4,142	4,142	-	-	-	-	-
Derivative financial instruments#	4	3,862	-	3,866	3,866	72	2,865	-	2,937	2,937
Other financial assets	-	-	1,666	1,666	1,666	-	-	1,273	1,273	1,273
Total	**26,013**	**3,862**	**55,936**	**85,811**	**85,728**	**32,793**	**2,865**	**40,346**	**76,004**	**76,004**

*Excludes Unbilled Revenue on Fixed Price Contracts where the right to consideration is conditional on factors other than passage of time

#Derivative Financial instruments fair valued through Profit and loss on account of Fair value hedges

Notes forming part of Consolidated Financial Statements

39 Financial instruments by category (Contd..)

I) Carrying value of financial instruments by categories are as follows: (Contd..)

(₹ Mn)

	As at 31-03-2022					As at 31-03-2021				
	Fair value through P&L (FVTPL)	Fair value through OCI (FVTOCI)	Amortised cost	Total carrying value	Total fair value	Fair value through P&L (FVTPL)	Fair value through OCI (FVTOCI)	Amortised cost	Total carrying value	Total fair value
Financial liability										
Borrowings	-	-	519	519	519	-	-	414	414	414
Trade payables	-	-	8,028	8,028	8,028	-	-	8,277	8,277	8,277
Lease Liabilities	-	-	7,836	7,836	7,836	-	-	7,569	7,569	7,569
Other financial liabilities	1,188	-	8,306	9,494	9,494	1,321	-	6,955	8,276	8,276
Total	**1,188**	**-**	**24,689**	**25,877**	**25,877**	**1,321**	**-**	**23,215**	**24,536**	**24,536**

II) Fair value hierarchy used by the group for valuation of financial assets and liabilities recognised at FVTPL and FVTOCI is as below:

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

Level 2- Inputs other than quoted prices included with in 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)

(₹ Mn)

	As at 31-03-2022				As at 31-03-2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Investments	26,008	-	1	26,009	32,720	-	1	32,721
Derivative financial instruments	-	3,866	-	3,866	-	2,938	-	2,938
Total	**26,008**	**3,866**	**1**	**29,875**	**32,720**	**2,938**	**1**	**35,659**
Liabilities								
Liability towards contingent consideration*	-	-	1,188	1,188	-	-	1,321	1,321
Total	**-**	**-**	**1,188**	**1,188**	**-**	**-**	**1,321**	**1,321**

*Pertains to contingent consideration payable to the selling shareholders for acquisition of business

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

(₹ Mn)

	31-03-2022	31-03-2021
Balance at the Beginning of the year	1,321	2,183
Acquisitions during the year	187	-
Finance Cost recognized in profit and loss	50	75
Remeasurement recognized as FVTPL	71	(592)
Amounts Settled during the year	(433)	(408)
Foreign Exchange Difference	(8)	63
Balance at the End of the year	**1,188**	**1,321**

Notes forming part of Consolidated Financial Statements

39 Financial instruments by category (Contd..)

II) Fair value hierarchy used by the group for valuation of financial assets and liabilities recognised at FVTPL and FVTOCI is as below: (Contd..)

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

There have been no transfers among Level 1, Level 2 and Level 3 during the years ended March 31, 2022 and March 31, 2021.

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.

III) Financial risk management

The group's activities expose it to a variety of financial risks - Market Risk, Credit Risk, interest rate risk and Liquidity Risk. The group's primary focus is to foresee the uncertainty of finacial markets and seek to minimize the potential adverse effects on its financial performance. The primary market risk to the group is foreign exchange risk. The group uses derivative financial instruments to mitigate the risks arising out of foreign exchange related exposures. The group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

i) Currency risk

The group 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 group 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.

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

The Board of Directors of the Holding company has approved the Holding company's 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 group hedges its exposure on a net basis (i.e. expected revenue in foreign currency less expected expenditure in related currency.) These hedges are cash flow hedges as well as fair value hedges.

The Foreign Currency Risk from Monetary assets and liabilities as at March 31, 2022 is as follows:

(In Mn)

	US Dollar	Euro	Canadian Dollar	Swedish Krona	Norwegian Krone	Other currencies*	Total
Net Assets/ (Liabilities)	25,816	2,453	2,179	771	376	3,504	35,099

* Other currencies include currencies such as Australian $, Singapore $, Pound sterling, Japanese Yen, Saudi Riyal, South African Rand, etc.

The Foreign Currency Risk from Monetary assets and liabilities as at March 31, 2021 is as follows:

(In Mn)

	US Dollar	Euro	Canadian Dollar	Swedish Krona	Norwegian Krone	Other currencies*	Total
Net Assets/ (Liabilities)	12,932	3,440	2,434	923	617	3,124	23,469

* Other currencies include currencies such as Australian $, Singapore $, Pound sterling, Japanese Yen, Saudi Riyal, South African Rand, etc.

Notes forming part of Consolidated Financial Statements

39 Financial instruments by category (Contd..)

III) Financial risk management (Contd..)

i) Currency risk (Contd..)

To provide a meaningful assessment of the foreign currency risk associated with the group's foreign currency derivative positions against off balance sheet exposures and unhedged portion of on-balance sheet exposures, the group uses a multi-currency correlated VaR model. The VaR model uses a Monte Carlo simulation to generate thousands of random market price paths for foreign currencies against Indian rupee taking into account the correlations between them. The VaR is the expected loss in value of the exposures due to overnight movement in spot exchange rates, at 95% confidence interval. The VaR model is not intended to represent actual losses but is used as a risk estimation tool. The model assumes normal market conditions and is a historical best fit model. Because the group uses foreign currency instruments for hedging purposes, the loss in fair value incurred on those instruments are generally offset by increases in the fair value of the underlying exposures for on-balance sheet exposures. The overnight VaR of the group at 95% confidence level is ₹638 Mn as at March 31, 2022 (₹669 Mn as at March 31, 2021).

A) Derivative Financial Instruments

The group regularly reviews its foreign exchange forward and options positions, both on a standalone and in conjuction with its underlying foreign exchange exposures. The outstanding forward and option contracts at the year end, their maturity profile and sensitivity analysis are as under.

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

	As at 31-03-2022		As at 31-03-2021	
	in Mn	In ₹ Mn	in Mn	In ₹ Mn
Instruments designated as cash flow hedges				
Forward contracts				
In US Dollar	1,715	139,567	1,354	107,787
In South African Rand	-	-	136	635
In Swedish Krona	60	482	125	1,085
In Danish Krone	-	-	33	389
In Euro	45	3,897	25	2,147
In Norwegian Krone	12	103	22	186
In Australian Dollar	3	167	13	721
In Canadian Dollar	2	135	7	378
In United Kingdom Pound Sterling	2	225	4	430
Options Contracts				
In Euro	106	9,594	95	8,269
Instruments designated as fair value hedges				
In US Dollar	112	8,547	65	4,767
In Emirati Dirham	56	1,158	56	1,129
In Swedish Krona	-	-	12	100
In Euro	8	634	10	863
In United Kingdom Pound Sterling	1	132	7	670
In South African Rand	-	-	4	19
In Canadian Dollar	1	46	1	35
In Australian Dollar	2	108	1	33
In Norwegian Krone	2	16	-	-
In Danish Krone	5	61	-	-
Total Forward and Options Contracts		**164,872**		**129,643**

Notes forming part of Consolidated Financial Statements

39 Financial instruments by category (Contd..)

III) Financial risk management (Contd..)

(ii) The foreign exchange forward and option contracts designated as cash flow hedges mature over a maximum period of 36 months. The group manages its exposures normally for a period of up to 3 years based on the estimated exposure over that period.

The table below analyses 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.

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Not later than twelve months	80,304	67,810
Later than twelve months	84,568	61,833
Total	**164,872**	**129,643**

(iii) During the year ended March 31, 2022, the group 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 a part of hedge reserve as at March 31, 2022 will occur and be reclassified to the statement of Profit and loss over a period of 36 months.

The reconciliation for the cash flow Hedge Reserve for the years ended March 31, 2022 and March 31, 2021 is as follows:

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Balance at the Beginning of the year	2,200	(2,149)
Changes in fair value of forward and options contract designated as hedging instruments	2,882	5,970
Amount reclassified to profit and loss during the year	(2,056)	(158)
Tax Impact on the above	(208)	(1,463)
Total	**2,818**	**2,200**

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, 2022 due to the inherent limitations associated with predicting the timing and amount of changes in foreign currency exchanges rates and the group's actual exposures and position.

The Group 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.

ii) 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 Group has no interest rate risk with respect to borrowings as on March 31, 2022.

iii) 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 ₹85,811 Mn and ₹76,004 Mn as at March 31, 2022 and March 31, 2021 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 group exposed to is non-collection of trade receivable and late collection of receivable

Notes forming part of Consolidated Financial Statements

39 Financial instruments by category (Contd..)

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 group makes adequate provision for non-collection of trade receivable and unbilled receivables. Further, the group has not suffered significant payment defaults by its customers.

In addition, for delay in collection of receivable, the Group has made a provision for Expected Credit loss ('ECL') based on an ageing analysis of its trade receivables, finance leases and unbilled revenue. For trade receivables and finance leases, these range from 1.2% for dues outstanding up to six months to 13.8% for dues outstanding for more than 36 months for 2021-22 (Previous year 1.5% and 15.7% for dues outstanding up to 6 months and for more than 36 months respectively) and for unbilled revenue 1.2% for dues outstanding up to six months to 3.4% for dues outstanding for more than 12 months for 2021-22 (Previous year 1.4% for dues outstanding up to six months to 3.9% for dues outstanding for more than 12 months).

The group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and the percentage of revenue from its top five customers is 28.1 % for 2021-22 (29.3% for 2020-21).

ECL allowance for non-collection and delay in collection of receivable and unbilled revenue, on a combined basis was ₹442 Mn and ₹320 Mn for the financial years 2021-22 and 2020-21 respectively. The movement in allowance for doubtful debts comprising provision for both non-collection and delay in collections of receivable, unbilled revenue and finance leases is as follows:

(₹ Mn)

	2021-22	2020-21
Opening balance	320	249
Impairment loss recognised or (reversed)	122	71
Closing balance	**442**	**320**

The group 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 group 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 Group's investments primarily include investment in mutual fund units, quoted bonds, commercial papers, non-convertible debentures, deposits with banks and financial institutions. The Group 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.

iv) Liquidity risk

The group's treasury department monitors the cash flows of the group and surplus funds are invested in non-speculative financial instruments that include highly liquid funds and corporate deposits.

The group has borrowings of ₹519 Mn as on March 31, 2022 (Previous Year: ₹414 Mn).

Notes forming part of Consolidated Financial Statements

39 Financial instruments by category (Contd..)

The contractual maturities of financial liabilities is as follows:

(₹ Mn)

	As at 31-03-2022			As at 31-03-2021		
	Within a year	More than one year	Total	Within a year	More than one year	Total
Trade payables	8,028	-	8,028	8,277	-	8,277
Borrowings	519	-	519	414	-	414
Derivative Financial Instruments	-	-	-	-	-	-
Other financial liabilities	9,364	147	9,511	7,845	483	8,328
Total	**17,911**	**147**	**18,058**	**16,536**	**483**	**17,019**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ Mn)

	2021-22	2020-21
Less than one year	3,433	1,521
More than one year	10,276	8,324
Total undiscounted lease liabilities	**13,709**	**9,845**

Credit risk on cash and cash equivalents is limited as the group 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 group 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.

40 Leases

I) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022

(₹ Mn)

	Category of ROU Asset			Total
	Office Premises	Furniture & Fixtures	Vehicles	
Balance at April 1, 2021	6,167	52	2	6,221
Addition	1,475	-	-	1,475
Pursuant to acquisition of business (Refer Note 44)	10	-	-	10
Deletion	(67)	-	-	(67)
Depreciation	(1,237)	(17)	(1)	(1,255)
Translation Difference	7	-	-	7
Balance at March 31, 2022	**6,355**	**35**	**1**	**6,391**

Notes forming part of Consolidated Financial Statements

40 Leases (Contd..)

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021

(₹ Mn)

	Category of ROU Asset			Total
	Office Premises	Furniture & Fixtures	Vehicles	
Balance at April 1, 2020	7,623	69	0	7,692
Addition	357	-	3	360
Deletion	(627)	-	-	(627)
Depreciation	(1,204)	(17)	(1)	(1,222)
Translation Difference	18	-	-	18
Balance at March 31, 2021	**6,167**	**52**	**2**	**6,221**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

II) The following is the break-up of current and non-current lease liabilities:

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Current lease liabilities	1,161	1,194
Non-current lease liabilities	6,675	6,375
Total	**7,836**	**7,569**

III) The following is the movement in lease liabilities:

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Balance at the beginning	7,569	8,799
Additions	1,416	322
Pursuant to acquisition of business (Refer Note 44)	11	-
Finance cost accrued during the period	601	699
Deletions	(89)	(672)
Payment of lease liabilities	(1,688)	(1,614)
Translation Difference	16	35
Balance at the end	**7,836**	**7,569**

IV) The following is the movement in the net investment in sublease in ROU asset:

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Balance at the beginning of the period	15	24
Interest income accrued during the period	1	2
Lease receipts	(11)	(12)
Translation Difference	2	1
Balance at the end of the period	**7**	**15**

Notes forming part of Consolidated Financial Statements

40 Leases (Contd..)

V) The table below provides details regarding the contractual maturities of net investment in sublease of ROU asset on an undiscounted basis:

(₹ Mn)

	As at 31-03-2022	As at 31-03-2021
Less than one year	7	11
One to five years	-	7
Total	**7**	**18**

VI) Finance lease receivables

Leasing arrangements

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:

(₹ Mn)

Particulars	Minimum Lease Payments		Present value of minimum lease payments	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Not later than one year	101	92	97	81
Later than one year but not later than five years	80	155	79	150
Gross investment in lease	**181**	**247**	**176**	**231**
Less: Unearned finance income	(5)	(16)	-	-
Present value of minimum lease payment receivables	**176**	**231**	**176**	**231**
Included in the balance sheet as follows:				
- Non-current finance lease receivables	-	-	79	150
- Current finance lease receivables	-	-	97	81

Finance income on Finance Lease Receivables was ₹11 Mn for the year ended March 31, 2022 (Previous Year: ₹11 Mn). Selling profit on Finance Lease Receivables has been recognised amounting to ₹11 Mn for the year ended March 31, 2022 (Previous Year: ₹145 Mn).

41 Basic and Diluted Earnings Per Share (EPS) at Face Value of ₹ 1

	As at 31-03-2022	As at 31-03-2021
Profit after tax (₹ in Mn)	22,968	19,361
Weighted average number of shares outstanding	175,073,125	174,460,220
Basic EPS (₹)	**131.19**	**110.98**
Weighted average number of shares outstanding	175,073,125	174,460,220
Add: Weighted average number of potential equity shares on account of employee stock options	505,078	1,135,891
Weighted average number of shares outstanding	175,578,203	175,596,111
Diluted EPS (₹)	**130.81**	**110.26**

Notes forming part of Consolidated Financial Statements

42 Related Party Disclosure:

(I) Key Management Personnel:

Name	Status
Mr. Sanjay Jalona	Chief Executive Officer (CEO) & Managing Director (MD)
Mr. Sudhir Chaturvedi	President – Sales & Whole time Director (WTD)
Mr. Nachiket Deshpande	Chief Operating Officer (COO) & Whole Time Director (WTD)
Mr. Ashok Kumar Sonthalia[1]	Chief Financial Officer (CFO)
Mr. Anil Rander[2]	Chief Financial Officer (CFO)

[1]. Ceased to be CFO from the close of business hours of January 25, 2021
[2]. Appointed as CFO w.e.f. April 14, 2021

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

Name	Status
Larsen & Toubro Limited	Holding Company
L&T Hydrocarbon Engineering Limited#	Fellow Subsidiary
L&T Technology Services Limited	Fellow Subsidiary
L&T Valves Limited	Fellow Subsidiary
L&T Investment Management Limited	Fellow Subsidiary
L&T Thales Technology Services Private Limited	Fellow Subsidiary
L&T Construction Equipment Limited (formerly known as L&T Construction Machinery Limited)	Fellow Subsidiary
L&T Finance Limited	Fellow Subsidiary
Larsen & Toubro LLC	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 Saudi Arabia LLC	Fellow Subsidiary
Mindtree Limited	Fellow Subsidiary
L&T Sargent & Lundy Limited	Joint venture of Holding Company
L&T Chiyoda Limited	Joint venture of Holding Company
L&T Infrastructure Development Projects Limited	Joint venture of Holding Company
L&T-MHI Power Turbine Generators Private Limited	Joint venture of Holding Company
L&T MHI Power Boilers Private Limited	Joint venture of Holding Company
L&T Officers & Supervisory Staff Providend Fund	Post employment benefit plans
Nexant Limited*	Company in which Directors are Interested
Calient Technologies Inc*	Company in which Directors are Interested

*Ceased to be a related party from October 28, 2020
#L&T Hydrocarbon Engineering Limited has amalgamated with Larsen & Toubro Limited w.e.f April 1, 2021

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Notes forming part of Consolidated Financial Statements

42 Related Party Disclosure:

(III) Details of transactions between the Group and other related parties are disclosed below:

The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business.

(₹ Mn)

(A) Transaction	Holding company 2021-22	Holding company 2020-21
Sale of services / products	1,557	1,154
Purchases of services / products	82	68
Purchases of assets	3,789	32
Overheads charged by	630	577
Overheads charged to	57	41
Trademark fees paid	399	309
Corporate Social Responsibility Expense	29	-
Security Deposit refund received	1	-
Capital advances given	700	-
Interim dividend paid	3,245	1,947
Final dividend paid	3,245	2,012

(₹ Mn)

Outstanding balance	Holding company As at March 31, 2022	Holding company As at March 31, 2021
Trade receivable	321	220
Capital commitments	3,115	-
Security Deposits	1	2

(₹ Mn)

(B) Transaction	Joint venture of Holding Company 2021-22	Joint venture of Holding Company 2020-21
Sale of services / products	**46**	**39**
- L&T Infrastructure Development Projects Limited	22	39
- L&T Chiyoda Limited	24	-
Overheads charged to	**0**	**-**
- L&T MHI Power Boilers Private Limited	0	-

(₹ Mn)

Outstanding balance	Joint venture of Holding Company As at March 31, 2022	Joint venture of Holding Company As at March 31, 2021
Trade receivable	**4**	**17**
- L&T Infrastructure Development Projects Limited	3	17

Notes forming part of Consolidated Financial Statements

42 Related Party Disclosure: (Contd..)

(III) Details of transactions between the Group and other related parties are disclosed below. (Contd..)

(₹ Mn)

(C) Transaction	Post employment benefit plans 2021-22	2020-21
Contribution to Post employment benefit plans	**957**	**536**
- L&T Officers & Supervisory Staff Providend Fund	957	536

(₹ Mn)

Outstanding balance	Post employment benefit plans As at March 31, 2022	As at March 31, 2021
Contribution to Post employment benefit plans	**255**	**161**
- L&T Officers & Supervisory Staff Providend Fund	255	161

(₹ Mn)

(D) Transaction	Fellow subsidiaries 2021-22	2020-21
Sale of services / products	**1,496**	**829**
- L&T Technology Services Limited	516	457
- L&T Hydrocarbon Engineering Limited	-	249
- Mindtree Limited	914	16
Sale of assets	**-**	**0**
- Mindtree Limited	-	0
Purchases of services / products	**994**	**772**
- L&T Technology Services Limited	886	663
- Mindtree Limited	106	106
Overheads charged by	**13**	**30**
- Larsen & Toubro (East Asia) SDN BHD.	8	14
- L&T Technology Services Limited	2	13
Overheads charged to	**40**	**86**
- L&T Technology Services Limited	37	60
- L&T Hydrocarbon Engineering Limited	-	17
- L&T Technology Services (Shanghai) Co. Ltd	-	9
Security Deposit paid	**6**	**-**
- L&T Metro Rail (Hyderabad) Ltd	6	-
Interest Income on Debt Securities	**19**	**-**
- L&T Finance Limited	19	-

Notes forming part of Consolidated Financial Statements

42 Related Party Disclosure: (Contd..)

(III) Details of transactions between the Group and other related parties are disclosed below. (Contd..)

(₹ Mn)

Outstanding balance	Fellow subsidiaries As at March 31, 2022	As at March 31, 2021
Trade receivables	**59**	**398**
- L&T Technology Services Limited	-	233
- L & T Hydrocarbon Engineering Limited	-	118
- Mindtree Limited	54	0
Trade payable	**177**	**3**
- L&T Technology Services Limited	175	-
- L&T Technology Services LLC	1	1
- Larsen & Toubro (East Asia) SDN BHD.	1	2
Security Deposits	**6**	**-**
- L&T Metro Rail (Hyderabad) Ltd	6	-
Investment (Principal amount) in debt securities	**996**	**-**
- L&T Finance Limited	996	-

(₹ Mn)

(E) Transaction	Company in which Directors are Interested 2021-22	2020-21
Sale of services / products	**-**	**5**
- Calient Technologies Inc	-	4

All balances are unsecured and to be settled in cash.

(IV) Managerial remuneration

(₹ Mn)

	2021-22	2020-21
(i) Short term employee benefits	220	207
(ii) Contribution to funds	14	14
(iii) Share based payments (on employee stock options granted)*	15	-

(₹ Mn)

	2021-22	2020-21
Mr. Sanjay Jalona	121	112
Mr. Sudhir Chaturvedi	82	75
Mr. Nachiket Deshpande	22	21
Mr. Ashok Kumar Sonthalia	-	13
Mr. Anil Rander	24	-

*Share based payments on employee stock options granted (if any) are charged to P&L over vesting period of ESOPs

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

Notes forming part of Consolidated Financial Statements

43 Segment Reporting

Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on analysis of various performance indicators. Accordingly, information has been presented for the Group's operating segments.

I) The revenue and operating profit by segment is as under:

(₹ Mn)

Particulars	2021-22	2020-21
Segment revenue		
Banking, Financial Services & Insurance	72,583	56,191
Manufacturing	25,280	20,353
Energy & Utilities	13,930	12,501
High-Tech, Media & Entertainment	19,055	13,778
CPG, Retail, Pharma & Others	25,839	20,875
Revenue from operations	**156,687**	**123,698**
Segment results		
Banking, Financial Services & Insurance	14,714	12,519
Manufacturing	5,519	5,058
Energy & Utilities	2,674	2,629
High-Tech, Media & Entertainment	3,376	2,874
CPG, Retail, Pharma & Others	4,837	4,374
Segment results	**31,120**	**27,454**
Other Income	4,667	2,744
Unallocable expenses (net)	536	203
Finance costs	728	788
Depreciation & amortization expense	3,549	3,325
Profit before tax	**30,974**	**25,882**

II) Segmental reporting of revenues on the basis of the geographical location of the customers is as under:

(₹ Mn)

Geography	Revenue from operations	
	2021-22	2020-21
North America	104,195	84,513
Europe	25,325	19,529
India	13,029	9,712
APAC	3,839	3,567
ROW	10,299	6,377
Total	**156,687**	**123,698**

III) Information about Major Customers

One customer group accounts for more than 10 % of the total group revenue for the year ended March 2022 and March 2021 and is a part of Banking, Financial Services & Insurance segment.

Notes forming part of Consolidated Financial Statements

44 Acquisition - Cuelogic

During the year, the company acquired 100% stake in Cuelogic Technologies Private Limited along with its 100% subsidiary Cuelogic Technologies, Inc. (collectively referred as 'Cuelogic') for an enterprise value of USD 8.4 Mn which includes upfront consideration, performance based earn-outs and retention payouts. Cuelogic is a digital engineering Company who specialize in product development capabilities and expertise in scaling exponential technologies. Cuelogic's primary focus is on building and modernizing digital products leveraging cloud native methodologies across web and mobile. The Company has used cut-off date of July 1, 2021 as the acquisition date being date of acquiring effective control.

Gross amount of Trade Receivables acquired and its fair value is ₹76 Mn. The same has been subsequently collected.

Statement showing Purchase Price Allocation

(₹ Mn)

Particulars	Total
Present value of consideration (A)	639
Non-current assets:	
PPE and Intangible assets	8
Right of Use assets	10
Deferred Tax Assets(Net)	8
Income Tax Assets(Net)	11
Current assets:	
Trade receivables	76
Cash and bank balances	99
Investments	0
Other Financial assets	9
Other Current assets	8
Total assets	**229**
Non-current liabilities:	
Long term provisions	
Current liabilities:	
Lease Liability	11
Trade payables	22
Other Financial liabilities	42
Provisions	6
Other current liabilities	7
Total liabilities	**88**
Net Assets acquired (B)	**141**
Customer intangibles on consolidation (C)	**165**
Deferred tax liability on customer intangibles on consolidation (D)	**41**
Goodwill on consolidation (A)-(B)-(C)+(D)	**374**

Initial recognition of goodwill on business combination is not deductible for tax purposes.

The financial results for the year ended March 31, 2022 includes 9 months revenue of ₹431 Mn and profit after tax of ₹5 Mn pertaining to this acquisition. If this acquisition had been at the beginning of the year then revenue would have been ₹575 Mn and profit after tax would be ₹10 Mn.

The transaction costs of ₹4 Mn related to the acquisition have been included in the Statement of Profit & Loss for the year ended March 31, 2022

Notes forming part of Consolidated Financial Statements

45 Events occurring after the reporting period:

The Board of Directors at its meeting held on April 19, 2022, has recommended final dividend of ₹ 30 per equity share (Face value ₹1) for the financial year ended March 31, 2022.

46 The Group is not required to transfer any amount to Investor Education and Protection Fund.

47 In case of figures mentioned as '0' in the financial statements, it denotes figures less than ₹0.5 Mn.

48 Previous year's figures have been regrouped/reclassified wherever applicable to facilitate comparability.

49 The financial statements were approved by the Board of Directors on April 19, 2022.

As per our report attached

For B. K. Khare & Co.
Chartered Accountants
Firm's Registration No.: 105102W

Sanjay Jalona
Chief Executive Officer &
Managing Director
(DIN: 07256786)
Mumbai

Nachiket Deshpande
Chief Operating Officer &
Whole-time Director
(DIN: 08385028)
Mumbai

Padmini Khare Kaicker
Partner
Membership No: 044784

Mumbai
April 19, 2022

Anil Rander
Chief Financial Officer
Mumbai

Tridib Barat
Company Secretary & Compliance Officer
Mumbai

Independent Assurance Statement

Introduction and objectives of work

BUREAU VERITAS has been engaged by **Larsen & Toubro Infotech Limited (**hereinafter abbreviated **"L&T Infotech" or "LTI")** to conduct an independent assurance of its **Integrated Report** for the year **2021-22**. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the **Integrated Report 2021-22** are the sole responsibility of the management of **LTI.** Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

Scope of work

The scope of work included:

- Data and information included in Integrated Report 2021-22 for the **reporting period 1st April 2021 to 31st March 2022**;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;

Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Remote audit through video conferencing was conducted at Bangalore, Chennai, Shivaji Nagar Pune, Hinjewadi Pune, Airoli, Hyderabad, LTI's Powai office in Mumbai on 16th May 2022 and remotely interviewed relevant personnel responsible. Bureau Veritas' experienced assurors remotely conducted the assurance process. The off-site assessment consisted mainly of desk review of the draft Integrated Report.
2. LTI had submitted integrated performance data. The data pertaining to the same was sampled and assessed by Bureau Veritas through the process above described.
3. The data was assessed on a sampling basis.
4. Bureau Veritas reviewed evidence of stakeholder engagement activities that had been undertaken by LTI. The methodology and criteria chosen in order to determine aspects material to LTI were also reviewed for their appropriateness.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance, based on current best practice in independent assurance.

Our findings

We summarize our key findings on the disclosures made by LTI regarding the various capitals impacted as a result of its business activities during the reporting period.

Financial Capital

During the reporting year, the company's net income (revenue) from operation was Rs.156687 million. Consolidated economic value generated (revenue from operations & other income) was Rs.161354 million & retention for growth of Rs.14236 million from its operations which has increased its financial capital.

Human Capital

The company has identified key enablers for the management of its human capital. It has policies in place to increase employee capabilities through training and reports satisfactory employee-employer relations as a result of the implementation of employee friendly policies.

Manufactured Capital

LTI has tangible assets comprising of physical infrastructure office for IT support with expanding footprint across 10 cities in India with Rs. 4968 million tangible assets. Also investment of Rs. 7430 million investment in infrastructure. LTI headquarter at Powai has 100% power sourced from renewable energy and since July 2021 opted for green tariff at Airoli Office.

Intellectual Capital

The company has developed three new innovative spaces. Design studios which leverages principles of design through user first methodology which help deliver impactful customer experience. Also Fosfor experience centre gives first hand of digital transformation capabilities. LTI in association with IBM, inaugurated IBM Innovation & experience centre at LTI Benguluru.

Social & Relationship Capital

As far as society and local communities are concerned, the company's total CSR spending in the financial year 2021-22 was 393.45 Million rupees. The expenditure is in excess of the minimum mandated under the Companies Act 2013. LTI has undertaken CSR initiatives that includes education, empowerment, environment & contribution on Covid19. The CSR activities have impacted a large number of lives. Total beneficiaries under CSR was 165820 people. 50.22% were percentage of woman beneficiaries.

Natural Capital

Electricity is major resource inputs that the company depends upon for running its business processes. The company has also addressed the issues of GHG emissions. Total 32.5% was renewable energy source and 4702 tCo_2 was mitigated through renewable energy.

Our assessment was directed at arriving at an understanding of LTI's business model, its internal processes and framework and resulting outputs and their impact on the six capitals hereinabove described.

Our opinion

On the basis of our methodology and the activities described above, it is our opinion that:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate or that the information included therein is not fairly stated;
- We have not come across anything that indicates that the information and data included in LTI's Integrated Report is not accurate, not reliable or not free from material mistake or misstatement;
- There is no instance to indicate that the Report has not provided a fair representation of LTI's activities over the reporting period;
- The information within the Report is presented in a clear, understandable and accessible manner, and allows readers to form a balanced opinion over LTI's performance and status during the reporting period (F.Y. 2021-22);
- LTI has established appropriate systems for the collection, aggregation and analysis of relevant information;

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period stated hereinabove;
- Positional statements (expressions of opinion, belief, aim or future intention) by LTI and statements of future commitment;

- Competitive claims in the report claiming "first in India", "first time in India", "first of its kind", etc, if any;
- Our assurance does not extend to the activities and operations of LTI outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with LTI;
- Our assurance of the economic and financial performance data of LTI is based only on the audited annual reports of LTI and our conclusions rely entirely upon that audited report

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 194 years history in providing independent assurance services.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with LTI, its Directors, Managers or officials beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health & safety information, systems and processes.

Bureau Veritas (India) Private Limited
72 Business Park, 9th Floor, MIDC Cross Road 'C', Opp. SEEPZ Gate #2, Andheri (East) Mumbai-400 093 India.

Jitendra Kadam
Lead Assurer

Sanjay Patankar
Technical Reviewer
ICC Sustainability & Climate Change Services

Date: 19/05/2022

Mumbai.

Notes

LTI

Let's Solve

www.Lntinfotech.com