

## 36th ANNUAL GENERAL MEETING

June 24, 2017

### CORPORATE PARTICIPANTS

**R. Seshasayee**

Independent Director & Non-Executive Chairman, Board

**Dr. Vishal Sikka**

Chief Executive Officer and Managing Director

**U. B. Pravin Rao**

Chief Operating Officer and Whole-time Director

**M.D. Ranganath**

Chief Financial Officer

**Roopa Kudva**

Independent Director

**Dr. Punita Kumar-Sinha**

Independent Director

**Kiran Mazumdar-Shaw**

Independent Director

**D N Prahlad**

Independent Director

**Prof. John Etchemendy**

Independent Director

**A.G.S. Manikantha**

Company Secretary

**Binod Hampapur**

Head of Talent and Technology Operations.

**Ravi Venkatesan**

Independent Director and Co-Chairman, Board

**Jayesh Sanghrajka**


Deputy Chief Financial Officer

**Srikantan Moorthy**

Head (Global Services, Application, Development & Maintenance).

**Krish Shankar**

Group Head – HR.



**Sunil Dhareshwar**  
Senior Vice President (Finance).

**Sandeep Mahindroo**  
Financial Controller and Head (Investor Relations).

**Amrita Srikanth**  
Head (Technical Accounting)

**Deepak Bhalla**  
Senior Vice President, Finance

**Shamita Chatterjee**  
Senior Vice President (HRD)

**Deepak Padaki**  
Head – Strategy & Risk

**Richard Lobo**  
Head of Human Resources

**Gopi Krishnan**  
Acting general Counsel

**R. Seshasayee**

Good afternoon, we welcome all the members to the 36th Annual General Meeting. Before we start the proceedings of the meeting I would request my colleagues on the dais to introduce themselves. May I start with Punita?

**Punita Kumar-Sinha**

Good afternoon. This is Punita Kumar Sinha.

**John Etchemendy**

I am John Etchemendy

**Roopa Kudva**

Good afternoon, I am Roopa Kudva – Independent Director.

**M.D. Ranganath**

Good afternoon, Ranganath – Chief Financial Officer.

**Vishal Sikka**

Good afternoon, Vishal Sikka – CEO and Managing Director.

**Ravi Venkatesan**

Ravi Venkatesan – Independent Director and Co-chair.

**Pravin Rao**

Good Afternoon, Pravin Rao – Chief Operating Officer.

**Kiran Mazumdar-Shaw**

Namaskara, Kiran Mazumdar-Shaw – Independent Director.

**D N Prahlad**

Namaskara, Prahlad DN – Independent Director.

**A.G.S. Manikantha**

Good Afternoon, Manikantha – Company Secretary

**R. Seshasayee**

May I request colleagues in the rear row also to introduce themselves starting with Gopi?

**Gopi Krishnan**

Good Afternoon, Gopi Krishnan – Acting General Counsel.

**Binod Hampapur**

Binod Hampapur – Head of Talent and Technology Operations.

**Richard Lobo**

Good Afternoon, Richard Lobo – Head of Human Resources.

**Srikantan Moorthy**

Good Afternoon, Srikantan Murthy – Head (Global Services, Application, Development & Maintenance).

**Krish Shankar**

Good Afternoon, this is Krish Shankar – I am Group Head of HR.

**Deepak Padaki**

Good Afternoon, Deepak Padaki – Strategy, M&A and Risks.

**Sunil Dhareshwar**

Good Afternoon, Sunil Dhareshwar – Senior Vice President (Finance).

**Jayesh Sanghrajka**

Good Afternoon, Jayesh Sanghrajka – Deputy CFO.

**Sandeep Mahindroo**

Good Afternoon, Sandeep Mahindroo – Financial Controller and Head (Investor Relations).

**Amrita Srikanth**

Good Afternoon, Amrita Srikanth – Head (Technical Accounting).

**Deepak Bhalla**

Good Afternoon, Deepak Bhalla – Finance.

**Shamita Chatterjee**

Shamita Chatterjee – Senior Vice President (HRD)

**R. Seshasayee**

Prof. Jeff Lehman has sought leave of absence owing to some personal emergency and he has authorized me to attend the meeting on his behalf. Apart from the colleagues that we have on the dais here, Niladri Prasad has also joined us from Mumbai through the video conference.

**Niladri Prasad**

Good Afternoon from Mumbai, Niladri here.

**R. Seshasayee**

We have 496 members present in person and 14 by proxy to conduct the proceedings of this meeting. The quorum being present I call this meeting to order. The register of directors and key managerial personnel has kept open near the registration counters and is available for inspection by the members. The register of the proxy is also available for inspection near the registration counter.

**Vishal Sikka**

Thank you Sesh. I now request Mr. Seshasayee, the Non-Executive Chairman to deliver the Chairman's speech.

**R. Seshasayee**

Dear Shareholders, hearty welcome to the 36th Annual General Meeting of Infosys. On behalf of the Infosys Board of Directors, I thank you for joining us today. Your presence is indeed a true testimony to your involvement with, and support for the Company.

During fiscal- 2017, a period of profound economic and political change, we continued to build our capabilities – people, services and software to serve our clients and grow the value we deliver to them.

Our revenues crossed 10 bn, at 10,208 mn in US dollar terms, and grew 9.7% to 68,484 crore in INR terms; 8.3% in constant currency terms. This is the second highest revenue growth recorded amongst our large peers. Even after having made strategic investments, our operating margin has been resilient and reasonably healthy at 24.7%.

Cash generated by operating activities during the year was robust and exceeded 2 bn in US dollar terms – a new high for us and one of the healthiest in the industry.

We paid an interim dividend of Rs.11 per share in October 2016. The Directors recommend a final dividend of Rs.14.75 per share for the year ending March 31, 2017. This represents 49.6% of consolidated FY17 post-tax profits.

Dear members, we are at a defining moment in the history of the IT industry. We are at the cusp of the fourth industrial revolution, with all the prospects for human advancement, and new business opportunities that it promises. The rapid digitization of everything around us is disrupting entire industries in an irreversible and profound fashion and the opportunity for us, as this revolution accelerates, is two-fold:

First, to bring automation and software-led efficiencies to the core of our traditional services, whilst rapidly learning to imbibe new technologies and innovation.

Second, to do the same for our clients as we partner with them through their digital transformation. This means helping bring technology enabled efficiencies to their problem-solving, and freeing them to find new opportunities to create even greater value, that software can then deliver for them. And this is exactly what our Management team, led by CEO – Vishal Sikka, has strived to do over the past three years. Our endeavor is to deliver our traditional services through a 'people plus software model', so that our engineers can focus on higher value work and on innovating for our clients.

In tandem with these improvements, we have launched a whole new suite of services to help our clients gain ground in areas like Mainframe Modernization, Cloud Applications and Infrastructure, Cybersecurity and Internet of Things. In addition to new services, our new software portfolio, including Infosys Nia, Edge, Panaya and Skava is also gaining momentum and helping the business drive higher per capita revenue.

The next step is of course to exploit new opportunities through scaling up, by moving talent and investments into these emerging growth areas.

As we aim to balance the strategic and operational needs of the Company, we are also committed to enhancing shareholder return. The Board periodically reviews the capital allocation policy of the Company that is in the best interest of all shareholders. The Company reiterates its commitment to execute the capital allocation policy announced on April 13, 2017 in a timely manner. As envisaged in the capital allocation policy, the Company has identified an amount of up to Rs.13,000 crore which is equivalent to US\$ 2 bn approximately to be paid out to shareholders during fiscal year 2018. As the Company has a large shareholder base and is listed in multiple countries, the manner of distribution to shareholders requires compliances under laws of several jurisdictions. We are in the process of finalizing a distribution mechanism that complies with the applicable regulatory requirements, in the best interest of all shareholders.

While the progress we've made in the business is encouraging, navigating through 2017 has not been without challenges posed by the external environment. Growing commoditization of our traditional business, rapidly spreading protectionism, and escalating demand from clients for more value for their technology investments, have all combined to make the business environment extremely challenging. Our strategy had to quickly evolve to respond to changing dynamics in the marketplace, and our execution had to be elevated to a higher level of efficiency. We realized that in this task, the Management would be better supported through a more engaged and a fully aligned Board. We have, therefore, instituted a Committee of Directors, to closely monitor execution and enhance alignment between the Board and the Management in strategic responses to changing market situations.

There were also challenges which were specific to your Company. During the last 18 months or so, there has been intense criticism levelled against the Board and the Management, alleging certain governance lapses. Executive Leadership Compensation was an issue that dominated the narrative on governance. Although the CEO compensation revision that was effected in April 2016, was implemented only after all necessary disclosures and after 98.7% of shareholders voted in favor, and the COO's compensation was effected only after 67% voted in favor.

In the aftermath of criticism, the Board introspected and recognized that our communication on this matter could have been better. The Board has, in the spirit of further transparency, released a document, explaining in detail, the policy on Executive Compensation, the key performance indicators for variable pay and related matters on the Company's website. This has also been referred to in the Annual Report. This is the first time that Infosys has outlined a policy on Executive Leadership Compensation in such great detail.

While designing the revised Executive Leadership Compensation structure, we were also acutely aware of the talent market reality where the compensation spread between the top management and the larger employee base has continued to widen. This unfortunately also gets mirrored in our own business as we compete for global talent. To partially redress this growing disparity, the Executive Leadership Compensation has been restructured from a predominantly cash-based structure to a total rewards structure with a high variability linked to Company performance. A significant portion of the variable rewards is in the form of stock incentives directly linked to long-term shareholder value creation.

The second issue that was widely commented upon was the severance pay agreed to be paid to Rajiv Bansal – former CFO in October 2015. For the record, out of the total severance amount payable of Rs.17.37 crore, the amount actually paid to Rajiv Bansal amounted to Rs.5.2 crore. The claim for the balance amount of Rs.12.17 crore is under arbitration and the Company has disputed the same.

The Company had received an anonymous letter, making allegations of impropriety around this matter in June 2016. The Board retained an external law firm to investigate this matter, and the external law firm found the allegations of hush money to be baseless. Despite this, unfortunately, the allegations continued.

There were two more anonymous complaints sent to SEBI in February 2017 which, once again, contained serious allegations relating to the same subject as well as other matters. Although the complaints were anonymous and contained no evidence whatsoever, consistent with the Board's commitment to good governance, the Audit Committee thoroughly investigated the matter. The Audit Committee hired this time Gibson, Dunn & Crutcher – an independent international law firm, and Control Risks – an independent forensic accounting consultant, to conduct a thorough investigation involving review of thousands of emails and interviews of dozens of people. This investigation is now complete and the independent investigators have reported that the earlier investigation was thorough and its findings were supported by credible evidence. They also found no evidence to support the other allegations made by the anonymous whistleblower.

We have thus, had multiple professional firms conduct multiple investigations and they have unequivocally all ended in the same result – which the Company had engaged in no wrongdoing. Unfortunately, the allegations garnered disproportionate scrutiny and attention. These baseless, malicious and anonymous allegations have been draining and grossly unfair to the individuals. The Company has already released a detailed statement on the findings of this investigation on its website.

We, in the Board, earnestly believe that it is our duty to listen to every shareholder, introspect and further improve our performance or take corrective actions. When comments are made by the Founders, we consider them even more seriously and respectfully, as we all recognize that we are but Trustees of an extraordinary institution that has been the result of the labor, foresight and genius of an extraordinary group of Founders. The Board has continuously engaged with all major investors, in particular with the Founders, and we will continue to do so.

I should note that the Board's relationship with the Founders is often the subject of certain inaccurate media reports. For example, some recent reports suggest that the Board added a risk factor in its Form-20F filing – this is one of the 54 risk factors in June-17 only to send a veiled message to the Founders. This is not true, as this risk factor was inserted as per applicable law. When the Board communicates with the Founders, it does so directly, cordially and respectfully. Any inadvertent pain that such inaccurate interpretation in the media might have caused is sincerely regretted.

Amidst all this, we have single-mindedly focused on being a responsible corporate citizen. We continue to seek to make a tangible positive difference to the communities we live and work in. The Infosys Foundation, the Infosys Foundation USA and the Infosys Science Foundation serve as powerful instruments to help realize our aspirations beyond business. I am grateful to the deeply committed trustees of the Infosys Foundation, Infosys Foundation USA and the trustees and jury chairs of the Infosys Science Foundation for bringing their hearts and minds to drive the enduring success of these purposeful programs.

It is in human nature to wonder about the natural world around us. The wonders of nature unfailingly fascinate me. One of the transformations that I find mesmerizing is the cycle of life of the butterfly. Its metamorphosis from caterpillar is made during the seemingly quiet but intensely active pupa stage, when the caterpillar's former state is reimagined, in a flurry of events, under the cover of the chrysalis into something beautifully different, and yet coded from the very same original DNA.

This often serves as a metaphor for me to think about the nature, the intensity, the complexity and the beauty of our own transformation from the existing models towards the new opportunities. From the Infosys of yesterday to the Infosys of tomorrow, and the future. More than 200,000 very talented Infoscions have embraced the choice to commit to this transformation. If you could see them at work, like I do many times, you would appreciate their perseverance, their ability to grow tougher when the going gets tough and their extraordinary strength of character.

Dear members, as I have said earlier, we are undertaking three transformations simultaneously in your Company to secure a sustainable and secure future:

One – The business transformation from a traditional IT services Company to innovation-led, software plus services Company, which is formidable enough.

Second – The cultural transformation that comes along when you induct global leadership talent.

Third – The rather abrupt transition from the Promoter-led Board and Management to an independent Board and a professional management.

None of these is easy. Other players in the industry might have one or the other, but not all three. The Management and the Board commit to you to further accelerate our efforts to navigate the Company through these daunting changes and deliver performance, worthy of its proud heritage.

Finally, as this will be my last AGM, before I retire upon reaching the age of 70 in May 2018, I want to thank the Founders, my colleagues on the Board and all the shareholders for giving me the great privilege of serving this wonderful Company, at an extremely critical time during its transformation journey.

I have had unstinted support from my colleagues on the Board and the Management and I am truly grateful to them for reposing confidence in my leadership in these challenging times.

During the remaining months of my tenure, I would be committed to further enhancing governance standards, to improving shareholder value and to planning a smooth transition to my successor.

I wish to express my deepest gratitude to our Founders, Partners, Clients and Governments of the several countries and states that we operate in, for their guidance, advice and support. It's their goodwill that renews our belief in ourselves and our potential to be more. Thank you very much.

### **Vishal Sikka**

Thank you very much, Sesh. Now, for the "Management Presentation." I would like to start by requesting M.D. Ranganath – our CFO to do his Presentation.

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### **M.D. Ranganath**

Ellarigu Namaskara. Good Afternoon, Ladies and Gentlemen. I am very happy to present to you the Highlights of Financial Performance of Fiscal 2017. As you know, this is the second full year of the execution of company's Renew and New Strategy. Vishal, Pravin and I will share some results of our strategy execution today. First of all, I would like to talk about your company's revenue performance. As you all know in fiscal 2017, your company achieved a key milestone – the revenues of the company crossed \$10 bn. You would recall that in fiscal 2004 your company's revenues crossed \$1 bn. In the last 13-years, with your support and encouragement, your company's revenue has become ten-fold.



During the fiscal year on IFRS consolidated basis, revenues grew by 9.7% in rupee terms, 7.4% in US dollar terms. I will talk later in the presentation about revenues by business and geography segments.

As you are aware, there has been volatility in currency rates. Hence, if you look at our constant currency revenue growth, our revenues grew in fiscal 2017 by 8.3%. Over the last two years, your company's revenue growth has been broadly in line with the industry growth. If we compare Infosys growth with NASSCOM's industry growth, which you see in this slide, Infosys revenue growth has been broadly in line with the NASSCOM industry growth in the last two years. As you can see, both gross profit and operating profit grew during the year by 8.1% and 8.2% in rupee terms respectively. Gross margin per cent and operating margin per cent marginally declined by 0.6% and 0.3% respectively. Our net profit grew by 6.4% in rupee terms; net profit margin was 21% as compared to 21.6% last year. During fiscal 2017, despite multiple headwinds on margins due to pricing, crosscurrency movements, compensation increases, we were able to offset these headwinds successfully to a large extent. This was possible due to our sharp focus on operational efficiency, cost optimization and productivity improvements. I will talk about these more in detail shortly.

These are the gross operating and net profits in US dollar. Let me talk about operating margin. In the last two years, operating margin has been broadly stable in a very narrow range. We have been able to successfully keep it in the guidance range that we indicated during these years, for example, in fiscal 2017, we indicated that the operating margin would be in the range of 24% to 25% and we closed the year at 24.7%.

As I mentioned earlier in fiscal 2017, we focused on improvement in key operational efficiency parameters which are indicated on the slide. Several of these parameters improved during the year. Let me start with employee cost as percentage of revenue. As you know, employee cost is our biggest cost item which accounts for over 70% of our operating cost. As you can see, despite compensation hikes given over the last three years and addition to the headcount both onsite and offshore, our employee cost as a percentage of revenue has come down from 55.8 to about 55% in the last two years. If you look at utilization excluding trainees, the overall utilization improved to 81.7%, a full 1.1% improvement during the year, helping us on the margins. Similarly, subcontractor expenses were stable as a percentage of revenue at 5.6%. While some of these parameters have improved during the year, some need certainly more improvement. Onsite mix per cent increased during the year by 0.4% and we have to work towards gradual reduction. If you look at net employee addition, during fiscal 17 we added 6,320 employees as compared to 17,857 employees in fiscal 16. This reduction is primarily on account of better utilization and productivity improvements. Our total employee count grew by 3.3% in fiscal 17 as compared to the revenue growth of 7.7%, thereby improving the revenue per employee.

Moving on to volume growth. We had broad-based volume growth of 10.2% in fiscal 17; however, realization declined by 2.7% in reported currency and 1.9% in constant currency. As we have said in the past, pricing decline needs to be offset through internal operational efficiency, productivity and new services.

During fiscal 17, as Chairman mentioned, due to our strong focus on cash generation, our net cash provided by operating activities was healthy at Rs.14,063 crores. As percentage of net profit, it further improved to healthy level of 98% this year as compared to 90.7% last year. We believe this is one of the best cash generation ratios in the industry. Our liquid assets increased to Rs.38,773 crores. Your company always had a very strong focus on cash generation. Mr. Narayana Murthy, our Founder, always used to reiterate the importance of cash generation. It is a very common knowledge in Infosys that when he was in the company he used to call my illustrious predecessor CFOs, Mr. Mohandas Pai and Mr. Balakrishnan at least once a day to check on cash. Earnings per share has increased by 6.4% in rupee terms and 4.3% in US dollar terms.

Coming to Dividend: Our dividend payout has been healthy. You would recall that the company over the last few years has devised a dividend payout policy resulting in the dividend payout ratio increasing

from 30% to 40% and then from 40% to 50% of consolidated net profit. For fiscal-2017 dividend payout was 49.6% of consolidated net profit. Effective from fiscal-2018, as per the board approved capital allocation policy, the company expects to payout to shareholders up to 70% of the free cash flow of the corresponding fiscal year in such manner as maybe decided by the board from time-to-time subject to applicable laws. You would recall that the company had issued bonus shares in the ratio of 1:1 in fiscal-2016 and in fiscal-2015. As Chairman mentioned in his address, your company announced a comprehensive capital allocation policy. The company reiterates its commitment to execute the capital allocation policy announced on April 13, 2017 in a timely manner. As the company has a large global shareholder base and is listed in multiple countries, the manner of distribution to shareholders requires compliances under laws of several jurisdictions; we are in the process of finalizing a mechanism that complies with applicable regulatory requirements in the best interest of all shareholders. Total dividend per share for fiscal-2017 was Rs.25.75 as compared to Rs.24.25 in fiscal-2016. Market capitalization as on March 31, 2017 was 2,34,805 crores, a reduction from earlier year.

If you look at the revenue distribution by business segments, Financial Services continues to be our largest business segment with 27.1% of our revenues in fiscal followed by Energy, Utilities and Communications Services. If you look at the revenue distribution by geographical segments, North America continues to be our largest geographical segment with 61.9% of our revenues in fiscal-2017. Our share of revenues from Europe slightly declines on account of currency depreciation of euro and British Pound. India saw a good growth this year primarily on account of several large government contracts.

As you know global currencies were very volatile in the last one year due to events such as Brexit, etc., you can see from the graph a wide fluctuation in cross currency during the year. Revenue from US dollar continues to be the highest followed by Euro. We navigated the volatile currency environment effectively in fiscal-2017 with our effective hedging policy.

Coming to the Summary Financial Performance first in IFRS: I have talked earlier on revenues and margins. The other income decreased in fiscal-2017 primarily due to the declining interest rates in India. Effective tax rate remain constant at 28% in fiscal-2017. Your company continues to have one of the strongest balance sheets in the industry; it is a debt-free balance sheet and it is a most liquid balance sheet. Liquid assets were healthy at 38,773 crores and they form 46.5% of total assets. Total assets increased by 10.6% during this fiscal.

This is on the Liabilities: There are no significant changes in liabilities. We had a healthy growth in retained earnings, shareholders equity accounts for 82.8% of the total balance sheet size. As you know, company adopted IND AS as an accounting standard in India for fiscal 2017. These are the financial numbers in IND AS and in Annual Report we have given a detailed reconciliation between IND AS and iGAAP which we used to adopt in previous years. This is the balance sheet and the liabilities.

With this, I conclude my "Presentation on Financial Performance." I thank you for all the support and encouragement provided during the year. I look forward to your continued support in the future. Thanks.

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**R Seshasayee**

Thank you. I request Dr. Vishal Sikka, CEO, to address the shareholders.

**Vishal Sikka**

Good Afternoon. A Warm Welcome also from my side. It is a great privilege for us to be really not only the leaders but the custodians of your company. When I started my journey, one of the long-term shareholders of Infosys explained to me the importance, the value of being a custodian. This is something that we are tremendously privileged about. So I want to take my time and my presentation today to really share with you the journey that we have been on, the endeavor that we are on. Really our endeavor to create a next-generation services company in the times that we are living in which is the times of AI increasingly.

I want to talk about three parts of this – What we are doing, what we have been doing. How we have been doing it and how we are doing it and why. Most importantly, why are we doing what we are doing. Three years ago, when I started my journey and when we started our journey, we articulated a simple strategy to thrive in the times of this massive digital disruption that we are all facing, a digital disruption that is faced by every company and every industry and is also faced by our company. That strategy was a straightforward three-part strategy of renewing our existing business, entering and innovating into new businesses and doing so on the basis on the foundation of a culture, a culture that is inevitably about learning, about creativity, about purpose. Our endeavor is to retake the mantle of the iconic bellwether company that we have been to be committed to consistent profitable growth and to further strengthen our founding culture and values. Last year during a lunch, Mr. Murthy told me that “Vishal, what you are really working on is to transform us from a culture of reactive problem solvers to proactive problem finders.” It is an extremely succinct and concise we have to put, capture our endeavor. This is what we have been working on and what we are continuing to work on.

There is clear evidence of the successes, in many cases, early successes of the journey. Ranga already talked about our revenue performance. Constant currency we grew in the past year by 8.3% which is among the fastest in the industry and we have grown despite the headwinds that we have seen, that Ranga briefly mentioned while preserving and continuing to do well on the operating margin.

When you look at some additional dimensions of our business, one of the key dimensions that we measure is the growth in the \$100 mn plus accounts. We had 12, \$100 mn plus clients when I started; today we ended Q4 with 19. Last fiscal year, we did close to \$3.5 bn in large deals and two quarters we had more than a billion dollars of large deals. So this is an area that we have been doing well. Ranga mentioned also a strong focus on operational efficiency. Our utilization in the last fiscal year was 81.7%, this is the highest since fiscal 2008, in the last 10-years this is the highest utilization that we have had. Our revenue per FTE has grown to \$51,400 and a key part of that are that automation and our efforts to bring our own Nia platform to help automate the work more and more of the work that we do has been kicking in. More than 11,000 jobs were released on account of automation in the course of last year and we have now 81 clients who are deploying Nia automation use cases in the areas of Robotic Process Automation.

Standalone attrition which was at 23.5% in the quarter that I started has dropped to approximately 15.8% in Q4 of last year. High performer attrition which is the key dimension that our leadership and I keep track of is now in single digits. Here close to home, there are three exemplary projects that we have been working on in Nia's own journey towards the digital future.

The income tax where we have more than 4.5 crores returns, and we have brought down the processing time from 425 days to now 31 days, the department of post offices as bank branches with its massive footprint of 67 crores accounts, 27,000 mobile branches and of course the GST project that our team under the leadership of Binod has been working feverishly which is serving already 90 lakhs tax payers and that system processes transactions at a phenomenal rate of 60,000 transactions per second. It is one of the largest open source systems that we have seen and it is by far the largest tax project of a sort anywhere in the world.

One of the initiatives that we started early on was an initiative called “Zero Bench.” Because a lot of latent capacity in a services company such as ours even at 81.7% utilization is still unutilized. So Zero Bench was the endeavor to exercise the creativity of our colleagues on the bench. I am very happy to report that we have now more than 41,000 work packets on our zero bench marketplaces. Of these close to 24,000 have already been completed and closed by Infoscons who are on the bench, and we have 100% bench employees now engaged which means that no one is sitting idle, no one is wondering what to do. One of the key consumers of the people on the bench is the “Zero Distance” program to bring grassroots innovation into every single project. We started this program in March of 2015... and I am again very happy to report that the teams working by themselves on the ground have today produced 16,500 ideas on their own without any central supervision coming from the top. These ideas over the course of the last year and a half have been discussed with clients increasingly and more than 2,200 of these have been implemented. I, Pravin, Ravi and our entire leadership have done more than 40 townhalls in the last 36-months since we launched “Zero Distance” across the world.

When you look at the performance along the strategy on Renew, New and Culture, I am particularly proud of the new services that we have launched over the course of the last three years. Each of the services brings high growth, high margin and high revenue per employee and already is seeing strong penetration in our top accounts and starting with Q1 with this quarter, next month we will start to report the revenue performance in these new services. These new services as both Sesh and Ranga already talked about cover all the new areas that our clients are concerned about such as moving legacy maintenance, legacy systems to the cloud, creating the API economy for creating new experiences on top of systems, cyber security, working on Internet of Things, strategic design consulting and so forth.

Similarly, new software that we did not have three years ago has become an increasingly important growing and substantive part of our business. The Nia platform, Panaya, Skava and Edge, are already forming critical parts of our business both in amplifying our existing services and in creating new business opportunities. Nia’s Artificial Intelligence used cases alone are now at more than 70 clients and more than 160 scenarios had those 70 clients have already been deployed. Our collectively new software business grew by more than 42% last year and again these numbers we will start to disclose starting with this quarter.

All of this is powered by a culture of learning and learnability. We have been focusing not only on creating a culture where we continuously educate ourselves but also in improving how we educate ourselves. Our learning platforms using new ways of learning as well as the new classes that we teach, have all been doing well. Our Infosys Learning Platform has already created more than 21,000 Infoscons who have passed the new foundation program where they learn about computing and digital technologies and fundamentally new ways. 46,000 people in continuous education and more than 177 new courses that we have launched.

Our Digital Tutor Platform where anyone can be a teacher and anyone can be a pupil now touches 110,000 employees and already has 3,500 video tutorial that have been placed in it. We launched the first of its kind massive scale Design Thinking Training Program in October of 2014 and we have now trained more than 140,000 Infoscons on Design Thinking. This is by far the world’s largest investment in bringing Design Thinking to the masses.

Our new technologies like Agile and DevOps, we have already approached 25,000 Infoscons who are experts in these technologies and in Machine Learning and various forms of AI techniques we have already created an army of 3,000 Infoscons on all these technologies.

These achievements have been widely recognized by our clients. Here are some quotes from some of our clients. This is from Thomas Meinel of Evonik, talking about our traditional work in technology modernization as well as zero distance and the AI platform Nia. Thomas told his own management team that in response to our Zero Distance program, they created a program where once a month they recognize an Infoscon who has the best Zero Distance program within Evonik to their executive board.

Here are two of the leaders of Visa – Michael Ross is the Global Head of Human Resources and Rajat Taneja is the Head of Technology for Visa – talking about how Infosys has worked with Visa in the course of the last 2.5-years to become a strategic partner in their technology transformation as well as in bringing next generation technologies and a commitment to new areas like AI as well as Design Thinking. But interestingly, the nature of the strategic partnership is such that they actually rely on our ability to hire and our ability to teach people to hire and teach their employees.

Here is an example from Johnson Controls, one of the large manufacturing companies on the success that they have had with our Nia platform.

Here is an example from Hershey. Carlos is the CIO, talking about how transformation work led by Design Thinking has helped create some of the successes that we have had jointly.

Here is an example from Kraft Heinz, another large CPG company on the use of the Skava platform in bringing digital business-to-business commerce to life at Kraft Heinz.

Our client satisfaction, as a result of the execution of our strategy, has achieved the highest level in the last 12-years. In particular, the CXO satisfaction has jumped by 22% in the last two years. Here are some quotes from some of the clients as that was done as a part of this survey.

Your company has received tremendous awards and recognitions over the course of the last year. I am particularly proud of the awards that we have received in our work in corporate governance, in recognition of our finance team and especially the recognition of our sustainability team under the leadership of Ramadas Kamath. We have also received significant awards of Business Excellence, all the way from digital platforms to packet service implementations as well as recognizing our work in Artificial Intelligence and Design Thinking. There are many other dimensions around leadership development, around decentralization and empowerment of people, Pravin will talk about this in a little bit more detail later on in terms of the talent retention work that we have done, process simplification work, in creating the organization for agility and go-to-market and in US hiring and more. Yet, as we execute on our strategy, we realize there is much that we can do to improve how we are working in our processes and execution, in achieving great agility in how we work as a company, improving our processes, improving our systems, just as we do for our clients. Transformation of the sort as Sesh said in his speech is always challenging and we have to do a better job of managing and communicating change and we have to continue to improve and further creating a culture of empowerment and entrepreneurship, a culture of decentralization and agility, without compromising the integrity and accountability that our company stands for.

How are we going about our endeavor? It is easy to talk about how looking into the future. I will instead look into the past and point out over the course of the last three years of some of the actions, some of the initiatives that we have taken and here are some that are identified. We started the Design Thinking training program in the third quarter of fiscal '15 and I still remember it was the day after Diwali in 2014 when three of the faculty from Stanford Design School came to our campus in Mysore and created the first of its kind Design Thinking program. We grossed 50,000 people who are trained on Design Thinking as you can see over there a few quarters later, in second quarter of fiscal '16 and all these other initiatives. Zero Distance was launched in March of 2015. Very quickly by the end of that year we already reached close to 100% coverage in the projects and since then our endeavor was to further enhance that and in Q2 of Fiscal '17 we launched what Ravi refers to as Zero Distance 2.0 to create a culture of more empowered larger scale innovation coming out of our projects on the bottom. We crossed 115 Nia engagements in the last quarter and we have done 20 more since then and so forth. So as you can see, your management team has been busy ever.

But perhaps the most important question is why are we doing this? Why is it essential for us to be on this journey? We have to do this because the world around us is changing. In his book being Digital,

Nicholas Negroponte wrote more than 20 years ago that “The change from atoms to bits is irrevocable and it is also unstoppable.” Our brains are wired by nature to not understand exponential change very easily. Yet when you look at the world around us it is going through digital technological changes that are exponential in nature. These changes are in three categories – As Design Thinking teaches us, from an end user perspective, we are going through a fundamental change in a very pervasive connectedness of digital technology around us as well as the way the people experience digital technology from voice interfaces to virtual reality and AR to reimagine and experiences of the spaces that we are in, for example, the cars, there is a picture of Toyotas connected car there that our team has actually been working with Toyota on as well. The pervasive connectedness of computing is changing the way that we interact with information. This is happening in a very fundamental way and it is creating new opportunities to reach those end points and to deliver value at those end points. This change is being powered by a continuing advance of exponential improvement in the price performance of hardware of infrastructure. Infrastructure is becoming increasingly intelligent and increasingly powerful. There is a picture of Amazon’s data centers there on the left hand side in the middle row. That data center has between 50,000 servers and 75,000 servers and Amazon has hundreds of these data centers around the world and collected with the house millions of servers. The amount of computing, the number of servers being sold to cloud companies over the course of these last 12-months has exceeded the amount of servers being sold to enterprises. When we think about Moore’s Law and I do say Moore’s Law is there, not just singular Moore’s Law there are several. Next month it will be 52-years since Gordon Moore published his famous paper. He predicted that every two years, price performance of computing will double. In one of the astonishing acts of engineering achievements in human history, for the first 40-years or so of Moore’s Law, this was actually exceeded and we were doubling close to every 18-month. When you look at over the next several years, technology will get to the point the current Moore’s Law. People talk about the end of Moore’s Law. The current manufacturing capacity will stop in the next 7 or 8-years because the manufacturing process will get to the limit of its ability. Silicon atom itself is half a nanometer and the manufacturing process of 4-nanometers which is what we will get to in 2024 or so will basically be the end of the current generation of Moore’s Law. But then following that, new technologies will show up. That will further continue in different form of Moore’s Law and you see a picture of that that is Prof. Jen Hasler from Georgia Tech University holding neuromorphic code in her hand. This is the code that is designed specifically for artificial intelligence applications and it has several orders of magnitude better power performance compared to today’s processors. These kinds of technologies will continue Moore’s Law which means that for the rest of our lives, we will continue to see exponential improvement in price performance of computing. The other dimension of that of course is those pills that you see on the right-hand side in the middle row. These are edible sensors. Kiran is in the healthcare world. Those pills have a small computer on top of them which is edible. That is a cubic millimeter in size. You can actually eat this medicine and it keeps track of what is happening. The end result of this is that it has become possible to deliver services to deliver products that completely disintermediate and disrupt traditional industries. There is a picture of one of Amazon retail stores; of course, last week Amazon announced the acquisition of Whole Foods, one of the retail supermarket chains in the United States. In the middle there, there is a picture of a new start-up that was funded in the United Kingdom called Farmdrop which connects people directly to farms and disintermediates not only CPG companies but also retail chains and of course our own theme application here in India which creates new ways of delivering value and creating disintermediation. The world around us, every industry, every walk of life, is going through a very profound change.

Why we are doing it is because AI the breathtaking advances in AI are relentlessly automating the work that we have been doing. But they are also amplifying the work that we do. The four pictures on the left-hand side are examples of some of the recent dramatic applications of AI that have been built. The picture on the upper left is an AI system where a robot can learn to do things by watching videos of those things happening, for example, it can learn to make an omelette by watching a video of somebody making an omelette. This is not about training a robot to make an omelette; this is about a robot learning it by itself to make an omelette by watching a video of somebody making an omelette. Towards right are the swarm drones where tens of thousands of drones can fly and coordinate

amongst themselves without the need for any central controller. Amazon Echo which is now just about two years old, has more than 9,000 skills that have been added, including skills that are very close to the kind of world that our company performs, for example, in taking voice-based calls and responding to these completely automatically without any human involvement. In the middle there in the bottom, you see a picture of an augmented reality-based Chatbot which can do increasing with the work of maintenance engineers in physical systems.

So advances in AI are automating more and more cognitive work that people perform. But Artificial Intelligence also amplifies the work that people do. I have big two examples here – on the top you have the excess skeletons which people can wear and it amplifies people. On the bottom, there is a little golf cart that you will find driving around in our own Mysore campus that was completely indigenously built by our engineers here at Infosys together with the triple IIT Delhi Artificial Intelligence department.

Autonomous driving is something that every automobile manufacturer is going to get into. It behooves us to develop talent around them. I recently challenged our team to train a few thousand people in autonomous driving technology and to do that in an immersive way, in a new kind of way. I was very pleased that they have actually built using Open Source technology, using our own innovations, our own autonomous golf cart.

Fundamentally because the world frankly needs a better innovation ecosystem. Ladies and gentlemen, if you look at the state of the business world today, there are the big five companies which are the top five companies by market capitalization and then there is Fortune 500. The top five companies in market cap have grown by a factor of 6-7 in the last 10-years, whereas if you look at the Fortune 500, more than 35% of them have actually been removed themselves from Fortune 500 in the last 10-years. In fact, the churn in Fortune 500 since the advent of the internet is 42% in 10-years and 56% in 15-years. This is in some sense an astonishing failure of the innovation ecosystem. All these companies work with consultants, all these companies had innovation departments and yet the big five technology companies have outperformed very single one of them.

So when you think about this, really the opportunity that we face is a tale of two cities. 65% of our employees work in jobs that are commoditizing. They produce 55% of your company's revenue. This part of the portfolio is growing in single digits and the margins in this part of the portfolio are lower than the margins for the company significantly. 35% of Infosys produce 45% of our revenue at a much higher revenue growth rate, much higher margin and much higher revenue per employee. As it turns out, the 65% are working in the commoditizing portfolio which generally is in the run, maintain, process, a part of the portfolio where Artificial Intelligence technology is not only coming, it is already here in many cases. So our endeavor is quite straightforward – It is to outrun the change that is coming, that is inevitable in one part of this and to thrive in the other. Earlier just before the AGM, one of you was asking me, if it is possible for us to go through this change, that can you give some comfort whether it is possible for us to get this change. The answer to that question is “Emphatic Yes.” As long as we have the ability to learn, we have the ability to make this transformation happen. So our endeavor really is about executing this change of renew, new and culture with the duality of automation and innovation. Automating the parts of our business that are commoditizing, innovating with that improved productivity. Prof. Mashelkar used to say, “Technologies endeavor is to help us do more with less for more.” As we use technology, automation, software, to become more productive with that improved productivity, we must become more innovative. Similarly in the new areas, we have to bring our own AI platform to create breathtaking new applications. All of these can only be achieved when we educate ourselves to do so.

Earlier I mentioned Mr. Murthy's quote of “Transforming from a culture of reactive problem solving to proactive problem finding.” The Father of Artificial Intelligence, John McCarthy, he was the head of my qualifying exam committee in my Ph.D. Studies, he once said this memorable thing – Articulating a problem is half the solution. What he was talking about was that in our lifetimes we will see AI technology get to the point where anything that can be mechanically articulated that can be

mechanically described or prescribed is going to be done automatically. Therefore, the human frontier, the frontier for all of us is to be problem finders, is to be people who can look at the world around us and see what is not there, see what is missing. Learn to see what is not there that if we invented it would make the world better. Once we identify what that is, then systems, machines can help us make that happen. But the frontier for all of us is to become a company of problem finders, a company of people who embrace automation, who embrace AI, who learn AI so that we may amplify ourselves. Then of course, people ask, “Can this be done?” “Can 200,000 Infosysians all become innovators?”. Because today we live in a time where innovation is somehow the domain of a chosen few people. My answer to that question is “Yes, we can have 200,000 innovators in our company.” Yes, we can have kids coming out of Mysore become innovators like nobody else.” “Yes, we can have a billion entrepreneurs in our country.” What is the evidence? Long time ago, in the evolution of our planet, a remarkable event happened, called the “Cambrian Explosion.” The Cambrian Explosion happened about 6/7<sup>th</sup> of the way into the journey about 550 million years ago. It was the largest explosion of species in a relatively short timeframe of earth’s evolution. I studied that. It was a remarkable event. The earth was primarily water at that time. This big soupy planet, most of the species that lived at the time was in the dark because in the water just as you go a little bit deep into the water it is quite dark. Some of the species started to come out of that to the blinding sunlight that was on the surface. The Cambrian explosion it turns out it was so far ago that we do not have proof that this happened but more scientists believe that the Cambrian explosion happened because these species developed a sense of sight... they learned how to see, they were all trying to get out of the darkness of the water and come into the light and they were developing a sense of sight so they could try. In the times that we are living in a similar kind of an explosion can be achieved, a similar kind of a sense of sight needs to be developed, with the ability to learn, “Learnability”, as Mr. Murthy used to say, we can all learn to see and that is our endeavor. It is not an easy transformation but it is a transformation that with the collective will of all of us we can all endure, we can all thrive in and we can all once again help create as big a shift in our industry as we once did. Thank you very much.

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## R Seshasayee

Thank you, Vishal. I request Pravin Rao, our Chief Operating Officer and Whole-time Director to address the shareholders.

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## Pravin Rao

Good Afternoon. A big part of my presentation has already been touched upon in some parts by Ranga and Vishal, so I will just try to touch upon those parts which they have not talked about much. Our Renew and New strategy has resonated well with our clients. We have seen good improvement in our client metrics. We crossed \$10.2 bn in revenue last year. Our average revenue for the top-10 clients remains steady at \$214 mn. Our focus on adding new clients has improved; we have added 321 new clients, ending up with a total of 1162 clients at the end of fiscal '17. Our \$1 mn clients have increased to 598 in fiscal '17. We have also won 30 large deals with the total TCV of \$3.5 bn. Our headcount crossed 200,000, attrition is under control and high-performance attrition is in the single digits. We have had the best client satisfaction over the last 12-years with satisfaction amongst the senior stakeholders significantly higher.

Our industry is going through challenging times. We are seeing rapid commoditization of traditional services. The objectives in front of us is two-fold – we have to renew our core services, embracing automation and software-led efficiencies. At the same time, we also have to dramatically invest in newer technologies, newer services and software to drive innovation and high growth.

Our renewal of core services has started in right earnest. We have started imagining each one of our core services with several interventions. Vishal already touched about Zero Distance. Automation is



very critical to renewal of our core services. Our belief is anything that can be defined, anything that can be well articulated, will lend itself to automation over a period of time. Our focus on automation started in FY'16 and in the last couple of years we have done significantly well. Our initial focus was primarily in few service lines like Testing Services, Application Development, Maintenance, and Infrastructure Management and in Fixed Price Projects. Last year, we were able to save about 11,000 people through automation and repurposing their efforts to doing newer things which require creativity and imagination. This coming year our endeavor is to focus on expanding the scope our universe of automation, focusing on non-fixed price project as well as other service lines. We have also strengthened our partnership because today to serve our client needs we have to partner with ecosystems. Many of the large deals that we have won have had significant contribution from our partners. So while we have strengthened our partnership with existing partners like Microsoft, Amazon, Oracle, we have also stick to the new partnerships with the likes of Adobe, Salesforce in the previous year. We are also now moving into a three-tier global delivery model extending our onsite/offshore model to onsite, nearshore and offshore model. The nearshore locations are primarily innovation and technology hubs with creative spaces, collaborative spaces where one can do Design Thinking Workshops, Rapid Prototyping with clients and partners. Our relentless focus on operational efficiency also continues and we have seen one of the highest utilization in recent times.

Along with renewal of our core services, we are also investing in enabling new services, leveraging emerging technologies. We have about 25 new services in the last year across nine teams like Cyber Security, Internet of Things, and Complex Analytics and so on. Each of these services has dedicated leadership. They have our flame of attention to enable success. Our talent model actually is closely aligned with it. Most of the recruitment we do is towards these new offerings. We have also massively undertaken reskilling of our workforce in these new technologies. We have also launched an initiative called "Power Programmers" where we have identified the best technology talent in the company along with recruiting the best talent from premier institutions like IITs. These pools of programmers called Power Programmers are repurpose to work on cutting edge technologies and in our software world.

We have also seen good progress on our Software-led offerings; we have seen about 42% growth in Software-led offerings in the last year. Our next-generation Artificial Intelligence platform Nia was launched in April this year. It extends our first generation Artificial Intelligence platform Mana as well as the futures of our RPA platform called AssistEdge. We have seen significant traction and Constellation Research has acknowledged Nia as one of the game changers. Nia not only helps us in automation but it also helps clients in unearthing opportunities for driving growth by providing cutting edge insights and analytics. We have also seen much progress in both Panaya and Skava. Skava has now marked into a full-fledged eCommerce platform and now it has extended its reach beyond retail through its micro services based architecture.

Our performance has been backed with sustained operational excellence. Vishal has talked a lot about education and learning is primary to our strategy of Renew and New; he has talked about Digital Tutor, our embrace of massive open courses. In the last couple of years, we have not only changed what we teach but how we teach as well and the productivity of new employees joining the workforce has dramatically accelerated. We have also launched several immersive experiences like flight simulators and so on.

In the delivery side, recently we launched a portal called Automation Central which is primarily a repository of both our technology and business assets. To the project teams it automatically recommends the platforms, tools, or components to use based on the project characteristics. We have also launched an Integrated Project Management on the portal. This is a single window to all rich content that is available. Project teams are able to find projects with similar characteristics, their best practices, learnings. Through this portal we are able to predict on quality and cost. This portal also provides insights based on the project characteristics on potential risk and likely mitigation measures.

On the sales side, we have also enhanced our CRM system. It is now morphed from a record-keeping system to one which provides lot of insights using Machine Learning. We are also now building Account Management Software on top of our CRM System to drive better execution amongst our top accounts. We have also started using emification techniques to drive greater adoption of our platforms, for example, to encourage people to embrace social platforms like LinkedIn, we are rewarding points for pipeline generated through LinkedIn and we have created a leader dashboard where we are rewarding teams who have done well on improving the pipeline.

We have also strengthened our business enabling functions. There have been dedicated teams, fully empowered across business enabling functions and deliveries, backed with tenets of Design Thinking and a central PMO office. We have done significantly well some of the enterprise functions like global mobility, procure to pay, OTR, have been revamped significantly in the last year, bringing about significant reduction in the cycle times.

Recently, we also launched our Cyber Security Center of Excellence in Chennai where we are able to detect and remediate any security threats in 24x7 manner.

We have also increased our focus on renewables. Today more than 50% of our energy needs are through renewables. About 11.1 mn.sq.ft. Of Lead Platinum-certified buildings are there in our campuses.

We have also focused lot on improving our engagement with employees. Our employee value proposition covers three aspects – Financial Value Add, Learning Value Add and Emotional Value Add. Over the years, we have introduced several interventions to give a holistic experience to our employees through their career. Some of the new things we have done in the last year are around newer ways of engaging with employees. Earlier we used to capture employee engagement scores once a year but now we have moved it into a much more continuous basis. We capture their feedback every fortnight as well as on a quarterly basis and we have seen very good results. We have also identified influencer groups within the organization. We are now using them as change agents. We are leveraging their networks to drive focus on innovation and collaboration. We have about 3,000 such people in the organization, that is a high level of engagement of this people with the management. We are also bouncing off ideas and strategies with them before launching.

The other aspect is we have also seen huge embrace of our digital portal called “Compass” which is similar to LinkedIn where people can create their own profiles. They have access to job opportunities available in the system, they can apply for jobs, they also can build their own networks, and they can choose their mentors and so on. We have seen tremendous uptick and embrace of this platform and more than 100,000 of people are leveraging Compass.

We continue to focus on safety which is very important for us. Over the last few months, we have increased our focus on safety and providing a positive environment for all our employees as well as our support contractual staff. We have zero tolerance to any kinds of harassment. We have very stringent mechanisms for grievance redressal. We have increased our focus on patrolling campuses. We have launched a “Safety App.” We have emergency hotline; we have created a hot button in all our telephones to invoke the emergency hotline. We have done much better in terms of educating people on safety aspects; we have conducted self-defense classes. We have also created safety councils in each of our development centers to look at safety aspect and to get feedback from people and implement new measures.

Brand Infosys continues to get accolades from industry analysts, financial analysts and ecosystem at large, Vishal talked about a few of these, so I will just leave it for a few seconds.

So finally, looking ahead, the business model of our company as well as the industry are undergoing and the several challenges being tested. We talked about the commoditization of core services, we

talked about emergence of disruptive technologies, emergence of new business models, we talked about protectionism in today's context which calls for us to do more localization, and we also talked about the rise of automation. All these are posing challenges for our business model. Our opportunity is for us to embrace this, focus on continuing to be relevant to our clients and it is an opportunity for us to lead the change. We believe that our relevant focus on automation, education and innovation will make us the next-generation services company and which will allow us to embrace these changes and survive the transformation.

We are also very proud about our CSR activities through Infosys Foundation USA and Infosys Science Foundation. Our CSR activities is not only about philanthropy, but it also covers sustainability, community building and so on. Last year I showcased a video about leveraging solar in our campuses. Now, I want to show another video where we have once again harnessed the power of solar to build bring electrification to about 20 villages in remote part of India.

With this video, I will end my speech. Thank you.

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### **R Seshasayee**

Thank you, Pravin. With the consent of members, can I take the notice convening the meeting as read? Thank you. Members may note now that the serving of high tea has commenced in the refreshment area. We now come to the formal proceedings of the meeting. Before we proceed, I am pleased to bring to your notice that as required under the Companies Act 2013, the company provided all the members the facility to cast your vote electronically in all resolutions that were in the notice. Members who have not cast their votes electronically who are present in this meeting will have an opportunity to cast their votes at the end of the meeting through ballot process. Members may please note that there will be no voting by show of hands.

I now request Manikantha to read the Auditors Report.

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### **A.G.S. Manikantha**

Good Evening. Dear Members, Statutory Auditors, B S R & Co LLP and Secretarial Auditors Parameshwar G. Hegde have given their unqualified opinion for the financial year 2016-17. There are no qualifications, observations, or comments on financial transactions or matters which have any adverse effect on the functioning of the company. The statutory auditor's report on standalone financial statements and consolidated financial statements are available on page number 105 and 159 of the annual report. Secretarial audit report is also enclosed as Annexure V to the board's report on page number 43 of the annual report. With this, I take the auditor's report as read. Thank you.

### **R. Seshasayee**

Thank you Manikantha. Now, I will take up the formal resolutions item number one of the notice, Adoption of Financial Statements of the Company including the consolidated financial statements for the year ended March 31, 2017, including the reports of the Board of Directors and auditors have already been provided to the members. Any member desires to ask any question pertaining to this item or any other item of the agenda he or she may, please do. We will first have the questions from Bangalore and after which we will go to Mumbai to take the questions and comments, and thereafter, we will attend to clarify the questions. Thank you.

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**Sadananda Shastry**

Namaskara to everyone. I am Sadananda Shastry Founder chairman, Dr. Narayana Murthy, chairman Sir, Dr. Sikka Sir, board members, and my fellow shareholders; in fact this report to glance at half page of P&L and half of page of balance sheet, so it is nothing to analyze all those things. Before that, to reduce it and one more thing, one more time I will repeat my name is Sadananda Shastry, my number is 30354599. This report depends on the image of the company, but we have to see both sides, the performance and the image, but nowadays what we have seen in the press and the TV channels, the image of the Infosys has deteriorated little bit. Chairman Sir, this is the talk of the town. We have not created, every day we are seeing this is being clarified or commented in the papers and TV channels. Unfortunately, 16-17, little bit 17-18 has become a year of episodes, very sorry for that one. First, Panaya episode, second Bansal episode, Kennedy episode, and salary episodes. This all we are seeing in the daily newspapers. Unfortunately, minority shareholders have been ignored in several aspects, several aspects. In 40 years of this institution, we have never seen this one, but unfortunately it is coming up. Infosys is globally accepted because of Infosys, Bangalore, has earned name throughout the world, because of Infosys, the Bangalore city has been converted to metropolitan city, such a famous name, Infosys, is now the people are ill talking about it, I do not know. There are several reasons are there, everybody knows that one. Sir, during February or somewhere else in the April, there was a big press meet, all the board members were present, ticklish problems were being raised by this TV channel people and press people, but our chairman coolly answering what was, we have observed all the formalities, we have taken approval, everything is correct, coolly he was saying, but it was not coming to the knowledge of minority shareholders. Then itself actually it is ignored, minority shareholders are ignored in that aspect. I wrote, unfortunately it is in Kannada, an article published in the paper also, that is, Infosys, that is, on the heads of Infosys' minority shareholders, probably some might have seen, unfortunately it is in Kannada, I could not produce it to you. Sir, such a worst position has come to the Infosys, why? Complaining and again restating that we are correct, we have not done any mistake, this are all coming in the papers, why all these things. Sir, unless there is a fire, smoke will not rise, it is infighting only. This infighting has cost great danger to the Infosys that is stability and the existence nowadays.

Sir, the major issue I do not know why it is the salary issue. Salary issue everyday it is coming. There must be limitation to that one and we should see the fate and face of the retrenched people and the people who do not have job, we should see that one then we have to increase our that is the pocket and the status, once we have to study that one then only we should talk all these things Sir. Sir, coming to your report, Dr. Sikka Sir, in page number 3, you have talked about innovation and automation. Innovation is okay, buy why automation? Yes, it is the need of the hour and we have to compete with the global market, but actually in automation, three principles are there. One is to gather the orders, second is to increase the profit, and third is to reduce the time. I think while studying this balance sheet all these three are absent, so what strategy have you taken to eliminate this one. Unemployment problem is there, there is very much uncertainty, there is no certainty; earlier the people are used to stand in queue to enter into the Infosys. Nowadays one example I will give you. I am sorry, my son, very qualified software engineer, when I asked him why cannot you go to Infosys, he turned his back, such is the position has come to the Infosys. Sir, you have to see for automation some alternative without affecting the unemployment problem. Secondly in page 13 in the report, Sir here, that is graphical statistics which you have given, here comparison you take it. As far as the revenue is concerned in 15-16 it was 9122 crores grew to the previous year. The next year, that is, 16-17, now it is 6043 crores, that is 3000 crores has reduced. Likewise, you can take the profit 14-15 what was 1680 crores was increased to earlier years, 15-16, 1062 crores again there 500 crores reduced and in 16-17, 862 crores, almost again 300 crores is reduced, what is the 17-18 level, Sir, I want to know it.

Sir, coming to the page number 29, here you have given subsidiaries, some several subsidiaries you have given in which 13 units are loss-making units, that is, more than 100 crores and other things, so what strategy you have taken to reduce the loss or are you closing the shutters of those units in order to minimize and increase our consolidated profit. Lastly Sir, it is astonishing to note page 84 that I told

you on that day itself, remuneration to directors in this fiscals, it is increased to 16, what else more you need, Sir. Last year itself because of salary problem, increase in the salary problem Infosys setting back, I told in the same mike in the speech, but you have a limit for that one. You please look at the unemployment problem; you look at the Infosys' stability and do it. Last thing, one more thing in the interest of the society, I am giving a representation every time to the board, this is the sixth time after this meeting our CEO will not be available, our chairman will not be available, that is why I am giving now itself, let them to see that one. Thank you very much, Sir.

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### **Sushil Haksa**

Mr. Chairman Sir, my name is Sushil Haksa. I am a very old shareholder; I bought my shares in Infosys in 1991, so I am a very major beneficiary to the success of this great company. I have got two things to say. One is a kind of a statement and the other the question which I would ask. Firstly, I want to say I have never come during this period and ever spoken here. I have been very satisfied with everything, but this time I feel very deeply disturbed and that is why I am speaking here for the first time. The first thing which disturbs me is why we are all talking and shareholders saying things which are harming us. You know there is an old poem which says, "The old order changes yielding place to new and God fulfils them in many ways." Many of us have worked in corporate life, we worked at a time when salaries were low and I know when I left my job, the person who took over from me got the same job at 10 times the higher salary, but I knew times had changed, times were more challenging, new talents were required, and I knew I had done a great job, maybe going forward, I was not equipped to do it, so I took it in stride and today I see this and I tell everyone you must accept it, so I have no problem in ever talking about salary rises and salary changes. I do not think they really are the concern of the shareholder and I would also like to say that I think the current management has come in very challenging times not only the industry, this company is going through very tough times and all of you people need our support, and I would only humbly request all shareholders, founders, everyone, look, let them do their job, what we think is right or what we thought was right is today not necessarily right, and I am not making implications or casting dispersions, this is a request, I am not only a long-term shareholder, I am a permanent shareholder, I believe in this company, I do not watch the stock prices and I am never going to sell it, so this is my faith in this organization.

The second point is a question, I am an investor also and yesterday I was at an investor's meet, a very leading investor of an investing house was telling me. He said look, we have a philosophy of investing, and we invest in companies which have growth. There are companies which have done well and which are giving good dividends, there are value investing, but there will never be cap depreciation, so I told him, look, I have invested in Infosys, today it forms a very substantial part of my capital, what is your view, he said well, it is not going to grow, I said, I feel it is going to grow. I might consider selling 2% of my share holding and buying something else when it goes up 30%, he said it is not going to go. I said that is your call, my call is that I think the existing management is very tough and they are very strong and I am not looking at, may be some consumer product company might be going up by 20% or 30%. If not this year, next year or the year after next, this company will go up. I just want to know from you, what do you think are the terms of actual growth prospects of this company? That is all, thank you, Sir.

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### **Vinay**

Good evening, my name is Vinay; I am a chartered accountant from Bangalore. I have been a long-term shareholder of Infosys and many of my family members have also been holding Infosys shares. More than shareholding, as Bangaloreans, we have been really proud of Infosys as a company ever since its revolution in the 90s and to be very fair, I think the performance of the company has been really great in the past year given the global headwinds and political changes, geopolitical uncertainties, and the rise in nationalism and ultra-nationalism across the world, however, we must agree that the media management and bad press has been a deep concern for all the shareholders

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and the PR department of the company should have done a better job in handling the same. Most of the issues that have been raised and that have been raised by the prior speakers and shareholders are common in any transformative company which has moved from founder-run to professionally-managed companies, so these things could have been easily dealt with in the board rooms of the company, rather than clarifications in the media because media is always waiting to hype up matters, and besides, if thousand people read it there will be thousands of interpretations. That could lead to even more complications and bad mouthing of the company.

Second is on the employee hiring and firing policies, we understand that the company has a global footprint and every country will demand that their citizens be employed and the Job opportunities there be increased. However, we must note that the very basic reason for the company to succeed has been the currency arbitrage, wage arbitrage that existed across the globe whatever is said and done, so considering this fact what is likely to be the impact on the company going ahead, if you're going to hire 10,000 people in the US and sack 10,000 people here, I do not think this will be a model that will be permanent for the company. There are bound to be implications, which can hit the performance of the company in the future.

Third is coming to the revenue breakup of the company, it is clearly indicated that revenues from rest of the countries in the world is 97% and revenues from India is obviously the balance 3%, my only question is are not there enough opportunities in India that we can improve on this percentage of revenues from India? It seems that most of our workforce is working on foreign projects all the time and there is very little to be done in India. India is such a growing economy and I sincerely feel that company should have a more focused India unit while we appreciate that company has created many products for India like Finacle, GST support to the government and various other CSR activities, I am not trying to say India first or America first and things like that, but India should not be left out from the whole game. Every country in the world stands for its own self, nobody is going to come and help you win, so I would say our engineers should contribute to the strength of India, more than any other country. That is an ideal situation, but I do agree that America is a great partner of India; Europe is a great partner of India, so we also render our services there and we also hire people locally there, but I sincerely feel there should be more focus on India business. It is not that government always initiates it, I think Infosys can themselves go and propose to the government on various projects and contribute more to the Indian society.

Yes, of course on corporate governance, many previous shareholders have expressed their concerns; I can only say that shareholder activism environment in India is the least and most simplest form. In the United States, minor group of shareholders can sack a CEO. In India, they cannot do that. In India, there are large shareholders who have, I think this is one company where founders have voluntarily let go of their management positions and moved on. In any most other companies in India including IT companies, you will see only their next-generation taking over or their community people taking over, this has been a very professional company, they have independently hired and trusted the board, new board, a professional board to run the company and go. I think this is a company where shareholders are most cooperative to the management, except in cases where management or their PR departments have not communicated well enough to the founders. If transactions are conducted in such a way that it can arouse suspicion, even though it has been done with the best intent, obviously there will be questions.

We must also know recently I read in the newspapers on kind of work being done by Infosys' employees on wrong visas and penalties that is being imposed on the company by the United States. I mean, why do we even get into these kind of problems after so many years of being in operation is something that the management should take care in future and company also recently told that the operating margins are likely to be impacted by 5-10% or more than that, and in the era of raising employee cost because of hiring in local countries, local staff from their respective countries, how are we going to manage this with our clients in those countries, are we going to ask them for a price increase, are they going to give it?

Company has done a wonderful work on Artificial Intelligence and automation and digital transformation aspects. Here, what we would like to know is wherever the Artificial Intelligence or any other software reduces the human headcount that is going to be employed, what is going to be the alternative plan on a long-term basis for the company to ensure that people are creatively engaged in some other growth area of the company because this is very important because tomorrow everything can get automated, there can be directors also online, independent directors can also be done online, so everybody's job is at risk. Now, if we are going to digitize and automate every job, it is a very good thing to automate jobs which human beings should not be doing or which is very strenuous to human beings, however, we must ensure that there is a system to handle the people whose jobs have been let gone off.

Finally, the extension to the last statement is that we must understand that whatever shareholder wealth that the company has created, it is because of the revenues that is coming in to the company and that is revenues that are flowing into the employees, directors, shareholders and the money that is being spent. Now, tomorrow if the workforce does not get the money, the management does not get the money, the whole workforce is shrunk to a very limited people, wealth will tend to concentrate in a few hands and how will the public benefit from the company's operations. No shareholder's wealth can be maintained without a functioning society and a legal system with no major disturbances in terms of things like civil unrest on a massive scale, there were news of IT employees making employee unions and if these matters become a big issue going into the future then it can pose a major threat to the company. Otherwise, I sincerely feel the company has given a great performance to the shareholders and to the stakeholders in terms of CSR activities, I really appreciate the management. Thank you.

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## Ponnamuthu

My name is Ponnamuthu. I am a small shareholder, but a long-standing shareholder who loves Infosys very much. It is easy to throw stones, very difficult to experience and face it. We all are educated people, we all know that global economy is in pain and it will continue to be in pain for quite some time. Under such circumstances, I think Infosys is doing extremely well. We have the required talent to steer the company and almost 70,000 crore turnover is a very big achievement. We can easily read the report and tell, oh, it is a big thing, but to bring in that much of money, it involves a lot of planning and execution. Mr. Seshasayee, I have lot of respect for a lot of people here, Madam Kiran who is here. He has given in his report that there were some news in various newspapers, we have taken remedial measures to quell such type of apprehensions and things of that nature, but while this was in the news, I also read in the paper that Aberdeen, the Asset Management Company, they pledged their support that we are with the management, we continue to count on them, they will definitely deliver. While I also accept that, but after some time, there were reports in the same paper that almost 12% of the shareholding is held by the founders. Well, we can talk all about this, they definitely know much better than me and maybe people who are here. Definitely, they should be heard in the right perspective for the growth of the company in the days to come.

In the same shareholders meeting, AGM last year, we were given the understanding about Mana, but this time it is not much talked about. I do not know if it is a good platform or it is not a good platform. We have been talking about now Nia, Edge and so on. Finally, as I was about to come into the auditorium here, I saw a motorcade. I thought President Pranab Mukherjee may be coming to attend this meeting, so I rest in here and the motorcade stopped right in front of the podium. Three cars, one white and two black and from the center, the center was the black car and one important personality stepped out and that was Mr. Pravin. I said so much of insecurity, people love this Infosys leaders and offices so much, and we do not have to be. In Delhi, there is an announcement that let us not be a *lal-batti* culture. We are all humble people, we are loved by others, and we do not need that type of attraction and thing. When I saw that I was reminded of again one news that I read, our military general, Rawat, he has done lot of things recently for military and the paper said that very humble man, very forthright man; he mends his own clothes and then he irons his own clothes, and he does not

allow anybody to even carry his bag that is the type of leadership we should give because Infosys is just not a company that is earning money, but this company is looked up as something very, very important because people who promoted, they are in the very esteemed place, we should continue to do that, not this *lal-batti* culture. Thank you.

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## Participant

Mr. Chairman, Board of Directors, and dear shareholders, we are attending 36<sup>th</sup> Annual General Meeting today. The company since 1980 I have been seeing it. This company's share value was about Rs. 180 during that time, today it is about 950 to 1000, it has gone up to more than 5000, but one of the Speaker said and I know him also, the criticism will be always there in any company whether it is banking or software, but nowadays the company though it is at good condition today, there are lot of criticism in the press and the paper and I do not want to elaborate on this issue. Mr. Narayana Murthy when he was here, when he was running the company including with other shareholders there was no such criticism at all and I do not understand the psychology and the sentiment of the public in general, and shareholders we talk and go, we are not particularly pointing out any of these things, but still the criticism has gone to such a high extent and now it has to come down, the stage to come down. It is not the talk of the town regarding criticism of the town, one of the speakers he said the criticism is not talk of the town, it may be the talk of the town in certain part of the technical field in India and outside India. This is all due to the change of administration in America or change of government in America. I read in paper even in TV, three companies, I have to mention because it has come in the press, Infosys, Cognizant, and Wipro, these three companies are involved in the improper getting of the visa. I do not know, and I do not want to go into the details. One more thing, yesterday I read in the local Kannada newspaper, Vijay Karnataka, I am not having any personal motive but has come in the paper, Mr. Sikka has said that, there is no pressure on visa, I do not need the visa at all, Sir, how will you do it?

Can you manage the company without sending anyone to the foreign country particularly US, but I am putting important question to you, can you run the company without sending to foreign countries, you have to because of the change in government in America, every technical company in the world is affected because of the visa not only Infosys. Why I am telling is because there is a future lesson for the company to know, to correct themselves regarding getting visa in a proper way for getting a good name, so what I am telling is you should take in a good intention what the shareholder speaks about the visa, but we feel such a company which is famous in the world should not have commented to such an extent to degrade the company, which is a question of degrading I would say, I have got to say that; some people may have vested interest in the far side or the opposite side, but I am for the for side. I have been seeing the company for more than 20 years, though I am a shareholder very recently, I have been seeing it. I strongly feel, yesterday only I have seen I was wondering that how such a statement can come, it may be Mr. Sikka's individual statement, but it may not be a corrective decision on the board. Please let us not mistake on this.

I also read in paper by Mr. Narayana Murthy that anything happening in the company in the general meeting, going to be in the general meeting and what are the actions taken by the board, what are press statement given by the Infosys directors including Mr. Sikka, it leads to activist shareholders criticism. It is so diplomatically worded, I read, but that statement I have to take it in a good intention because your actions for the last one year has led to lot of criticisms and this has led to such a point, I do not want to repeat it. One of your staff has retired, you are severance package, you give benefits, but let there be limit. Please understand, we are not giving more and more to retired persons whether they are high management side or on this side, but the same thing could you adopt for a person in the middle stage other than the person, are you giving that, you are not, there is disparity. Whatever you want to give you give him but let there be some limit. You said one more thing, company has created shareholders' wealth, agreed, to increase the shareholders' wealth, and our shareholders also have put some part of their wealth. It is just like going to get a ticket in the racecourse and getting the money, I am not comparing the racecourse to the company, but I have to invest either in huge or part to get the

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wealth from your company I have never. It is a new thing, you have said, Seshasayee has said anonymous letters have been received; this stage should not have come to the company. I am really sorry whatever may be the case, today the company is doing well in all the respects. Revenue has gone up, you have given a good dividend, it could have been a little more dividend would have been given compared to the profit earned company, compared to your returns and benefits given to the company, as a shareholder, I expect dividend.

You say total employees in the graph I have seen how many persons have retired total that you have not given in the report, in the management side, of course, one or two persons on the higher side will come in the paper, total employees retired at the same time you have put audit your report, but you have not put total employees retired or resigned. Is it a fact that you have said just now, Mr. Seshasayee has told investigation has taken place, foreign people also have helped us to investigate anonymous letters, if that is so, why? Why do you go to foreign to investigate such a simple matter? There are so many detectives in our country, including Bangalore, if you had approached them, they would definitely help you. If they cannot do it, then you go to foreign. Our country has very good technical knowhow, including Infosys, our technical help is being utilized by foreign countries, Russia, China, which has come in papers when such be the case, I do not understand the foreign intervention regarding anonymous letters. It is not such a foreign interlinked transaction it is only a matter of company, you need not go to foreign, and there are people, Indians company's spying, please understand. I am very emphatic on this issue. Shareholders may get or anybody might have written anonymous letter this need not go to foreign for investigation. We have got enough investigation team in India, they are very good company, they are already doing it.

Apart from that corporate governance, see corporate governance things in place and will be there but you are conducting general body meeting in the corner of this hall but there are enough good halls in the city area like Jyana Jyothi Auditorium, Chowdiah Hall, and Woodlands, I think we can easily conduct the meeting so that it will be helpful for the shareholders from all the four corners of Bangalore to attend it. With all these things though I have not received the report, but I want to say let alone any criticism come in the near future or what you have already received now, I want to emphasize once again the company is growing well in all the respects because criticism will be there, but the criticism towards the Infosys should not be increased intentionally or unintentionally, this is my personal opinion. The dividend could have been little higher and this year how many campus selection have taken place because in the report there are not so much details have been given, so campus selection how many have taken place this year.

One more thing, the salary aspect of the employees 10 years or 15 years ago, an Infosys employee I have come across I was talking, I asked him where he was working and he said I am a software engineer at Infosys and I asked the why did he leave, he said salary is very less, Sir. He said openly and I am not joking and I am not telling lie, this has happened 10 or 12 years ago. He said that trend is not there now. I strongly feel Mr. Sikka and other important officials in the board I do not want to say inducing, they are asking the employees their technical knowhow to remain here by little better salaries. It is very good for the company because in the long run, the more experienced people are required, some of the people have resigned, they have been taken as advisors but one thing I tell you Mr. Narayana Murthy is the mentor of the company. Of course, knowingly or unknowingly he has left the company but his frustration when we see, he feels for the company for the betterment of the company, but the actions of the board he also has criticized in the interest of the company particularly the severance package. I do not want to repeat on that. With all these things, I expect a better dividend at least next year and let the company grow in all the respects, thank you very much.

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**P. R. Naik**

My number is 30214810817664; my name is P. R. Naik. Mr. Chairman, I just have three points and I will go through them, the first one you will have to refer to page 111 of your standalone balance sheet, I

find the trade receivables have increased by 12% and delving further I find that doubtful debts have increased by 16%. In absolute terms it comes to 40 crores, now I know for a company of Infosys size, 40 crores may be peanuts but 40 crores is 40 crores, so would the audit committee or the finance committee I am sure must have discussed, why has this gone up the receivables by 40 crores specially the doubtful ones which means you perhaps are not going to get them at all, that is point number one. The second point concerns business, I take you to page 157, even here I find that the high-tech business, the segment operating income has decreased by 2% and here we have CEO Sikka talking about the Nia platforms, Skava, Edge, Panaya, AI, so much of high-tech stuff and yet when it comes to your operating margins why the decrease of 2%? Please come to page 140, another worrying factor, the top customers there is an 8% drop in percentage, even if you look at top five, there is a 9% drop. In these days of difficulty with such a challenging environment, why are we not harvesting our existing clients, why this drop, maybe all the segment heads will put their heads together and work out some answer.

My third point is about, this is your consolidated balance sheet, it is about the Lodestone Consultancy, page 211, this was bought sometime in 2012 and revenues were 207 Mn Swiss francs, it comes to something like 1370 crores approximately, but if you look now page 211 you find that the 2017 share in comprehensive income is only 11 crores, 1370 crores where has the value dissipated, why have you got 11 crores now, what is happening? The point I am trying to make is our board should be occupied with solving these kind of issues, putting the heads together over this, instead I find total distraction, all the talk which we had, most of the time it was semi-apologetic people trying to talk about the issues in the press, yes, even when it comes to the promoter group with their 12.75%, please let go, please allow our group to flourish. As a small shareholder, I want shareholder value, I want dividend, I want bonus shares, I do not want my group which is working for me to be distracted, please let go, please stop being conservative. The time is to be bold, have bold acquisition strategies to get down to next-generation service, to leverage automation, AI, analytics and all that you have written there, please do so. Mr. Promoter Group please allow our board to do so, please do not run to the press at every single opportunity and tie and make cloth everything in issues of governance, principles and values. Thank you.

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### Sharad Kumar Shah

Good afternoon, Sir. I am congratulating you Mr. Sikka for clean chit yesterday what you have received and our chairman said he is retiring next year, you are only 49 years old, it means I will get your service, my company will get your service for another 21 years. I am very happy when I look into the page number 12 that we in Infosys we do not have chairman emeritus, that is a very important thing and what I look once, Nayak says, *Jana Gana Mana, Adinayaka Jaya Hee*, then Nayak need not take entry once again, because of this if you see this year's performance, my market cap and the market price which falls down because of this unavoidable circumstances beyond the control of Board of Directors and when I look to the page top cover of the annual report, you are saying Automation, Innovation and Education. In addition to this you should know that you should add political word to this, you cannot run a company without politics. Now, I request to resolve this issue, please request LIC to increase their stake to 10% which will require another 7000 crores to LIC which is nothing for them and if anything is wrong, LIC can go to NCLT because he holds more than 10% and my company nobody holds more than 10%. If I refer to the page number 60, I am very happy this year on April you passed a policy of the dividend distribution policy and what you say in the policy, dividend needs to be given looking at the circumstances and what I feel today circumstances are not good to give dividend hereafter for some time and if we do not give dividend my Nayak will be very happy, because he says do not spend money.

If I refer page number 4, ROE is lower for the last five years, what is the suggestion reduced value of share from Rs. 5 to Rs. 1 like Colgate, this will improve ROE and also shareholders will get some money. When I refer to the page number 131, 141, you have got lot of investment, if circumstance does

not permit, I feel personally that we should come out of with all the investments so that we will have additional money to use for good purpose. Now when I look to policies, we do not have declared what is the policy for a whole-time director and independent director. If you just see whole balance sheet, if you refer page number 81, 82, 60 whether a tenure is applicable or the age is applicable, but my chairman has clarified that at the age of 70 he will retire, so I think that the age is important but whether a tenure of 10 years or 15 years is also applicable please indicate in the balance sheet hereafter and rest of the points because I cannot speak more because my other colleagues wants to speak. I have already given a mail, if you can reply to my other points and I am very thankful to our company secretary who was has put my name as the first speaker from Bombay by request, thank you, Sir.

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### Participant

Namaskara Bangalore. It is great pride for me to speak from Mumbai. They have already spoken so many things and I do not want to repeat, just I have two points, what is the problem with the Dadlani, why he left, it has come in the paper please clarify those two points thank you and good luck for the future.

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### Prabhakar Kurvekar

Good evening, my name is Prabhakar Kurvekar. Sir, at the outset I thank the management for allowing me to speak. I have been trying for last three years to speak at Mumbai, but unfortunately there is such a long list that whenever I used to request I used to be the last one so I did not get a chance. Sri, this time I requested Bangalore and really I am grateful to the management for allowing me to speak. Sir, this is a professionally-managed company and I had been requesting for the last so many years that our company should be professionally managed, and unfortunately since the time Mr. Sikka took over, I could not get a chance to speak. Sir, our company though it is running with some hurdles, I am sure it will definitely go over. Chairman Sir, I will be missing you for the next AGM since you are demitting your office; I wish you all the best. Sir, our main aim which is given on the first page Automate, Innovate and Educate, excellent Sir, please keep it up. Now on page 5, Mr. Vishal Sikka has given message to stakeholders, now I would like to read a sentence from that which is very relevant on page 5, we are exactly the people who can learn from technology that will transform the world around us, the people who can learn to be the innovators not the bystanders, not the order takers and not the ones optimizing the past, but the ones who find and deliver the great breakthrough for the next 33 years and I am sure with these words, our aim of achieving \$20 Bn by 2020 though it looks little difficult but not impossible. Sir, now I would like to put before all of us a cutting of Mr. Sikka which appeared in Mumbai Economic Times, Wednesday 21<sup>st</sup>, June, jet set and always on the go. Sir, along with this two years ago I had also got a cutting of Mr. Sikka relaxing in a lounge where you will not find any top executives of any company, but Mr. Sikka did not bother, he is such a hard-working and intelligent man he does not care, he looks for the progress of the company and that photograph if I would have been given the chance to show, I would have shown that time also, this is another example where he is doing great thing. Now last but not the least, I will like to say to Mr. Sikka that Mr. Sikka, "you go forward and we are with you." Thank you.

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### Participant

Honorable Chairman Sir, Board of Directors, and my fellow shareholders, Good Evening to all of you, Sir. Sir, in face we were very happy when Vishal Sikka and his team gave us the detailed information and detailed report about what the company has been doing so far. Each and every individual shareholder understood exactly whatever the company has done year-on-year and where the company stands now for which we are very grateful for this very detailed and very good explanation by Vishal Sikka and his team. Sir, you have already given two bonus shares, fiscal year 2015 and 2016 and that

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to 1:1 and with a dividend of 27.75 last year also so I am very happy, I do not think in the earlier period you have to give any bonus because the company is doing quite well.

And we are very sure; when the appropriate time comes we will reward the shareholders as usual.

Sir, first of all, Vishal Sikka, since the time you have taken over what you have been doing is something which is very heartening and each and every individual shareholder is very happy with whatever the Company's position is and the way it is progressing. And you are very clear in your mind as to what target you have to achieve and how it is to be achieved and why it is to be achieved, for which we feel that we being, Infosys very lucky. Sir, you are only 49 years old and I am very sure each and every individual of Infosys would like to have your services for the time till you exist on the earth, not only up to 60 years of yours but everybody is happy with you, sir. We have analyzed this and there are a lot of other shareholders who have conveyed me to convey their opinions to you about what they feel about you sir, for which I have written in the media also and the journals also. Sir, I am very happy when I learnt that Cambrian Explosion we have been the best client satisfaction scored in all this 12 years, which gives us a pride actually.

Sir, here I would like to specifically mention one point that almost two numbers of complaints were done against us, but anonymously, we do not know who did it. But still, you investigated those all two complaints from various entities and they were proved wrong with all the evidences. This shows how honestly, transparently, sincerely and confidently our company works and how much clear and clean it is. Sir, last time when I had spoken here you had promised that you would somehow give the access to Bombayites to see you and meet you in person. Some of us are very anxiously waiting to meet you, Vishal Sikka sir; I think you will do something... if at all you can give some access to us, to all those shareholders who really want to meet you in some way or the others.

Sir, TCS has given buyback offer, we are a cash rich company. Some retail shareholders will be happy if you give some buyback offer like TCS to retail shareholders who would like to have it. Sir, I am very sure that in the years to come you will keep on giving your uninterrupted, good, clean and clear services to all shareholders and will take Infosys in the better heights and better future ahead and ahead. Thank you very much for a patient listening, thank you very much sir.

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### **R Seshasayee**

We also have some people waiting here in Bangalore. So, could I please request all of you to be brief?

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### **Prakash Vazirani**

Respected Chairman, Board of Directors and my Fellow Shareholders. I am Prakash Vazirani. Sir, first of all I wanted to know whether everything has been solved between Promoters and Board of Directors, because our share value has gone down. Now, how to curb that share value should not come down by giving a bonus, you have given bonus 1:1 in 2015 and 2016 also, why don't you make a hat-trick by giving a bonus in 2017 also, so you will be in the Guinness World Book Records. As a Chairman, before retiring you should give a bonus so that our share value should not go down.

Second thing, Mr. Modi is going on 26th to US, will it affect the IT section, and will our company improve?

Thirdly, sir, I want that IT industry should improve so that our grand children should get the job in the future. Thank you very much, sir.

**Participant**

Chairman Sir, Members of the Board and my dear fellow Shareholders. At the outset, I would like to thank the Company Secretary for sending me the Form 20-F. Now we are really facing a very challenging time because of three major factors, first, friction between the top management and the company's promoters. Second, the shake up in the biggest market of the company, the US, because of the protectionist policy of the US President Mr. Donald Trump. Another important, most importantly the slowing growth. Third factor is the technology revolution in which the old way of doing things by way of labor cost which is giving way to newer technologies and approaches, big data analytics, AI, robotics. So, to come out of this company must think out of the box and make a radical shift. Now to minimize the friction between the top management and the company's promoters, it will be good if there is some representation on the Board so that we can gain from their experience and their vision.

Sir, one of the controversial issues was a huge payment payouts being made to the top management. Now, Dr. Vishal Sikka gave a very expansive speech, but unfortunately he has not touched upon this point that his salary for instance has 200% jump from Rs. 16 crores to Rs. 48 crores. In fact, he is being paid 283 times a maiden employee's salary. Now, don't you think that this is excessive and should be tempered in a situation where the IT industry is going through a very difficult time where thousands of people are being laid-off? So, I feel sir that this excessive compensation should be reduced.

Recently a US employee has filed a case of discrimination. So I believe that this sort of litigation creates a bad picture for the company and also distracts the company's attention and a lot of wastage of time and resources takes place. So this sort of thing should not take place.

Lastly, the company in the page 162 you see a consolidated balance sheet has got cash and short-term investments of Rs. 31,000 crores. What does the company plan to do with this huge balance? I think, just like TCS has done, there should be a share buyback in this company.

And at the end sir, we are going through a crucial juncture and people should put aside our petty differences and we should all unite behind a visionary leadership of Dr. Sikka. I am confident that the company will emerge from this difficult situation much stronger, agile and response. Thank you very much.

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**Mrs. Patel**

I am Mrs. Patel over here. I wish Dr. Sikka all the very best and good luck for your future. Respected Chairman, Mr. Seshasayee, I am sure now you will be retiring and wish you a very happy retirement life. I wish all the Directors on the Board good luck. I have a very special request, the man whom I really respect is Mr. M.D. Ranganath, and he has given a very good financial report. This annual report is indeed very good, I am sure Mr. Sikka you are having a laugh, but this man has done a very good job. He has become so thin in your regime, I don't know about his past or something, but in your regime, but this man, Mr. Ranganath, please pay attention on your health, you are the man Infosys mainly needs along with Sikka. Please pay attention on your health. And I wish you also good luck. You have given a very good report. This company is a debt free company. We have no fear; even if the share price is going down we are sure that one day again this company will prosper to new great heights. I wish all the Employees and all the Management Team and the Directors on the Board, all the very best. Thank you for giving us a patient hearing.

**Kedar Kamath**

Respected Chairman, my name is Kedar Kamath. I just want to bring to your notice; India is heading towards a job-less growth, that is what people are saying. I want to say that we have reserves of Rs. 31,000 crores, so I want to bring to your notice that if you can provide jobs to as many unskilled people with these reserves, because only the capable people will be getting jobs in digitalization age and those who are unskilled and who have less skilled would not get a job. So if we set an example of providing 10,000 or more jobs in Infosys for unskilled people, at least temporary, that will set an example. Thank you.

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**Participant**

Mr. Sikka, I am very eager to meet you. At least come once to Bombay yourself or call us so that we can meet you. It will be really our honor if you can hold a meeting in Mumbai for us.

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**C. Mascarenas**

My name is Mrs. C. Mascarenas. I will be very brief. Congratulations for the good results and good dividend. But I am only not happy is because you are not giving that open offer like TCS, Wipro, HCL Tech. And even the promoters are unhappy because they are holding 12% and they are asking for 8%. And we are debt free and cash rich. So, please, the Board, in the next meeting please consider this, because see Chandrashekar we were all happy, you may give a little proportion, very less proportion, maybe to the minority very small you can give those who are having less than 10 or 20 or something like that, please do that because it will improve our image. I have nothing to say. Thank you very much. Wish you all the best.

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**Smita Shah**

Sir, I am Smita Shah. Sir, first I would like to congratulate for performance and various excellent awards. Our MD, Mr. Vishal and the excellent team, it is really good that the company is moving ahead, I wish you all the best and hope that we grow the same in the future as well. And sir, we are a minor shareholder, last year you have given a bonus share, so I would say that our CEO and Dr. Vishal please allow me to speak in Gujarati please listen to it. You are the proud of our Gujarat and you have progressed the company and I am so proud of you and I request you personally that every year you give 1+1 bonus, we are shareholders in you also and you are a big promoter so you will have big profit. So I will start in Hindi Vishal Bhai and Mr. Seshasayee I request here a lot of chaos is happening amongst the shareholders you meet us once in a year, we are not able to come to Mumbai so give us a little time little and give some time to other as well that would be good. I have only one thing to say that Manikantha and his team I thank them I request the venue of Bangalore if you give the name of the Mumbai venue that would be great. Then the entire shareholder asks amongst themselves where the place of Infosys is so it happens like that so please write the venue. Raksha Bandhan is coming so as a shareholder sister I give best wishes to all of you. Thank you sir.

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**Mihir Manek**

I am the last speaker. Thank you for patience. Respected Chairman, Mr. Seshasayee; MD Mr. Vishal Sikka, Board of Directors and team Infosys. My name is Mihir Manek and I am a humble shareholder. I am a global purchasing manager and Independent Director in few Companies. Scholar having delivered in five countries and studied in North America on scholarship. I thank Directors for high dividend payout in a difficult year under review with global demand slack. Last year I had said that

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Infosys will be a 20 bn company by year 2020 but I have revised to 2022. Are you coming out with a buyback of shares as mentioned in Economic Times due to high cash pile to reward the shareholders? I want Infosys to concentrate on three parameters: consolidation, profitability and sustainability, meaning a sustainable business model. Fourth, industrial revolution is on and Indian economy is heading to a US\$3 trillion economy. I do not want to go into the details of the balance sheet as it is informative and some company's balance sheet are window dressed. Infosys is not like that. Will Infosys capitalize on this front with fourth industrial revolution on; it is simple and complicated like a Rubik's cube. The Directors know their work and wish them all the best in the next growth phase and in 2020. Has the effect of Brexit and H1B being discounted? The company should focus on artificial intelligence, automation and cloud computing which are emerging and India is arbitrage with little original ideas and innovation unlike Google and Microsoft. As most of the engineers work on a lesser salary, I have faith in Indian economy so I gave up my Greencard and came back to India from Canada. Infosys and IT has made India proud, in 1967 world was looking down on India, but today they look us with high esteem. I have faith in Indian economy. I am a stroke victim having suffered a brain stroke in 1995 in Saudi Haramco, I was an analyst with Saudi Haramco, a US \$400 bn company and I have recovered. There was disruption in my oil exploration industry with low oil prices and there were job losses all over the world and I was one of them from head of the department seeking jobs. Can Infosys lend helping hand as a functional consultant in procurement domain or administration on Infosys foundation? I am a BE Mechanical, can you throw light on Infosys Foundation and innovation centers? Infosys is efficient and a word of appreciation to Mr. Seshasayee for his contribution to Infosys as he is retiring this year. Thank you.

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### **Participant**

Good evening, Chairman, Managing Director, Directors and my dear fellow shareholders. My name is Ronald Fernandez. Of course, I would like to congratulate Mr. Seshasayee on his retirement on age of 70. Of course, no doubt this is a very good and 36th AGM, 36 is a superstitious number and you have resigned on a correct time. But if you see it in other way, Seshasayee was right in resigning. That is what I would like to highlight to you. Also looking down the line sir, Mr. Sikka, now I would like to appreciate, you have to be like Narayan Murthy, NaMu and be bold and dangerous, very careful. Because Sikka is a coin, I remember the good old school days when I used to play snakes and ladder so whatever you can do that is left up to you, sir. And sir again I would like to highlight, I have come from 2 o'clock here and they are depriving me of giving the speech that is what very, very disheartening. I have to force myself to it. With this I would like to support all the resolutions and thank the management for patient listening. Thank you.

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### **R Seshasayee**

Thank you. Now we switch to Bangalore. If there are anymore in Bombay we will have to do it later on next year maybe, sorry.

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### **TN Ramakrishna**

Good evening, I am TN Ramakrishna. Our company has got a very big target of achieving \$20 bn of revenue by year 2020, that is three years ahead of now. Going by what we have achieved now, is it possible to double the turnover in three years going by the growth rate of past three years and various geopolitical restrictions and other things which are in the offering? So what could be the realistic target for 2020 and at least can we achieve this \$20 bn turnover target by 2025 rather than 2020, a clarification can be given. As far as this one thing, we are definitely not on track to achieve this, by this time we should have been at least \$13 bn Company.

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And in the past many AGMs also I requested to give details about per employee turnover, per employee profitability and other ratios relating to employees. So, I do not think that is ever considered. This can be considered so that we can know how much is revenue per employee, how much is spent on employees, how much is the profit at the net level.

And recently I read, NASA is promoting Sanskrit in a big way, it is going to be the future technological language of the world/globe, lot of innovations, research and other things are going on. So, what is our take on this, our own country's great language, Sanskrit? In case it happens to be the language of the future, technology and software, what is the thinking process going on in our company to be proactive in this aspect, any thinking process going on in this regard?

And the difference between the highest paid and the median employer remuneration is almost close to 300 times, is there any benchmarking and standard, there are no legislations or statutory requirement in this regard, I understand, but going by the global standard where do we stand in this aspect?

And corporate social responsibility a separate report is given, though there are many projects taken up in that, commonly they have nothing visible to common man of this country, 125 crores people you may be spending on healthcare and hospitals and other things. Those who go to hospitals, if your board is visible there yes definitely you should have made big on publication board that is funded by Infosys and other thing, but still a vast majority of the people, including myself, has not come across anything which is visible on a day to day basis. Something can be taken up where people feel that Infosys has done this.

And if you go to page number 107, there are a lot of pending taxation related issues under various judiciary and quasi judiciary forums of our country. Something from almost a decade or some are more than that. Going by the time taken by our judiciary and other things which we are also facing in our country, none of the government has given any much attention on that. Is there any way our company can improve by software and other things as a part of CSR if it comes within the government specified objectives of CSR, anyway we can improve the working of a judiciary in such a way that at least little bit more speed can be given to that? Anyway, we can do that, just request for think process on that.

And on page number 54, you have given the various aspects of CSR spending. On that Banaras Hindu University, Varanasi, you have spent about Rs. 2 crore for such a big university which is Asia's largest residential university founded by a visionary statesman, Pandit Madan Mohan Malviya as a first people's university of the country when the concept of university was not even heard. Such kind of universities where we have got a lot of alumni working in our company, that kind of university requires more encouragement, that is a mere Rs. 2 crores which is very small. And also earlier I requested as a part of your CSR activity or other activities, you can help to bring out, complete yourself Madan Mohan Malviya which is not available to the people of this country to read and develop such kind of high ethical standards like Madan Mohan Malviya. You can also fund those kinds of activities.

And coming to page number 36, I think that has already been dealt with, difference of how many times the highest paid employee of the company to MER. And again coming to page number 154, in your CSR activities you have funded one more activity in the district of Jabhua in Madhya Pradesh, Shivaganga Samagra Gram Vikas Parishad, Jabhua, in Madhya Pradesh about Rs. 4 crores. If you go further down to Alirajpur district there are a lot of requirements, particularly in some of the places like Chandrashekar Azad Nagar where the great freedom fighter, revolutionary freedom fighter Chandrashekar Azad was born, I had visited that place just this week, it requires lot of attention of the government as well as the corporate, such kind of places needs to be adapted for overall development. I request to adopt Jabhua, earlier known as Bhaora village and now renamed as Chandrasekhar Azad Nagar. Such kind of heritage villages needs to be adopted by big corporate like us for overall development of such villages.



And you also mentioned in the Chairman's speech- hush money, though I could understand what the meaning of hush money, I do not think everyone has understood it. What it is actually, because these are not all the normal English word used, most of our fellow shareholders might have not understood. That kind of words when it is used, actually what is the dictionary meaning of that can be printed so that people will know what is the meaning of these kinds of words.

And annual report, our CSR activities, last year annual report has seen that our company has spent some money in Bangladesh also. I do not find the necessity because I could not go through last year's annual report before coming to the AGM, I collected here only. What is the necessity of spending money in Bangladesh; tomorrow you may also spend money in Pakistan also. Earlier when there was an earthquake in Kashmir and Pakistan part, Rs. 1 crores was given for them. So what is the necessity of spending in a country which is not friendly with us, which was created a lot of pain to our country and our original people of this country have suffered a lot in those countries. Why are you spending in those countries, our CSR part of that?

And we used to get the location details which are all the cities and which are all the countries our facilities are located, I could not see it, if it is already printed fine, otherwise next year onwards you can give those details which are cities in our country, which are the cities in other countries where our facilities, software technology facilities and other things are operational. And harnessing the solar that you have dealt with, it is a great achievement, it comes with a lot of concession and incentives also, but what is that we are doing? We are getting such kind of power from Sun God, what is that we are doing there, there is only one temple dedicated to Sun God in Konark, as a part of CSR it comes in part of that production of heritage site and other things, can we take up maintenance of such temples and can we encourage mass Suryanamaskars held in various parts of the country? When we are drawing power, when we are getting such kind of free power from Sun God, those kinds of activities can also be supported.

These are all some of my observations. Thank you. Jai Hind.

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### **R Seshasayee**

Thank you. May I request rest of the speakers to be as brief as possible?

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### **GV Ramanareddy**

Good evening, Board of Directors and Chairman. GV Ramanareddy, ex-Bharat Electronics Limited. Market capital of this company Infosys is Rs. 2.153 trillion, this you have not mentioned. It is more than Rs. 1,000 share; it came down below Rs. 1,000. Please make Narayan Murthy a Director, there is a Hero Moto 92 years he is a Chairman, so Narayan Murthy is not at that age, make him a director, company will prosper.

Rs. 5 share you divide into Rs. 1 share so you so that the price will increase. Bharat Electronics Rs. 10 share they divided into Rs. 1, 50% it increased. Please divide Rs. 5 into Rs. 1 share.

Your company is doing very well, why we can't make one company, Bangalore Internet Company so that Bangalore people will be benefitted. Chandrababu Naidu, Andhra Pradesh, he created history. He made all the state internet company, electrical lines he used as connecting point and same technology used and made the company to prosper. Thank you sir for giving this opportunity.

**Jagdish**

Good afternoon. My name is Jagdish. I would like to thank the management lead by Dr. Sikka for a remarkable reorientation of the company in a very challenging environment. I have a few questions. There has been a lot of talk today on AI platform, DI and some other platforms, my question is, how does it compare with the IBM's much touted Watson? Are they in the same market; are they in the same league? This is my first question.

Secondly, our company is excessively dependent on American market with recurring problems such as H1B Visa, local employment, etc, etc. I read somewhere that the company is also in the process of diversifying into China and Japan markets. How are they doing basically, are they doing well as a risk mitigation measure?

Thirdly, I read somewhere that more than \$500 mn have been allocated for innovation and acquiring companies. Of late I have not been sharing news about these acquisitions or new innovations, except for probably... When Dr. Sikka took over there were a lot of new hires in expert fields like Artificial Intelligence, IoT, etc, etc, but many of them have left the company off late. Our competitors like TCS and Wipro they do not seem to be having this problem, at least that is not coming in the news papers. So what is the management doing to overcome this problem, if it is?

And finally, large software product companies like Facebook, Google, Amazon and all that design their own hardware. Is our company also thinking of taking the same path or same route? These are my final questions. Thank you very much.

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**Rupali**

Good evening, to all of you. To the Chairman, CEO and the Board of Directors and the shareholders. My name is Rupali; I am just one of your shareholders for the last four years. I know that you are a great wealth creator, but for the last one year we have seen that value of our investment has eroded to a great extent. I would like to ask all of you, the Board of Directors and the CEOs and the Chairman that what is your plan for the buyback? Because you know that HCL and TCS and all they have already announced buyback. Though, I am shareholders of those companies, when your company share is not performing well so what is your plan to compensate the value of our investment, how are you going to compensate? Thank you so much, please do let us know about the buyback plan. Thank you.

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**Sandeep**

My name is Sandeep. Sir, I have three points to share with you all and my fellow shareholders. First one is, Mr. Rao said that around 11,000 employees have been taken off the projects and they have been put on the re-skilling. See, from employee point of view that is fine, that is good news, but what about the investors point of view, re-skilling or re-educating is always an expensive process rather than starting something fresh. Sir, I am not saying that all those 11,000 people should be fired but how are you going to tackle this very sensitive issue is something that was not addressed to the speeches?

Second point is about automation. Infosys has been emphasizing a lot on automation in the past couple of years. But fundamentally the clients go for automation in order to reduce the resources, time and ultimately the cost. So, what we can expect is the decrease in the project size, deal size and higher the automation I am sure it is going to lead to lower revenues. So it is like a catch 22 situations, so how is Infosys going to tackle this is something again which did not come out very clearly in the speech which is of very high concern to the shareholders.

Finally, point number three, few months back, I would not take the name of the person, I read in Economic Times, that person made a statement that for the kind of risk that person is taking he would have got much higher salary elsewhere. So, that is fine, everybody should get a salary that they deserve, but what pained me was the attitude actually. See, being in this position and in the top management you are expected to look at the business, the risk and reward from the investors point of view, because ultimately you are working towards maximizing the wealth of your investors and not your individual risk and returns. One should not be risking that this position saying that at this point in my career for this kind of risk I have taken the salary doesn't really commensurate this. There is something really painful that I found. See, the attitude of a top manager matters a lot in building a great culture and I think it is time for Infosys to revisit its fundamentals, its values and one should not forget that Infosys was built on the founding principle of distribution of wealth and not the accumulation.

So, with that I have my points. Thank you all.

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## H R Narsimhan

My name is HR Narsimhan. I have only a couple of points; I would not take much time. I just want to recollect one incident which Mr. Narayan Murthy recollected or I read it in newspaper that he was travelling in a flight in ordinary class, not in the higher class. So people asked him Infosys is such a big company, multi-mn dollar company, how are you travelling in a flight in economy class? He told that just by going in upper class or luxury class I do not reach my destination earlier, even if I go by economy class I will reach the destination in the same time. So, what we learn from that is he wanted to save every pie for the company. So we have seen Infosys from the days of Narayan Murthy and of course change is a must, from those days of Infosys we are seeing the Sikka days, if I can put it as that. So, I request the Board to take a leaf out of the stories of NR Narayan Murthy where we had a lot of things to learn from the founders.

Second thing is, I thought that too much technical stuff was given to us. Shareholders are very ordinary people, all this presentation given by Mr. Sikka was Greek and Latin to most of us. It is okay if it is given in front of some IT boys and girls in IT classes, but what we want is a lot of people come here with just one single purpose to see whether the company gives any bonus or any dividend or a buyback or split or whatever. All this high technical stuff, I feel is a misfit in an annual general meeting because what shareholders want is the Chairman should communicate to us in a language which we understand. This entire technical stuff like Eia or Kia or Lia, Pia is no meaning for us. So I would request you to request the shareholders in a non-technical or easy to understand. Like computer language they say they write the program for most difficult situation or assuming that it will not happen. So he should assume that shareholders are all dumb and then address in a way they are to be addressed. So, a lot of things we see are peer comparison. And it is good that Mr. Sikka has put a lot of thoughts about world leaders and what they think and other things, some high sounding things which we ordinary people we cannot imagine or we cannot read. It is good that he has given us exposure to some of the great thinkers, but we will also be happy if he gives comparison with TCS, if I am not wrong TCS is number one in India in IT. So if he says where do we stand, where Infosys stands in competition with TCS in India, that would be of great help to understand where we are in terms of the competition?

And dividend, as I told share price, see we cannot be aloof from the share prices. Share price movements, Bombay if you see they are only worried about price, Infosys price is not going up, it is coming down, if I remember it came down from Rs. 1,100 to Rs. 950 or Rs. 940 or even Rs. 911. So, shareholders are equally worried about the share prices and all as much as the company's performance. See, the days are gone when Infosys are used to say that I will not see the share prices, we do not see for days together, we are only worried about performance. But now as the change has come we should also accept the changes that the whole world is looking into share prices.

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Madam Kiran Mazumdar-Shaw is there, she comes on TV. The moment she comes on TV the Viacom prices may go up, I do not know what the link is, but such is the sensitivity of the share prices, she may feel happy. See, that is what the world is and why should Infosys be kept aloof saying that we do not bother about the share price. We have to be bothered about the share price and where to go, what the world out there, what is market is thinking about Infosys. And regarding salary, a lot of things have been told about salary increase that Dr. Sikka is getting 283 times the average salary of an Infoscion. If he is really getting so it is good news. See, if people at the top like Dr. Sikka and all, if they do not get good salary how we can expect a lot of dividends and things from them, if they are happy we are happy, if they grow the company grows, we should look at it in that way. We should expect that all the Directors grow, then only Infosys grows, the citizens are the same as the King, if the King is very happy then all the citizens are all stakeholders, we will be happy. So, I feel that if he is taking 283 times he should seriously think of taking some more so that we should also expect some bonus and dividend and things like that.

And last but not the least, I think too less Kanadda was talked here or perhaps Kanadda was not at all talked. So, in Bangalore being place of Kanadda I think some Kanadda should be used. I remember Bala and all in those days they were using Hindi background music to give performance figures, statistics, profit and loss and other thing. So then I was thinking why not some Kannada songs also can be given, why only Hindi songs they take for giving profit figures and growth figures. And I was thinking that when Ranganath Mavinakere was inducted as Chief Financial Officer, I thought it was a good decision, somebody from Kannada has come going forward Infosys grows as big institution somebody from Kannada after Mr. Narayana Murthy with Ranganath Mavinakere one nor other from Karnataka will become chairman of Infosys with that hope but he just finished with just a Namaskara so we expecting to hear from Ranganath Mavinakere there was one popular song of Dr. Rajkumar "born in Kannada be Kannadiga" but invest in infy it's the best company it's a bonus giving company it's a special dividend giving company thank you .

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## Abhishek

Hello sir, this is Abhishek, shareholder of the company. ID IN301637 and client ID is 41359155. First of all, at the outset I would like to congratulate the management for excellent performance given during the year and as well as in all the years and giving us a good dividend and bonus year-on-year, this is a first company I have seen giving bonus in 2016 as well as in 2017, that is 1:1 ratio. Sir, and some observations into the annual report, I have come all the way from Chennai to clarify.

Sir, from the observations made in the annual report, I had observed that the company has plans to issue Rs. 13,000 crores of corpus as a dividend to shareholders, we shall insist the company to issue the same in the coming June first quarter itself so that the shareholders can be benefitted. Sir, we shall also request the company to allocate still more funds from the corpus as dividend since we have as Rs. 45,000 crores lying idle without any acquisition and moreover the time is also not good for acquisition. Our company can declare a hefty dividend, sum of Rs. 500 dividend per share as a special dividend, similarly we can see that last year a company named Sulect Energy Systems Limited declared a dividend of Rs. 1.50 per share as the company had more corpuses and there was no business to acquire. This was being done after the shareholders suggestion. Similar policy should be applied in our company also so that the shareholders can be benefitted.

Sir, I should also suggest a company. As I said there is Rs. 45,000 crores lying idle, you can try to acquire some local Bangalore based companies which are listed in Bombay Stock Exchange or National Stock Exchange also which are not able to perform like Acrobatle Technologies Limited, Rs. 400 was the IPO, Rs. 2 to Rs. 3 it is traded today, Crain Software, etc. a lot of companies in Bangalore which are traded Rs. 2, Rs. 3, Rs. 10 face value share, the company can plan to acquire such companies so that the shareholders plan to acquire amalgamation, some merger schemes can be

brought into so that the shareholders of that particular company also can be benefitted and even our company also can grow. This is a suggestion sir; the company can take it up as the management decides.

And sir, there are certain big companies which have large number of shareholders like Mumbai, Kolkata or Chennai we can see who have large number of shareholders who are willing to speak and clarify their grievances in the management. The management usually has a policy of issuing a slip to the shareholders who are interested to speak, they shall write their name and folio number and their queries in the slip and that can be given to the management. And you can call one by one the name of the shareholder so that they can come forward to clarify the grievances instead of coming, hurry here and certain Mumbai people interrupting, sometimes Bangalore people interrupting, this creates a mess actually. So a systematic procedure can be implemented very well next year.

Sir, and as we are coming all the way from Chennai, and one of my friend has come from Kolkata, we would like to honor our Chairman and CEO with a shawl in this Annual General Meeting, if you permit us.

Sir, I thank the management for giving us this opportunity to honor you. Thank you very much, sir.

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### **Santosh Kumar**

Respected Chairman, fellow Directors and my fellow shareholders, my name is Santosh Kumar, I am from Kolkata. Thank you to all of you. Sir, I am not here to criticize the performance of management and all, I have some objections which I feel which I would like to present in front of you, sir.

Firstly, this country's name is recognized by Infosys in foreign countries, because when Infosys was establishing at that time foreign countries recognized us as land of snake charmers. But when Infosys came they came to know that people from India also can move ahead. But today the issues that are arising about Infosys, we feel a bit disheartened because in this it is damaging reputation of country as well as that of Infosys. Because the founders of Infosys, Mr. Nandan Nilekani, everyone knows about him. People will remember him for the work that he has done, he did a good job at Infosys but even the work that he has done with Aadhar; he will be remembered worldwide for it. Because you should know that whenever we need to insult someone we tell that he is '*angootha chap*', meaning uneducated. But see the price of that thumb (angootha) has risen so much that even an educated person is being asked that whether he knows to use his thumb or not. This is whose work; it is Nandan sir's idea that he has increased the price of this thumb in respect with Aadhar. And this price of a thumb people in the world did not know but today they also know what it is, signature is nothing in front of this thumb. This is all because of Mr. Nilekani. When there is news in foreign media for the same company who gave us people like Mr. Nilekani regarding discrimination and all, or sometimes because of Visa and H1B, I feel bad about it. I would want that company's management takes decisions and steps in such a way that name of our company doesn't get degraded and also not of the country's name.

I have a couple of observations. One, we are 2,36,400 employees but it could be better if you bifurcate how many are women employees how many are disabled employees. As per the new rules also you need to give this breakup, so this will help shareholders know that how much we are eager to help the disabled.

Second, on page 134 you have written unpaid dividend, I think that this unpaid word is a wrong word, because you have paid it up, unpaid means we have not paid. You have paid but people have not claimed it yet, so why not it is replaced as unclaimed, unpaid creates a confusion that we have not paid at all. If it is unclaimed then it means that people have not claimed, so you can work on it.

Third, we are spending more than the limits in CSR activities. So my request is, the position which we are sitting on as of now, especially on borders our soldiers are getting martyred, so why cannot we help their families and help them further in respect of CSR. We are a Karnataka based company and we will not help soldiers of Karnataka then from where will we get soldiers in the future, they should also feel that if we are not there then at least future of our children is secured. So I would like and want this to be taken up as a CSR activity.

And sir, please let us know if you have any plans of buyback. Also, you give us five years highlights, it will be better if you give 10-year highlight, by this we will get much more clarification because five years is a small period.

I thank you very much for giving me time to speak.

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## Bharat

Good evening, Mr. Chairman, Directors. Thank you very much for this AGM meeting. First of all I thank you Mr. Mani, the wonderful team, whenever I access him as if I am talking to Mr. Chairman, he is a very good team and very good person, thanks sir Mani. Mr. Chairman, I thank you very much for serving our company very successfully and under your leadership our company becomes \$10 bn. Thank you very much. And whatever you have done to our company, I am very grateful to you. All the best. And I request all the shareholders to give a very good applause to our Chairman to serving our company wonderfully. What may be irrespective of the issues but he is our Chairman, under his leadership our company will become \$10 bn. And I request all the Directors, I want my Chairman to a clean and clear exit, there should be no issues, that is my request. Because he is our Chairman, he is my Chairman, and one should be the best.

And there are some issues Mr. Chairman, I want to ask you. Because regular AGM I am asking you, I want a campus visit. At least under your leadership please approve the campus visit of Mysore. We want to see our campus, how you are training our young talented engineers and how are you grooming our leaders, at least we want to spend one day. Please under your leadership, before your exit please give a permission to Mr. Mani so that we can spend the time in Mysore campus.

And one more, every time the shareholders are asking to give a dry food box for shareholders, every year we are requesting that. So, at least under your leadership approve that dry food box for every shareholder. This is a complimentary for shareholders. And every shareholder is asking for that bonus share, because 2015, 2016 you have given at least in 2017 give us a bonus, instead of buy backing the shares you create the wealth for the shareholders because you have a lot of money give bonus instead of buy backing the shares.

And I want to congratulate Mr. Ranganath, under your leadership company is growing wonderfully and there is a very good balance sheet, there is no point to point out anything in this book, very clean and green. So I congratulate and make it more progressive and more wealth of our company, one day not Rs. 10 bn should be in our account. However, revenue is \$10 bn; I want my money should be Rs. 10 bn in our account. Thank you very much. And I want to congratulate Mr. Sikka, you successfully completed in our company three years, there are issues, they will come and go, stones will come, greater tsunamis will come, that is not the issue. But focus, the way you are focusing it is very good, I am happy that one day you will definitely make a \$20 bn company, that is very good.

I want to share something Mr. Sikka; a father built a home 30 years with his honesty, his blood and sincerity. Now the son is telling that no need and there are some issues with father and son, it should not be public, it should be in four walls. Recently in Time of India there was an article saying that we have some shareholders to make that activity, some issues had come in the newspaper. I was very shocked that how can Infy wants of risk from shareholders activity. See, this has not come in the

newspapers because Mr. Narayan Murthy shedded his blood to build the company, so overnight is not Infosys, it is a 36 year old company, it is blood, honesty, integrity. So, we cannot come to the newspapers giving this articles. Another article is that Infosys founders want to sell off the sake, sir we are seeing Mr. Narayan Murthy and founders and we are seeing next generation Mr. Sikka, so we want our founders should be there and we want our leader Mr. Sikka should be there. Today first time in last two AGMs I have seen renew, today when you are rendering to the AGM there is no fire, I do not know there is something you are feeling insecure or something, I do not know. Today first time you have come casually, I want my CEO should fire, I want my CEO should be a leader, what may be the issues I do not want to know, he should be great and our Infosys should be great, what may be happening in the US, what may be happing in India in-house I do not care, but my company should be number one and whatever the issues and revenues should be number one. Please take care of the issues Mr. Sikka, and all the best for next financial year. And this financial year I want to see in the newspapers only good issues, not family issues. That is only I am asking you, please do not once again bring issues into the newspaper because one leader, one vote, one wrong step and entire dynasty will fall down. That is called leadership, your one vote and share price will come down to Rs. 700 - 800, our minority shareholders will be shaken, because without the blessings of shareholders a company is nothing. Today Infosys is dependent on 7 lakh people, 2 lakh employees and 7 lakh shareholders, you cannot play with them. Because your responsibility is to take care of the share, that is your main responsibility and take care of our company. And I wish that you definitely make our company prosper with next financial year and there will be good news from the company. All the best to entire directors and entire team. God bless you all. Thank you sir.

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### BL Kothari

Sir, my name is BL Kothari. Respectable Chairman, respectable members of the board and shareholders. My English is not that good, I will speak in Hindi. See, every company now a days is saying that we will do buybacks and all, so now TCS has done buy back of almost 10% capital and for that 10% capital they have bought back 5.60 crores and for that they have paid in total Rs. 1600 crores and apart from that Rs. 2500 crores they had other expenses including everything else. I request you and I have sent a letter to the Board many a times and apart from that I have given it to Mr. Sikka that if you do capital restructure then I am giving you my idea that if you do capital restructure in that you can give bonus every year or in two years you can give bonus so I have given my letter to the Board and I have sent so many times to the Board and sent it to company secretary but I did not get any reply. I am doing this for the last two years. I have written a personal letter to Mr. Narayana Murthy and I have sent email to him as well so many times. I have mailed Board also so many times, it has reached to Board or no I don't know. I have written a letter to the table of the Board and so many times I have called Mr. Company Secretary that please let me talk to any one of them. Yesterday I have given a personal mail to Mr. Prahald. I thought he is the main shareholder in the company he will understand. If once you give money in buyback then you will not be able to do any new takeover or new investment. So according to me capital of TCS is 1.97 crores and your capital is 1148 crores. So if you do 10% then for 10% you have to give minimum 223 thousand crore you have to pay. All the shareholders are waiting what we are going to get but once if you will give 223 thousand crore then what will be with you. I only have one request that you restructure your capital. I have given you an idea that if you do capital restructure then you can give bonus every year. Apart from that if you do capital restructure then your earning per share will increase and when earning per share increases then its market rate increase and when market rate will increase there will be company growth, everything will increase. I have told you everything, if I will read it will take one hour then you will say what has happened. I have data of few companies you see. I am tired of writing letter; I have not received any reply. I have just received an email of Mr. Sikka that we will think about it. After last meeting I have given this told to Mr. Sikka. I have these data of 2015. At that time TCS' share value was Rs. 1 and earning SADshare Rs. 97 their market rate was Rs. 2437, Honeywell's share was Rs. 10 and its earning was Rs. 124 and Rs. 9134. Glexosmith's share is of Rs. 10 and its earning per share is Rs. 138 and Rs. 6400. Nestle's share is earning per share is Rs. 123 and Rs. 5800. As long as your earnings per share will not increase till then

no matter how much you increase market share nothing will happen. Narayana Murthy would keep on saying; shareholder will keep on saying what about us, what is the market value. Pricewater's share Rs. 10 their earnings is Rs. 1964 and its market value is Rs. 27923. Eicher Motors its earning per share is Rs. 10 on Rs. 205 and its rate is Rs. 16855. I am telling you this of 2015. Your progress is very good, result is very good. All the shareholders know that.

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## R. Seshasayee

First, let me thank all the members who have made a number of valuable suggestions, raised a number of very very pertinent questions. I'm truly impressed by the level of interest that all of you have in this company and the involvement that you have which is very evident and the kind of questions that I have received and I will try my best to go through and answer as many as I can, but if there is something that has been left out, I am sure that we would have our Company Secretary receive your questions and the responses will be sent to you.

Mr. Sadananda Shastry, you have always made very important points every year. It is a matter of pain to all of us that the image of the company had taken a knock in the last year or year and a half. We have done all that we can to state the facts and put the facts in front of the media, in front of the world. We have tried to reach out to all the investor groups to explain the facts or position but it is unfortunate that we have had this somewhat bad risk. And I would only promise you that the Board is entirely committed not merely to oversee the performance and get the right kind of returns to shareholders, it is even more committed to ensuring that the image of the company is protected, that we do nothing which will even remotely affect the values of this company and the image of this company to the extent that this has ever happened, we truly have pain and we share this pain along with you.

There have been a number of people who have raised this question on the compensation and salaries. So let me take just a couple of minutes. I have explained this in the Chairman's speech. It is a fact that the market, the talent market that you have has this unfortunate position, situation where a vast majority of the people at the global level of the employment market, their salary is disproportionately low compared to the higher level of talent and this is not merely an Indian phenomenon or a global phenomenon, it is right across, it is pervasive across all geographies and given the fact that our company has to have both global talent and we also have the Indian engineers who do such remarkable job for our global clients, the spread gets to be seen even wider. If you are operating only in India, it would be different; if you are operating only in US, the ratio between the bottom and the top would not be as prominent but we are operating across the globe. We have got the difference getting accentuated because you got the junior engineer in India and global leadership talent in the US and therefore the proportion gets exaggerated. But this is a part of the feature of the talent market what we have and therefore and have explained this at great detail. And I will also encourage you to go to the paper that we have put out, the policy paper that we have put out in our website which lays out the complete detail of the compensation policy and as I have said earlier and I will repeat it because it is important to understand this that the only way we can tackle this wide spread skewness that we have in the talent market is to make higher level of the, higher proportion of the compensation linked performance and inexorably linked performance and also to make sure that the significant part of that is linked in terms of stock compensation which is linked again to shareholder returns and this would be our guiding principle and we would make sure that we operate responsibly while trying to track the global talent to implement the transformation and to get this company again to be a forerunner in innovation and be a task-bearer of this industry.

There have been a lot of questions related to the automation; does it mean that it is going to result in lower number of jobs? The answer has been provided several times over by both Vishal and I have also said this in public. Clearly, automation has an impact in terms of displacing people who are currently doing the job which can be done by machines and intelligent machines over a period of time or intelligent software that does over a period of time. However, the human experience in every

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industrial revolution and there is a fort that we go through. It is that every time that we find technology threatening to take away jobs, it has only resulted in higher level of economic wellbeing and economic activity which in turn brings about larger opportunities for different kind of jobs when the steam engine was discovered or was invented and when the previous industrial revolution took place, there was similar kind of fears but it only resulted in larger number of goods and services being produced or larger population and very different types of jobs getting created, then we have no doubt that this will begin to happen.

As far as Infosys is concerned, they would be net addition to our workforce for a while, although at slower pace than what we had seen in the past. I must also use this opportunity to clarify that the recruitment in the US does not necessarily mean that we will have less recruitment here. There is no direct correlation of this. We require people in the US partly because we are moving towards reduced visa dependence and also because that we need to have people who are closer to our customers to deliver the kind of technology solutions that we are targeting to do but that does not mean that has a direct correlation and we will have similar kind of numbers going down in the recruitment that we do in India. So there would be net additions at a slower pace, but we are doing all that we can to retrain, reskill our people to become more relevant in the emerging market situation.

Mr. Sushil Haksa, Mr. Haksa is not here I think, but I was very touched by the maturity of this officer and very high-level perception of the business situation and I am grateful for his comments. Mr. Vinay, you mentioned that we need to improve on the media management that we have not had very favorable and good press all the time. The press has been very supportive of us in many occasions and in fact has been working with us continuously, but nevertheless we certainly recognize there is scope for improving our communication with the media to make sure there are perspectives that are correctly carried through in the media and we were referring to that.

There was a reference to this issue relating to the news item they talked about a certain noncompliance with regard to the US visa situation. Let me clarify that the company is fully compliant with all visa regulations in every country including the US. What has reported this morning in the newspaper related to an issue that was settled in 2013 and that again related to the issues where there was an alleged noncompliance of visa regulation in the US in 2011? So this is nearly a 6-year-old situation for which some settlement has been made with regard to taxation issues in New York, but let me assure you once again, there is no instance that we are aware of noncompliance to any US visa regulation.

Mr. Ponnamuthu you made a point that you did not hear about Mana. Mana was an earlier generation product which has now been subsumed in the new generation called Nia. We have more than 50 customers who adopted Nia now and it is showing great promise of growing very well. Let me assure you that there is no "Lal Batti" culture here. We are very conscious of the fact that we have the ethos of this company emphasizing on being very mindful of waste, being very mindful of not splurging. We certainly have certain demands in terms of the costs that we incur, but we are very conscious of the fact that whatever cost has incurred, there must be multiple values that we must deliver and this is something which will be a guiding principle for us.

There was an observation made about once again the issue relating to the salary difference between the lower run of the organization and the leadership. Let me say for a given company performance, we have looked at and consciously made sure that the same level of company performance, the junior management gets the higher bonus level and that was about 85% or so. And the middle management, lower than that, which is about 55% and the leadership was even lower than that. So for a given performance, this has been our guiding principle and will continue to be so.

You had asked a question about why foray in for investigating the anonymous letters. The fact of the matter is that we had the anonymous letters which we are obliged under the Whistleblower Policy to enquire into. We do so internally and if you believe that it is necessary to get an external law firm to also look at it. We do so and we did that. We exactly went through the process of having an Indian,

very credible Indian law firm look into these allegations, but there was a recurrence again of another bout of anonymous whistleblower complaints and therefore we said that we will now have to go to the globally best firms in order to once and for all settle this matter and make sure that there has been no wrong doing and I am glad to say despite the effort and the cost that it involved, we have the conclusive proof evidence that these firms which industry guided have not found any evidence to support any of the allegations that they have been made.

Mr. P. R. Naik, you talked about why the debtor level has gone up. This is in the normal course of the increase in the DSO. The DSO that is the day's sales outstanding has gone up from 66 to 68 and the account receivable has gone up from 18 to 18.6. This is not a very abnormal increase. This is something which is closely also watched and monitored not merely by the management but by the Board as well. There was another suggestion that we should have perhaps other halls that we should look at some other halls in Bengaluru, we will certainly give consideration to that and take a look at what other options are available. Mr. Naik, you made a point about Hi-tech, why is the Hi-tech operating margins are going down when we are talking about high technology capabilities that we have in the company. Let me clarify that this is a vertical, the high technology solutions that we offer is across all verticals. Within Hi-tech vertical that we have, the margins have moved on little bit. But this is not merely because of the pressure that we have in terms of the high technology products. This is in general the price pressure that we have been experiencing and high technology solutions that we offer as Vishal was mentioning to you, there is a portion of our business which is growing at very high level of growth and is yielding good margins and that is the growth area that we are nourishing to make sure that the transformation is achieved by growing these and scaling up these capabilities. But there is also the other part which is the commoditized part; this is showing a lower trend of margins. So the Hi-tech vertical has had a mix of both and that is what you saw.

Lodestone decline in revenue risk and I must also make reference to other subsidiaries where there was a reference to the loss-making subsidiaries. We have a large number of them as was pointed out. There is a lot that gets gained by the main company as a result of the synergy effect. So this is not only standalone profit loss account of the subsidiary that we should look at, we should also look at when we just a commercial success of an investment in subsidiary, we should also look at what has been the gain in business in the main company and therefore we take a look at this. Having said that, there are a few subsidiary companies which will certainly need some turnaround and there is a lot of focus to make sure that we don't have a continuing situation of loss-making subsidiaries, but let me say again to repeat this, we cannot judge the commercial success of the company only on the basis of a standalone profit and loss account.

There are a number of questions, number of observations, and number of very good comments which came from our shareholders who had assembled in Mumbai. I am not going to go through each of this. There was a suggestion relating to stock split. The Board will give due consideration for the suggestion. There was a question about the tenure and age of independent Directors, we have a limit in the company's policy to have independent Directors to retire at the age of 70 and there are two terms of 5 years each and this would be the principle that we will continue to adopt. There was one question about Mr. Dadlani's departure. Mr. Dadlani left the company for personal reasons and for career opportunities. He was a great Infosian and we had tremendous respect for him and we wish him well.

There was also a reference to the issues of discrimination resulting from a legal action taken by Mr. Green. Internally, we do not believe that there has been any discrimination of any sort. This is not how the company functions and we do not believe that there is any evidence that we are aware of which will support this allegation. I think Mrs. Patil was very concerned about Ranganathan's losing weight and I want to tell you that all of us have lost weight in the last 1.5 years. So some sympathy is due to us as well.

There has been this issue relating to buyback. I heard some members say that this is not a good idea; some members say that it is a good idea. We have explained our capital allocation policy that has been

covered in my speech. We have made public statements on this. We are bound by what we have stated with public about the capital allocation policy and as I said that we are bound to carry out what we promise for FY18. And while we do that the capital allocation policy of returning money through one form or the other, we have taken into account the needs of the company in terms of our investments, needs of the company in terms of our acquisitions and we have made sure that the return of cash as we have proposed will not come in the way of the growth rejected either behalf of the company, including for acquisitions on investments.

There was one question raised about, two members raised questions about the 20:20 target. Ravi Venkatesan made statements about this a few weeks ago in the media. I want to endorse what we said that the 20:20 goals certainly appear daunting in the timeframe with which these goals have been talked about because of the kind of headwinds that we have seen and the shift in the market place that we have seen. But those goals like old start like continue to guide us and if it is not in 2020 we would say by what timeframe each of this could be achieved. But in the process, we are reevaluating our long-term goals and in due course of time that we will also look ahead how we would articulate and in what manner would we be articulating these long-term goals to the public and to the members.

There were a number of very-very useful comments made about CSR. As you know, we carry out our CSR activities, the obligations that we have through the Infosys foundation here, which is doing phenomenal work which is focused on very many path-breaking initiatives including what we saw just now in terms of the solar energy. We also have our US foundation and the Infosys Science foundation all of which carry on this CSR activities. I will pass on the useful comments that I have received from most of you on the CSR to the foundation management for them to take a look at this.

I think there was a suggestion about BHU University and so on, all of that we will pass on. There was one suggestion that the American market is getting to be quite tough. It came from Mr. Jagdish. The American market is getting to be quite tough. So are we diversifying into other regions, the answer is yes. We are certainly growing business in Europe and rest of the world. China and Japan are very challenging markets. It is not very easy to build scale up our business. But these are places, these are countries, these are geographies where we are present and we are doing what we can to see how we can improve our opportunities there.

Our attrition rate has stabilized at about 15%, in fact what we are now tracking is not attrition at the overall level, but attribution of our highly regarded, high-rated executives and there it is a single digit and I am happy to see that there has been this stability in last few years. And I must also explain that the involuntary attrition because the performance related reasons people have to separate from the company. That is about 1-1.5%. And there is a lot of exaggeration that there is this mass layoff and things like that which is simply untrue. As I said earlier, we are recruiting people and we will certainly continue to do that, but the involuntary attrition, people who have to leave because the performance is not anything more than 1% to 1.5%.

There was a mention about share prices and Mr. Narsimha had mentioned this. We certainly are very conscious that we have to be communicating what we are doing to the investor community and to the analyst and that are something that we are fully engaged in. We are constantly in communication, Ranga and Vishal, be it the investor community as well as the analyst very frequently and to make sure that what we are doing, what we believe are our prospects and growth projections are fully understood by the investor community and we get that reflected in the stock prices. But for a variety of reasons, these have behaved the way that they have. But it is not something that we can control, but what we can and should do is to communicate and which we do. Mr. Narsimha had talked about Dr. Vishal Sikka's technical presentation being somewhat like Greek and Latin to more shareholders and I am sure that what I speak is not the technical stuff, so my Chairman speech is just as plain speech as possible and I leave it the technology stuff to Vishal and I am sure that there are people here who look forward to listening to him. We have women employees are nearly about one third of our workforce. We have a very strong initiative in terms of diversity in the workplace. This is something which we think is

very important. It is something which is being looked at monitored at the board level. I personally have spent quite some time to look at what we can further do in order to improve the diversity in the organization.

There was one suggestion that we should organize campus visit to Mysore. This was made even last year I think and I said that whoever wants to go to Mysore, you are most welcome, if you could let our Company Secretary know and he will be happy to organize so long as there is group of people, enough number that can be put together for an organized trip. I am sure that he would facilitate that.

I think I have covered most of the issues that have been raised and I would like to once again thank all of you for the interest that you have taken in the company and the guidance that you have given us. Let me assure you that every one of the points that you have mentioned here is something that we will take forward seriously. Before I pass on, Vishal do you have anything more to add?

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### **Vishal Sikka**

One of the questions Sesh was with regards to Nia. Nia is an AI platform. It is a next generation AI platform. Originally last year, we had released our platform Mana and over the course of the year, we realized that there were many more non-IT applications of the platform than IT applications and we added several components to it including optical character recognition capability, the AssistEdge product and the next generation platform that we represent as Nia in May of this year. As Sesh said, it has more than 70 clients already and one of the scenarios that are deployed. One point about automation affecting employment, as I mentioned in my speech, actually the key to this is education and our ability to train people continually as we improve the productivity and free people with automation. The 10,000 people that we are planning to hire in the US are not at the expense of any hiring in India or elsewhere. It is just the nature of the new services that we need more local presence, more presence together with the clients, to co-create new kind of capabilities because these new services also require a new kind of a working model and every job that we create in the US or in other markets also create additional jobs here in India. Similarly, my comment about the H1 visa dependency that one of the members talked about has to do with the fact that if you look at the total number of H1 visas collectively that we all participate in, it is quite small compared to the number of jobs that we overall create and it is not so much the visa but the value that the Infosians create that is the basis of the work that we do. Sesh already addressed the question about the Hi-tech business; it is actually a very thriving business for us and doing quite well. Individual performance over the course of any particular year depends on various factors and I remain quite confident about our Hi-tech business. Sesh already clarified the point about layoffs; we are not doing any layoffs. There is absolutely no layoffs happening in Infosys. Smita ben your point was about the 1+1 bonus I have told Ranga and I will also tell Sesh. And to the point about NASA promoting Sanskrit and us designing our own hardware, I don't see this happening but nevertheless we have made a note of it. Those are the main points Sesh that I had.

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### **R. Seshasayee**

Thank you. I would now move to item number 2. The Board has recommended a final dividend of Rs. 14.75 paise per equity share and an interim dividend of Rs. 11 per equity share already paid for the year ended 31<sup>st</sup> March 2017. Any questions?

### **Shareholders**

No

**R. Seshasayee**

Thank you.

Item number 3, to appoint a Director in place of U. B. Pravin Rao who retires by rotation and being eligible seeks reappointment. Any questions?

**Shareholders**

No

**R. Seshasayee**

Thank you.

We take up item number 4, appointment of auditors. It may be noted that BSR & Company LLP is retiring at this AGM and Deloitte is proposed to be appointed as auditors. The text of the resolution is already provided in the notice circulated to the members. Any questions?

**Shareholders**

No

**R. Seshasayee**

Thank you.

Item number 5, notice appointment of branch auditors. The text of the resolution is provided in the notice circulated to the members. Any questions?

**Shareholders**

No

**R. Seshasayee**

Thank you.

We will now take a voting through the ballot process on all the resolutions set forth in the notice. Members who have already registered are requested to sign and submit the ballot paper in the ballot boxes near the exit gates. Members who are yet to register are requested to proceed with the registration counters. Board of Directors have appointed P. G. Hegde as the scrutinizer to supervise the e-voting and ballot process. Further, I hereby authorize Company Secretary to declare the results of the voting and place the results on the website of the company at the earliest. The resolutions set forth in the notice shall be deemed to be passed today subject to receipt of requisite number of votes.

With this, the 36<sup>th</sup> Annual General Meeting comes to an end. Thank you for attending the meeting. Anything else.

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**Vishal Sikka**

I just wish to thank Sesh for his extraordinary leadership and contribution to Infosys certainly in the last two years as our Chairman and in this extremely important and exciting times, he has been a voice of

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tremendous support leadership, courage and just extraordinary service and integrity and on behalf of the 700,000 shareholders, 200,000 Infoscions as well as all of us on the Board and the Management and personally I wish to thank him for the extraordinary service and wish him the very best. Thank you.

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**R. Seshasayee**

I hereby declare the proceedings as closed.

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