

31st Annual General Meeting

June 09, 2012

K.V. Kamath

Good afternoon. Let me welcome our Shareholders to our 31st Annual General Meeting. Before we start the main proceedings of the meeting I would request my colleagues seated on the dais to introduce themselves. Apart from this, as we have been doing, we also have video link with our shareholders in Mumbai and we have our colleague Niladri Prasad there on this video the video link. Could I ask the Directors to introduce themselves? Starting from the left hand please.

Jeffrey Lehman

My name is Jeffrey Lehman. I am an Independent Director.

Dr. Omkar Goswami

Omkar Goswami, Independent Director.

Srinath Batni

My name is Srinath Batni. I am responsible for Quality, Technical Infrastructure and SI.

David Boyles

My name is David Boyles, Independent Director.

V. Balakrishnan

I am Balakrishnan, CFO & Member of the Board.

Sridar Iyengar

I am Sridar Iyengar, Independent Director.

S. D. Shibulal

S. D. Shibulal, Chief Executive Officer.

K.V. Kamath

I am K.V. Kamath, Chairman of the Board.

S. Gopalakrishnan

S. Gopalakrishnan, Executive Co-Chairman.

Deepak Satwalekar

Deepak Satwalekar, Independent Director.

BG Srinivas

BG Srinivas, Member of the Board and Head of Financial Services.

Ann Fudge

I am Ann Fudge, Independent Director.

Ravi Venkatesan

Ravi Venkatesan, Independent Director

Ashok Vemuri

Ashok Vemuri, Member of the Board, I am responsible for the Manufacturing and Engineering business.

N R Ravikrishnan

Ravikrishnan, Company Secretary.

Rajiv Bansal

Rajiv Bansal, Head of Finance.

Ramadas Kamath

Ramadas Kamath, Sr. Vice President.

Srikantan Murthy

Srikantan Murthy, Head of Education & Research

Binod Hampapur

Binod Hampapur, responsible for Commercial and Corporate Relations.

Kakal Chandrashekar

Kakal Chandrashekar, Member of the Executive Council and Head of Business IT Services Group.

Sanjay Purohit

Sanjay Purohit, Global Head for Products, Platforms and Solutions

Ganapathy Subramanian

My name is Ganapathy Subramanian. I head Planning and **assurance**

P D Mallya

P D Mallya, I head Information Security.

Pravin Rao

Pravin Rao. Head the Retail Practice.

Basab Pradhan

I am Basab Pradhan. I head Global Sales & Marketing.

Matt Barney

I am Matt Barney, I am the Director of the Infosys Leadership Institute.

K.V. Kamath

Thank you. It has been our tradition at Infosys to invite any director who is retiring post the annual general meeting to chair the meeting. In line with this tradition I would like to invite Sridar Iyengar to Chair this 31st General Meeting. As you maybe aware Sridar Iyengar retires from the Board with effect from August the 12th this year. Members would like to thank Sridar for his immense contribution to the Board, through his leadership over all these years. May I now have your consent to propose Sridar Iyengar, Member of the Board to Chair this 31st Annual General Meeting? Thank you. Sridar, you may take over.

Sridar Iyengar

Thank you, Kamath for giving me an opportunity to chair this Meeting. I would like to also take this opportunity to thank the shareholders for having the confidence to give me the opportunity to be on the Board of this illustrious company. We have 329 Members present in person and 37 by proxy to conduct the proceedings of this meeting. The quorum by in present, I call this meeting to order.

The Register of Directors, shareholding is kept open near the registration counter and is available for inspections by Members. The register of proxies is also available for inspection near the registration counter. With the consent of the Members I take the notice convening the meeting as read. Thank you.

I now request K.V. Kamath, Chairman of the Board to deliver his address.

K.V. Kamath

Good afternoon, India Shareholders. I am delighted to welcome all of you to our 31st Annual General Meeting. Over the years your deep and abiding trust in ourselves enabled us to continuously improve our performance. Thank you for all to support that you have given to us on behalf of every Infoscion.

For the first time, after all these years, we have assembled here in the absence of our Founder, Narayana Murthy. As you are aware, in accordance with the retirement policy of the company's Board Murthy retired from Board effect from August 21st 2011. In recognition of his founding the company, mentoring his co-founders, nurturing the organization over the last 30 years, the Board

of Directors appointed Murthy as Chairman Emeritus. On your behalf, I would like to place on record our deep sense of appreciation to services rendered by Murthy during his tenure at Infosys.

The last year has been hectic for the industry, hectic for us and as Infosys grows, we also had a slate of new management leaders come on board, then reorganize the company and implemented the new Infosys 3.0 strategy while facing as I said an uncertain global economic environment. Yet, I would like to put some number in front of you which put in context as the performance of Infosys.

In Rupee terms, our consolidated revenues grew by 22.7% YoY. And our net profit after tax grew by 21.9% YoY. Our operating cash flows were 24.3% of our revenues and our operating cash flows as a percentage of net income was at 98.7%.

We have added 172 new clients taking the total clients base to 694 during the year under review.

The IT Services industry is facing the twin challenges of commoditization and scalability. Clients today are increasingly turning to service providers who understand their businesses and their challenges. Demand is shifting from traditional horizontal offerings to industry-specific high value offerings. Our clients are also looking for transformation partners to help them reduce their CAPEX by converting them into OPEX thereby increasing their own return on investment.

We have announced our new growth strategy -- Infosys 3.0 to address those challenges and enable us to achieve high quality industry leading growth. Our Building Tomorrow's Enterprise strategy continues to see good traction with our clients and we are executing strongly on this through the Infosys 3.0 strategy. We continue to make focus investments in our organization capabilities. At the same time, you must align our offerings more closely to the business priorities of our clients.

With that broad objective in mind, we have regrouped our service offerings under four heads: Financial Services and Insurance, Manufacturing, Energy, Utilities, Communications and Services (ECS) and Retail, Consumer Packaged Goods, Logistics and Life Sciences (RCL). I am confident that the new strategy will help the company in becoming more relevant to our clients and will help in driving superior growth in the future.

We are building our Consulting and System Integration business that combines world-class Business Consulting with high quality offshore systems integration. The new business IT Services is set up to integrate our matured lines of businesses across Application Development and Maintenance, Independent Validation Services and Infrastructure Management Services with the object of driving greater efficiency in our clients business. Our Products, Platforms and Solutions business is witnessing a greater momentum and in fact has contributed to 5.8% of our revenues. We are also into Cloud in a big way with about 140 engagements in 3000 Cloud experts. We are investing in focus solutions and intellectual property to offer greater value to our clients.

The subsidiary company, Infosys BPO Limited completed 10 years of successive operations in the BPO space. We are happy to inform you that our subsidiary company is one of the top companies in the BPO space with operations in five centres in India and seven centres in rest of the world, thereon 21,000 employees on its shores.

We are pleased to announce a final dividend of Rs. 22 per share, the special dividend of Rs. 10 per share on account of the tenth Year of Operations of our subsidiary company, Infosys BPO. Earlier, we had paid Rs. 15 per share as interim dividend, totaling in all Rs. 47 per share as dividend of the year. We have ended the year under review with Rs. 20,968 crores in cash and cash equivalents.

The Board during the year has inducted one new independent director, Ms. Ann Fudge and three whole-time directors, V. Balakrishnan, BG Srinivas and Ashok Vemuri. We are confident that these industry leaders will bring their experience, expertise and insights to a decision-making process in the Board. The Board has also reconstituted the Executive Council to ensure right framing of policies for strategy deployment, ensuring management operations supervision and enabling risk mitigation strategies. The Board also designated S. Gopalakrishnan as Executive Co-Chairman and S. D. Shibulal, the Chief Executive Officer & Managing Director.

We successfully met the challenges posed by the global market uncertainties demonstrating once again the strength of the leadership team at Infosys. I am confident that your company will continue to demonstrate the leadership required to succeed in a complex, dynamic, global market.

Sridar Iyengar, our independent director will retire from the Board on August 12, 2012 in line with the retirement policy of the company's board. Sridar Iyengar, as all of you are aware, has served in the Board for more than a decade and has contributed immensely to the company success. On your behalf I would like to place on record our deep sense of appreciation for the services rendered by Sridar during his tenure as a Board Member. His thought leadership in areas of Finance, Risk Management and Governance has been extremely valuable to this company.

A number of awards and recognitions were bestowed on us during this fiscal. We were ranked among the "World's Most Innovative Companies" by "Forbes" and "HOLT." We were named "Asia's Most Preferred Brand" in "Information Technology" category, the "Asian Leadership Awards." We were ranked among the "Greenest Indian Brands," the third consecutive year in a Consumer Survey conducted by Cohn & Wolfe, Esty Environmental Partners and Penn Schoen and Berland Associates. Newsweek also featured us in its list of the "World's Top Ten Green Companies." Our Sustainability Initiatives in India won us the Certificate of Commendation for Significant Achievement amongst organizations with an Annual Turnover of more than Rs. 500 Crores at the "CII-ITC Sustainability Awards 2011."

Employees are the soul of your company and our performance has been driven by their commitment and perseverance. On your behalf and on behalf of the Board of Directors I salute them on yet another year of sterling achievements. We also place on record our appreciation of our clients, vendor partners, investors and bankers for their continued support. We would like to thank the Government of India, particularly, the Ministry of Communications and Information Technology, the Customs and Excise Departments, the Income Tax Department, the Software Technology Parks in Bengaluru, Bhubaneswar, Chandigarh, Chennai, Hyderabad, Jaipur, Mangalore, Mysore, New Delhi, Pune and Thiruvananthapuram, the Ministry of Commerce, the Ministry of Finance, the Reserve Bank of India, the state governments and other government agencies for their support and look forward to their continued support in the future.

Finally, we would like to thank trustees of the Infosys Foundation and Infosys Science Foundation for sparing your valuable time and energy for the activities of these foundations and for the continued trust and encouragement and support. Thank you.

Sridar Iyengar

Thank you, Kamath. I now request S. D. Shibulal, Chief Executive Officer and Managing Director to make a presentation about Infosys 3.0.

S. D. Shibulal

Good afternoon. It is a great pleasure for me to be here. Welcome to the 31st Annual General Body Meeting. Thank you for taking the time. In the next 15 to 20 minutes, I will give you strategic business updates on Infosys 3.0. Before I begin, I want to thank the Board and all of you for giving me this opportunity to lead this great organization. This company has been led by stalwarts in the past. I am very confident of continuing the legacy they started.

Of course, here is the Safe Harbor clause. All of you are familiar with it. Historically, we have a strong record of performance.

If you look at the last five years between 2007 and 2012 our revenues have gone up by 17.7% CAGR, profit after tax went up by 15.1% over the last five years and operating profit went up by 18.8%. We have consistently delivered performance in all parameters. Earnings per share went up by 14.4%, dividend went up by 26.8%, market cap went up by 3.9% and clients went up by 6.8%. On the client front, for example, last year, we added 172 new clients, one of the highest in the history of Infosys.

Now, if you look at the industry today, the IT industry which we belong to, the industry is going through some major challenges. No. 1, we believe in the long run, recruiting high number of highly qualified people will be a challenge. Because if you look at the industry today, for example, last year we recruited 45,000 people, this year we will recruit 35,000 people which means in the long term getting very high quality people in large numbers will become a challenge.

No. 2, some part of the industry is getting commoditized. So if you look at areas like Application Maintenance, that area is getting commoditized and it is becoming difficult to differentiate in that space.

No. 3, clients are asking for higher and higher value. Clients are looking for higher and higher relevance and higher and higher value. Given that we have created this new strategic direction. So we have transformed ourselves to respond to these challenges.

No. 1, we have changed the name which is a major step. The name stands for who we are and what we deliver to our clients, what is the value which we deliver to our clients and we have changed our name from Infosys Technologies to Infosys. It reflects the fact that we are a truly end-to-end service provider.

No. 2, we have launched a new strategic direction called Building Tomorrow's Enterprise. This is a completely client focused strategic direction. We have identified areas which are important to our clients, strategic to our clients and created this new strategic framework. This framework allows us to do multiple things. No. 1, it allows us to choose areas of focus and investment. It allows us to do co-creation with our clients. It is also an innovation framework, a framework through which we will deliver innovation to our clients. Now, when you do such a major transformation it is also important for us to actually create a structure which is relevant for these new directions. So, we have reorganized ourselves. We have created four industry verticals. Simultaneously, we have created three offerings.

No. 1 is Business and IT Operations, No. 2 is Consulting and System Integration. No. 3 is Products, Platforms and Solutions. I will take you through those in more detail as we go along and this is what we call Infosys 3.0. We clearly believe that this will address the industry challenges, it will deliver higher and higher value for the clients and it will allow us to achieve our aspiration of superior financial performance.

Let me now give you an update on Infosys 3.0. 2012 was a hectic year from an environmental perspective. It was the macroeconomic environment was challenging but we have done well in this situation. Our revenues were \$6.99 bn in FY12. Our net income was \$1.72 bn. Our EPS was \$3.0 per share. Our employee base went up to 149,994. As of end of FY12, we have 65 sales offices and 74 global development centres.

As I mentioned, we embark on a series of transformations to respond to the challenges faced by the industry. We are partnering with our clients to drive their three top business priorities. Now, when you look at the 694 clients we have, we can clearly see three important priorities. No. 1 is driving efficiencies in their business operations. It is about creating higher return on investment, it is about reducing total cost of ownership, so that is No. 1, driving business efficiencies. No. 2 is transforming their business. It is about creating new products and services, it is about creating new revenue streams, and it is about creating growth for those organizations. No. 3 is their innovation agenda. That is about differentiating in their clients market. It is about being different in front of the consumers, it is about creating new consumer experiences, and it is about launching new products. So, we clearly see that there are three important focus areas. And our organization structure is all about being relevant to our clients in all these areas.

So, as I said, we have organized ourselves into global verticals, that are No. 1. No. 2, we have created an offering called Business and IT operations, that is to address the first one, driving efficiencies in the business operations for our clients. The second offering which we have created is Consulting and System Integration. It is predominantly focus on the transformational work. So the first one, which is traditionally our strength delivers about 63% of our revenue, the second one is about 31% of our revenue, and the last one is what they call Products and Platforms, as I mentioned, it is a way to deliver innovation to our clients. Today, it gives approximately 5.8% of our revenue.

Now, this internal transformation which we did is complete. It is completely done. The new strategic direction is already launched. We are seeing an excellent traction with our clients. The new structure is already in place. The new leadership is already in place. In fact, if you look at the dais you will see all of them. So, the internal transformation is complete, and we are purely focused on executions and accelerating growth. So, today, our focus is purely on execution and accelerating growth.

Now, let me begin with our largest offering: Business and IT Operations. As I said, this is to address our client needs in driving operational efficiency in their operations; IT Operations as well as Business Operations. It is also about reducing the total cost of ownership. It is a very high priority item. It is one of the key priorities for our clients, especially in a tough time. 63% of our revenue comes from here. We have created this offering by combining all the other service lines. For example, we have combined Application Maintenance, Infrastructure Management, Independent Validation together. It allows us to create cross-service offerings which are much more relevant to our clients. It allows us to create non-effort based pricing models with our clients. So, this will continue to be an extremely important area for us and we will continue to invest in this. There are many clients I can think about.

Let us hear from one of our large clients in this space, Telstra. Here it is.

“The project was very complex, has very product timeframes and is largely import project. We have to have 100% predictability, it is not everyday doing an IT project but has a real potential for exciting lines. We need some trust and loyal and after a strong track record of successful collaboration we choose Infosys. Infosys designed and developed the application, analytics solutions, meeting the government’s timeframes and quality deliverables, performance of the Infosys team is outstanding. They focus resources and its accessibility really made a difference and provides us the quality outcome. Since the inception the system has already had 7 million

messages, not only for our clients plus enlisting persons and all over Australia. Our client actually won the National Safe Communities Award recognized in impact of this solution.”

So you just heard from one of our clients, Telstra, one of our large clients in Business and IT Operations space.

The second important business offering which we have is world-class Consulting and System Integration. Now, as I said, this is about helping our clients and transform their business. This requires serious deep domain capabilities, very high level of consulting and program management skills. It also requires local knowledge in the countries in which we operate. So for example, if we are providing this in Germany we will need local knowledge of German business practices. This is a high revenue productivity service. In fact, today, we get \$2 bn in this space from 26,000 people; 26,000 people deliver \$2 bn of revenue in Consulting and System Integration space today. Once again, let us hear from one of our clients, Syngenta. We are the transformational partner for Syngenta.

“Syngenta are one of the largest agrochemical and biotech companies in the world. We originally chose Infosys because of our confidence in their ability to provide the application service management that we need in Syngenta. And I think we are now at a point and the relationship where we value from each other, the openness and honesty, that is absolutely necessary in programs of the size, the open challenge that we are now taking on together. Without that I do not think we would be able to achieve what we have achieved and as we look forward to some or even more challenging programs ahead we will see it as the core infrastructure of our relationship that openness and honesty .”

“I think the biggest impact that Infosys has brought into our organization has the biggest effect is actually scalability. We are going through a large transformational project in our organization. We have new requirements that require us to scale up and Infosys have been able to provide us with the additional resources that we need to do the technical changes to implement those technical changes. That has given us the business more flexibility and enabled us focus on our core processes and deliver to our customers what they want.”

“I think compared to a number of the companies work with Infosys more than any other are dialed into what Syngenta is about and why we do what we do and what our priorities are.”

So you just heard from one of our clients, Syngenta about our transformational partnership with them. This offering has been built over a long period of time. In fact, we started out this journey in the beginning of 2000 and over the last ten years we have invested heavily into building these capabilities and today it gives us 31% of revenue.

The third business offering is Products and Platforms Services. As I said, this is a mechanism for us to deliver innovation to our clients. We help our clients drive their innovation mandates through focused investments that we have made in Products and Platforms services. Traditionally, if you look the large product which we had was Finacle. And that we had invested over the last 15 years, it has become an industry standard. Today, Finacle is used in 150 banks across the world. Actually, 13% of the bank population in the world touches Finacle. So, the product which we have touches 13% of the bank population. Finacle research today as an investment are close to 4,000 people. Now, over the last few months, we have launched multiple platforms. We have added close to 40 clients on the platform. While the revenue from the platforms is actually small, we have \$350 mn plus of booked business TCV what we call, ‘Total Contract Value’ in the space. Now, there are two interesting projects which comes to in. Actually, platforms which come to my mind. Number one is what we did for the Income Tax in India, the Central Processing Centre, the CPC for Income Tax in India. 22 million Income Tax e-filings have been processed after it was implemented and 13.2 million in FY12 alone. As I said, we have a booked TCV of \$350 mn plus.

To support this business we have to constantly invest. Not only we have to invest in creating Products and Platforms we have to protect it by filing patents. Our Infosys Labs filed 143 unique patent applications over the last one year. So, we are once again investing into this space. It contributes today 5.8% of revenue.

Another interesting platform which we launched, I said that two I will talk about; one was Income Tax CPC, the second one is the Airtel Money. I am sure all of you have seen the ads about Airtel Money. It is powered by Infosys, it is powered by what we call 'WalletEdge' which is our platform. Let us just hear from Airtel.

"Two main strengths that Airtel has as a company. One is a very large customer base of 200 million people who have a mobile phone and if that mobile phone could become container for money it gives him ease to be able to make purchases, make payments or send money or receive money. The second big asset that Airtel has is a very large distribution of 1.6 million retail outlets across the country."

"Airtel Money which was just launched by Airtel is powered by Infosys WalletEdge. That is the system that has been built on top of the Finacle Digital Commerce platform, the core of the platform is called Finacle Digital Commerce which enables the banking industry workflows and business logic."

"For Airtel, this entire initiative is to really push limits to inclusiveness, to push the limits of financial inclusion and also deeply engage with our customers on the thing that they do the most the business of money. When we looked around I think clearly one name came to our mind because Infosys clearly was dominating the Indian financial services space, they almost have about 85% of the Indian financial services industry, operates on Infosys platform. So, when we were actually looking at a platform, a technology platform for our Airtel Money business, we said, "Let us look at Infosys."

"Our consumers would be happy at the platform is they are reassured the scale of Airtel, partnered with the domain expertise of Infosys in the banking space, it is bringing in them convenience of using a mobile payment in a safe and secured manner."

So, you just heard from Airtel, one of our clients in the Products and Platforms space. As you can clearly see, our strategic direction is already under execution. Airtel is, for an example, a new client in the Products and Platforms space.

So, with that let me move on to giving you an update on the operational highlights for the year. We continue to strengthen our clients' partnerships. Total number of clients is 694. Revenue per client has gone up. I talked about relevancy and value to our clients. Our revenue per client has gone up from 8.4 mn to 10.1 mn. Number of million dollar clients also increased. As I said, we have added 172 new clients last year.

Operational excellence continues to be a backbone of our execution capabilities. Our utilization is 75.6%. We are comfortable at 78%. So, it is marginally down. Our offshore/onsite effort mix is at 75%. And we aim to keep it between 73% and 77%. Revenue productivity has gone up, 4.7% during the year. In a very difficult year our revenue per person has gone up by 4.7%. Employee strength – we received 623,000 applications. We added 45,000 applications gross, that means we recruited 45,000 people and we added 19,000 plus (net) employees for the year. Our employee base is 149,994. Our attrition has come down. Last year it was 17.0% and this year the FY12 was 14.7%.

Our robust infrastructure with a strong focus on sustainability has been recognized worldwide. It is robust, flexible and modular. We have 74 global development centres and 33 in India. We were

ranked amongst the Greenest Indian brands for the third consecutive year. Our investments in sustainability are considerable. Our sites are zero discharge sites. We use renewable energy.

Our commitment to all our stakeholders has brought us many awards and recognitions. We were named "India's Most Respected Company" by "Business World." The second one is equally important. We were ranked amongst the "Top Most Innovative Companies" by "Forbes" and "HOLT." This is not about the Consulting and System Integration work or the IT Services space. In the world, we were ranked amongst the "Most Innovative Companies" by "Forbes" and "HOLT."

Let me summarize. We have a strong history of performance. Today, the industry is witnessing challenges of talent, commoditization, and higher business value. We have transformed ourselves to respond to these challenges. This transformation is complete and we are in an execution mode.

The industry had a choice. We had a choice to make between commoditizing for the short-term benefits or redefining the industry. And we chose to redefine the industry. We have embarked on a journey that will bring us long-term sustainable high quality growth. We look forward to your continued trust and support in this journey. Thank you once again for entrusting me with the responsibility to lead this great organization. Thank you.

Sridar Iyengar

Thank you, Shibu. I now request Rajiv Bansal – Vice President and Head, Finance to make a presentation on the financial performance for 2011-12.

Rajiv Bansal

Good afternoon everyone. It is my pleasure to present you with the financial performance of the company for the year 2011-2012. Let me take you through the highlights for the year. Before we start it is important to understand the kind of the performance in the context of the environment and the challenges that we had last year. The US economy was still coming out of its downturn. The European crisis was looming large on the investors on the clients' minds. The clients were not willing to invest any large term investments in terms of the IT projects and they prefer to hold cash as against investing. In that environment and in that context your company has grown at 15.8% as against the guidance of 18 to 20% that we gave at the beginning of the year. We achieved revenue of \$6.99 bn for the year. We added 172 new clients. We had a cash and cash equivalent of \$4.12 bn as of March 31st, 2012.

The Board recommended a final dividend of Rs. 22 per share and a special dividend of Rs. 10 per share for the BPO operations completing 10 years, taking the total dividend recommended by the Board for the year to be Rs. 47 per share.

Here are some details. If you look at our profits in percentage terms have remained almost constant year-after-year. In fact, this kind of P&L is envy of any CFO in the world because this is because of a very tightly managed, highly efficient model which ensures this kind of profitability and predictability.

Our cost of sales have marginally gone up during the year from 57.9% to 58.7%, primarily because we hire people for the initial growth that we plan of 18 to 20%; however, because our growth was lower than that, it has resulted in lower utilization, impacting the cost of sales.

Our tax expenses have gone up because most of our STP revenues which were out of tax holidays during the last year resulting in a little higher tax expense. However, in spite of these things, we have been able to maintain the profitability at 24.6% as against 24.8% last year.

If you look at our revenues across segments, we have done exceedingly well in most of the segments. Telecom continues to be a little slow. However, Retail and CPG has done exceedingly well, growing at 37.4% during the year. Manufacturing and Financial Services have also done well. If you look at the revenue productivity, we are probably the only IT company who have actually increased the revenue productivity by almost 5% YoY during last year.

As I mentioned earlier, in the kind of environment that we were in where clients were looking at reducing their costs, it is a great achievement. This has been achieved because of a proper mix of the services and also getting rate increases from our clients. We continue to focus on our strategy of high quality growth and it is clearly in line with our strategy as Shibulal said. Clients see value in what we deliver and are willing to pay a premium for that. It gives us the ability to invest back much in the business.

As I said, we have managed our costs pretty well. The employee costs were marginally up because of a lower utilization. We continue to invest in sales. If you look at we have been hiring a lot of sales people, we have been investing in the markets and we expect these investments to bear fruit in the near future.

If you look at the global currencies, the global currencies have been very volatile. In the kind of an environment that we live in today, you typically see the currencies moving 4% to 5% month after month and where most of our revenues coming in these currencies it is always a challenge to manage the impact on the Profit & Loss account. If you look at the rupee, it has depreciated by 14.1% on a period ended basis and 5.6% on an average during the last year. We had the total hedge position of \$889 mn as of March 31st, 2012.

If you look at what our strategy for the hedging is, our hedging strategy has always been to look at FOREX exposure in the short-term because the kind of volatility that we are seeing in the environment it is very difficult to take a long-term view on the hedging and on the FOREX. Our policy is about taking two quarters of net FOREX inflows and we have been very successful in doing that. Our strategy is to ensure that the impact of translations and hedging is negligible on our Profit & Loss account. So, if you look at these numbers, we had a translation impact of \$70 mn in FY12 and our hedging impact was (-58), the net impact being only \$12 mn and it was \$9 mn during the last year.

As I said, our effective tax rates are marginally up, primarily because most of the STP revenues out of tax holidays now and was slightly higher the other income. If you look at the balance sheet, this is probably one of the best balance sheets that you can see from any corporate. 55% of our balance sheet size is in cash. Trade receivables are about 15%. 69% of our AR is less than 30 days. If you look at our DSO it is 60 days which is the lowest in the industry. This also includes the payment credit period that we give to our clients roughly of between 30 to 45 days. With that in mind, if you look at almost 70 to 75% of our receivables are not even due for payment as on the balance sheet date.

If you look at again our return on capital employed our target is two times of cost of capital and return on invested capital the target is about three times the cost of capital. We have done much better than that at 3.5 and 6.2 respectively.

We have a dividend policy of paying up to 30% of our net profits as dividend and this has been consistently paid every year. This is without including the special dividend.

If you look at in US dollar terms, we grew 15.8% last year, where the gross profit increase of 13.1% and a net profit increase of 14.5%.

Our subsidiaries are doing very well. If you look at Infosys BPO, which completed ten years of operations last year, it had a growth of 20.2% and profit growth of 53.6%. This is primarily because we have been focusing on a lot of platform-based BPO services, in fact, 35% of our BPO revenues today comes from platform-based BPO services. And the success of our PPS, which is the Products, Platforms, Solutions model is clearly demonstrated in BPO which has resulted in higher revenue productivity and higher profitability for the BPO operations.

All other subsidiaries -- Infosys Australia again continues to do well for us. A lot of other subsidiaries are still in investment phase and are working as per their business plans approved. Thank you very much.

Sridar Iyengar

Thank you, Rajiv. We have now come to the formal proceedings of the meeting. Before we proceed, I am pleased to bring to the notice to the members that the company volunteered to transact the business as set forth in the notice through a non-mandatory ballot conducted on the internet. Members may please note that the company is not required to transact the items of business as set forth in the notice through a ballot on the internet by either the Companies Act 1956 or any other law currently in force. The non-mandatory ballot is not a substitute for an Annual General Meeting or an alternate method to exercise the voting rights. This process has been adopted to enable shareholders who are unable to attend the meeting in person to convey their voting preferences to the company. We have received the report from the scrutinizer. We would declare the results of the ballot at the beginning of each item of business.

I now request N.R. Ravikrishnan – Company Secretary to read the Auditors report.

N.R. Ravikrishnan

Auditors report to the members of Infosys Limited:

To the members of Infosys Limited (formerly Infosys Technologies Limited) report on the financial statements:

We have audited the accompanying financial statements of Infosys Limited (“the Company”) which comprises the Balance Sheet as at 31st March, 2012, the Statement of Profit & Loss Account and the Cash Flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the Accounting Standards, referred to in Subsection 3C of Sec. 211 of the Companies Act 1956. This responsibility includes the design, implementation and the maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall performance of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act and the manner so required give a true and fair view in conformity with accounting principles generally accepted in India:

- (a) In the case of balance sheet, of the state of affairs of the Company as at March 31, 2012;
- (b) In the case of the statement of Profit & Loss Account of the profit for the year ended on that date;
- (c) In the case of cash flow statements of the cash flow for that year ended on that date; and
- (d) Report on other legal and regulatory requirements.
- (e) As required by the company's audit report order 2003 the order as amended and issued by the Central Government of India in terms of Subsection 4A of Section 227 of the Act, we have given annexure statement on the matters specified in Paragraphs 4 and 5 of the said order.
- (f) As required by Section 227(3) of the Act, we report that we have obtained all the information, explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (g) In our opinion, proper books of accounts as required by the law have been kept by the Company, so far appears from our examination of those books.
- (h) The balance sheet statement of Profit & Loss and Cash Flow statement dealt with by these reports on agreement of the books of accounts.
- (i) In our opinion, the balance sheet statement of Profit & Loss and Cash Flow statement compile with the Accounting Standards Ref. 2 in the Subsection 3(c) of Section 211 of The Companies Act 1956.
- (j) And on the basis of recent written representations received from our directors, as on 31st March, 2012, and then taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March, 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Thank you.

Sridar Iyengar

Thank you, Ravi. We now come to Item #1 of the notice. Adoption of Accounts: The Balance Sheet, Profit & Loss account, Directors Report and Auditors Report for the year ended March 31st, 2012, are already with the members. I now declare the results of the non-mandatory ballot on Item #1. Holders of 9,38,48,945 equity shares have voted in favor of the resolution and holders of nil equity shares have voted against the resolution. If any member wishes to ask any questions pertaining to this item he/she may do so now. Please restrict your questions only to matters relating to the Adoption of the Accounts. This and other questions of general nature will be taken up at the end of the meeting.

GV Ramana Reddy

Good evening, Board of Directors and Chairman. GV Ramana Reddy, Ex-Bharat Electronics Limited. This annual report is very good, but you have not printed the Chairman, K.V. Kamath. N.R. Narayana Murthy, you printed 14 photos but he is not in the Board of Directors. Please introduce N.R. Narayana Murthy garu into Board of Directors for lifetime. (UB), United Breweries Chairman, Vijay Mallya, is Chairman for lifetime. Sreedharan, Delhi Metropolitan Corporation has worked up to 80 years. The Delhi Government offered another five years. He refused and stepped out. J. Irani, Tata Steel, Tata Sons, 80 years, he is the Director. So, why cannot be Narayana Murthy at least in the Board of Directors for lifetime? There are six companies paying dividend more than Infosys. Tata Consultancy Services 2500% dividend. Its net profit 90%, they are giving dividend. Colgate-Palmolive and the company is giving dividend 2500%. Hero Motors, they are giving dividend 2250%. Bosch, Bangalore company MICA 1350%. JP Chemicals 2050%. There are six companies paying more than Infosys. Infosys dividends are not printed, 940%. So if Infosys pay 80 to 90% it will be more than Rs. 1000. Earnings per share is nearly Rs. 145. Why cannot you pay 80 to 90%? So that it will be good for the competition in the Indian market. Thank you for giving this opportunity.

Chetan Bisa

My name is Chetan Bisa, I came from Mumbai and have a complete mastery in corporate management and I want to advise regarding almost the same matter. Mr. Narayana Murthy, that is a cricketer, Don Bradman could not score 30 centuries in 30 years. He was not clean bowled but self-out due to declaration of special dividend of Rs. 30 in the 30 years and share prices sharply fall from Rs. 3305 to Rs. 2988; Rs. 317 in a single day and that is 9.59%. When our cricketer, Gundappa Viswanath entered in the cricket world, he was clean bowled by scoring zero run. In like manner, Shibulal, he is clean bowled in very first year. Share prices fell from Rs. 2750 to Rs. 2403, down by Rs. 347; 12.62% in a single day. While TCS by declaring almost same performance, its share prices sharply increased by 12% in a single day due to 800% final dividend and 800% special dividend, while Infosys has declared only 440% final dividend and only 200% special dividend. But Gundappa Viswanath realized his mistake and scored 137 runs in second innings. In the same way may I request Shibulal to take advice of Ratan Tata and declare regular dividend of Rs. 40 and special dividend of Rs. 40 next year to maintain share price. Thank you very much.

K. Narayan

My name is K.Narayan. Good evening, Chairman of Infosys, K.V. Kamath, good evening, the Chairman presiding over Mr. Iyengar and my beloved directors of Infosys family and brothers

and sisters. Let me congratulate the Board of Directors for doing an excellent job in a very difficult time as the financial difficulties are faced all over in different industries. And as the CEO, in his statement has confessed he is also not happy with the last quarter performance, I appreciate the openness and taking confidence of the shareholder. Let me assure on behalf of the Infoscion family we will be with you sir. As you have declared generously the bonus in good times, this is I do not consider as bad time but a difficult time. We will come out definitely and I assure you our solidarity in the reconstruction of the company.

I have a query to the Secretary. Section 166 of the Companies Act requires meeting notice being served to all the members and you cannot take granted that all are computer literates. There are some shareholders of our family who do not have internet facility or who do not browse and therefore it is your duty to send the printed copy as usual. And only when my son reminded that Infosys meeting will be held today, just a last week I requested him to send a e-mail and your office was kind enough in sending just a day before yesterday. So, please see and please make a point that whoever have not requested or who want the printed copy please send them. I have two folios. One of the folio I will give you for your reference: IN301926 of Karvy.

I take the permission of the Chairman to bring a few observations I made in the just one or one-and-a-half day's time. I start my observation with Page #1, the opening remarks of our beloved Founder-Chairman Shri N.R. Narayana Murthy. You should be able to escape the gravitational pull of the past by constantly adopting and changing. I am a firm believer that change is permanent and nothing is permanent except the change. Your engines of growth like a rocket. So this is a reminder for all the shareholders and also the directors that we should not remain with the glory of the past. Rising to a high level is difficult, but remaining is still difficult. I am a firm believer. May I call upon the Directors' report of Page #1 where they have mentioned a growth of 23.1% which consist of 86.2% from only two big blocks of North America and Europe and in the other parts of the world only 11.4% presence? So kindly make attempt to enlarge your operations wherever possible. It is not that easy as I am talking, but still efforts maybe made to enter into new fields which is the business growth. And in the same Directors' Report you have mentioned, 97.8% revenue from repeat business. Please get into areas

Now I call upon Page #16. This is regarding the product restructure and development and in the second part of the page, 660 crores have been spent. I think a boost is needed to build a strong research and development center only then we are able to come out with new products. So, please look into this matter. I am extremely happy that a precious foreign exchange earnings of 17,655 crores have been achieved. Please give them big hands for this achievement.

I now call upon Page #19 which states the various countries operations and I restrict my observation to Shanghai where 52 crores have been incurred loss, Brazil and McCamish Infosys Public Service have also increased losses. A little clarification maybe given in this direction whether they will be improving in the coming years, whether attempts have been made to make them viable because unless there is prosperity in the coming days I do not think there is any sensing continuing in such loss area.

I am really concerned about the cash and bank balance this company is holding. As per Page #36, in the abridged balance sheet, you have mentioned 18,057 crores as cash and bank balance. When I have seen the other companies' balance sheet they maintain roughly 30% cash balances. I know for mergers and acquisitions you require cash, but unnecessarily holding the cash does not this result in a net loss to the profitability. I think experts of the finance field may give proper justification for such a huge amount of cash. Even the TCS I observed last year they maintained only 28%. Of course, company-to-company the policy, the strategy differs. Anyway, the cash balance is definitely more and I have not seen much acquisition by Infosys. You are making a very hesitant approach. Unless you become aggressive I think a lot of opportunity maybe lost.

And I am extremely happy to note the socio developmental works the company is doing. In Page #11, the various schemes under various headings like per issues 10,000 toilets have been built by spending 10 crores. Even if half of the dividends are paid to me, I am not worried. Our brothers and sisters, the have-nots should be taken care. It is an excellent work. Again, I applaud and salute you the Board of Directors for this work.

And in the Page #12, the 'Campus Contact,' 'Catch Them Young' or what Infosys is/are to bring to the knowledge of the youngsters, particularly, the school children, if they come to know that there is a company which is really bothered or involved in the nation building activity, in that way a lot of good works have been going in, in the name of SPARK which is an excellent program and in that the three programs which have touched 3,97,819 students, I salute again for excellence and I am extremely happy to note that the Infosys employees numbering 10,577 have involved in this work. I hope many more will join this good work and I think the HR Department may motivate the employees.

And I am also happy to note in Page #16 the Donations made by our company to Infosys Foundation to 20 crores. I think you can make it 34 because if there is fund you can enlarge your activity.

And some suggestions at the end I would like to make. I know I am taking little extra time. My other co-shareholders also bring some of the points for your kind consideration, but still sir, ours is a family of 4,60,139 members and I have attended previously in some occasions whenever it is possible, there were no space to sit, I used to stand but I am really not happy that majority of the shareholders are not turning. And city like Bangalore, that too our Second Saturday, I think the shareholders should come and attend the General Body Meeting and make their observations and give suggestions. This is the only one opportunity we get in one year. We should not be happy with only dividends. We should also give our observations. The Directors will take into consideration if it is valid and possible for implementation. So I appeal many more brothers and sisters to attend and give their suggestions.

Sir, the Chairman, the last, one or two suggestions I would like to give. TCS has identified and sponsoring some international sports. So why Infosys is lagging behind in this direction? It will not cost much but will have very strong impact and without advertising nothing moves or nothing sells not just for advertising but I think that will promote sports and cultural activity. So kindly consider. It might be in the field of Football, Cricket or performing arts, etc.

I also appeal the Infoscion Directors to think of establishing offices in Special Economic Zones to derive tax benefits.

And last but not least I request the Infosys Foundation to do the socioeconomic activities still more aggressively.

But I am coming to the last point and that is Page #72. Page #72 is heartening to all our shareholders brothers and sisters that is regarding bonus. Infosys has declared generous bonuses in the year 1986, '89, that is in the period of three years, two bonus have been done, again in '91, '92, '94, '97, '99, 2005 it took six years and again in 2007 they have declared 1:1 bonus in between there was a share split from Rs. 10 to Rs. 5, I think six years is not long two years sir, please consider a generous bonus. Before the end of the meeting I hope Directors will respond to this. Thank you very much sir.

Sridar Iyengar

Thank you, Narayan.

Dr. S.R. Bhandari

I am Dr. S.R. Bhandari from South Kanara. I congratulate you for bringing a very good balance sheet. And, I as a shareholder of over 120 leading companies, there are very few companies which are equal or parallel to Infosys.

And Narayana Murthy when he retired I wrote a letter to him lauding the work he had done all these years and also good retired life. I am happy that you have taken him in the Board as Chairman Emeritus but I am sure K.V. Kamath who is also the Chairman of some of the other companies in which I am having shares will definitely fulfill the gap and bring very good results.

As he just pointed out, about nine bonus shares, practically every year you have given bonus shares. Unfortunately, when I was in service, I was not knowing that Infosys have come to market and I purchased it by paying the market price. So, with very large amount of reserves I have just seen in your balance sheet you can still consider a bonus issue at least next year.

I am very happy with your balance sheet. I do not think that the returns you have given this year is poor, but I would like to know there is a fall of rupee, actually it should help the IT companies because the dollar is strengthened and therefore it should increase of profits. I do not know about this.

I also want to know because the outsourcing process is being curbed in United States and they want to reduce. Will it hurt our company? And also I would like to know what is the prospects of IT companies and our company in particular. So, thank you.

Srinivas Rao

My name is Srinivas Rao. Sir, in the Profit & Loss Account you have given a salaries of 15,000 crores. My question is why software industries must give high salaries? India is a poor country. Even I understand in Infosys a sweeper gets only Rs. 4,000, Rs. 5,000. Because by paying high salaries you are only increasing the inflation and if you go to the malls you find software professionals with high income, picking up goods which they do not want, they are eating like pigs and they want to have cars, which they cannot take it to office. My question is, this is not Infosys, this is to the software industry itself, why you should pay high salaries to software professionals? A doctor after treating 50 to 60 patients in a day takes home just Rs. 1500 but whereas a software professional, who is scoring second class in the graduation, gets Rs. 1 lakh. My only thing is if the industry has to be honorably in the society, they should reduce the salaries to what our India really needs. I request you to please consider sir.

And secondly, my another question to the Infosys company is in the Manufacturing, I have seen the slide, I only got revenue of \$6.99bn. My question is Manufacturing constitute a very major GDP across the world. Why you are not concentrating more on the Manufacturing sector? Thanks.

Dr. Ashok

Good afternoon, my name is Dr. Ashok I am a long-time shareholder. We have this Visa case suppose if the judgment goes against the companies, what is the contingency plan? Why there is no provision that has been made in the balance sheet. Second point, we have a star-studded board, excellent training institute despite that numbers do not is match with TCS, Cognizant, etc. why? And the third point, the board of directors are being remunerated very well minimum around

is 50 lakhs I think we need to have mechanisms to make the board of directors accountable meaning, what is that is business they have brought in? What is the value addition they have brought and then lastly, what I see from the balance sheet is 1.5 lakhs Infosys employee average business earned is stagnating.20 lakhs per year. I think this number is very very low. When you are factoring the Rupee loss, I think it is a negative trend. I think these factors as to the addressed that is all I have, thank you.

Gopal Krishna Rao

The chairman and the board of directors you are attending 31st Annual General Body Meeting, so previous speaker has told the shareholders sensed that the number of shareholders who have come here are less compared to the last year, natural because you have got thousands of shareholders, you've got the information and the balance sheet can be adopted so they are satisfied in not attending the meetings rather than sending information through, so that is one of the reasons here many people today are very less compared to last year, but that is not counted. The company has progress on all the sides your profit has increased and your operating profit and everything has, so some minor observations is there. See having gone through the list of board of directors you have got about independent directors 8 in addition to existing directors, including the Chairman and the Co- Chairman etc, but you have put everything under what head they're coming in the duties. But these independent directors also what are the duties, under what classified things they are doing within can be put just like others for information of the shareholders because I think 8 independent directors are considerable to the size and the group for the company and again coming to the size is the company in the after profit is the woman representation is very less. Nowadays 33% is going to come Parliament Act is going to come today or tomorrow that is the different issue but the woman representation can be more I think the board should be broad-minded to take even more lady directors, I think you have got a good talent, even among them and in the list of the directors that you have printed auditors name should have been put here also because only in page 11 when I go through it is here. I think it is mandatory on the part of the company to put in the list of directors, the name of the auditor also and your net profit also has increased, operating profit has increased and you have got subsidiaries about nine companies and in addition, you have also acquired one thing in Australia that you have figured in the and you have got a unit plan, every year you have got you are going to acquire a certain number of things or having surveyed is earlier in the past, what you are going to acquire that depends upon your research and you sales capital increase every year due to the employees stock option scheme , of course, may be less some people will take it of course it is mandatory but what are the terms of your SO when the employee completes one year you are going to allot him a minimum number of shares or what are the other formalities, you're going to observe in allotting the shares to the existing employees. And dividend the company there was the time when the Rs. 10 share of the company Rs. 25 in the cooperative sector. But now a day's companies have come to the extent of Rs. 1 share, Rs. 2 share, Rs. 5 share, what is the percentage, 100%, 500 to 600%, but your face value is only less that also counts but in spite of all these things the dividend what you have declared should have been more than what you have given Rs. 47 per share because the allocations towards the other things, social programs and other I do not want to slot out your appropriations but still dividend could have been little more, but some people have comparatives etc. I think you have got a competitor. My personal feeling is even read paper TCS is a fine competitor to your company, but I want to stay as a shareholder, it is an information, and TCS gives a good dividend they were Rs. 1 share that is a different issue but the dividend could have been little more and now the Chairman can announce even little more dividend a minimum of Rs. 60 per share, they have already given Rs. 47 and we would be very happy about it if you can do that and my previous people have told of course your board side by side the progress was not well, it is nothing, a cup of water in a ocean. Of course, it may go, but it remains but that is not considerable at all and bonus shares have to be considered as my previous speaker have told. I think the company is capable of giving bonus shares and either this year of course we expect it at least next years as a shareholder, I expect bonus shares and you have leadership Institute also

that is very good and page number 13 coming, restricted stock units. According to your terms of the company you said that you are going to motivate the employees by allotting it, you say you want to motivate the employees on the one side at the same time you have got limitations to give the number of shares to existing employees, what exactly do you mean, restricted means, employed in one year he will complete and you will allot some shares or according to the terms and conditions the employee will be allotted but whether this is fair or in his method or spirit the shares are being given to the existing employees that itself is a motivation but I do not understand why restricted?, what does it mean it is just a clarification and this can be given. And very good thing to know that our company has received awards from my colleagues, it is natural and a company like they should receive something more.

Coming to the account is part on page 36, under the current assets you are of course, I cannot say even banks are also having, your sundry debtors also is more and compared to last year, it is a little more, but as on today this is a figure as on 31st of March but as on today something might have been acquired and your debtors must have become less. Our reserves also is very good I did not have to say on that and now-a-days green initiative everywhere it is coming there and separate it I has been printed and whether the person gives his e-mail number or not, you please continue the existing method of sending annual reports to the shareholders as existing now because out of 10% or 20% or even 15% may adopt by having the e-mail, but we expect, my personal feeling is the existing report may please be sent by post which is very beneficial. Last year also I mentioned, the visit by the shareholders, please have a broad mind in allowing shareholders to visit the company so about 25 or 30 members every year or one month after one month those who wants to visit the company they will be very happy to visit the company because it is world-famous company and as a shareholder I take privilege of seeing the company personally. I do not think it is a secret because we have said that the shareholder I have visited so many companies they have invited us, so you please consider this if you cant 30 to 40 people, those who are interested they can give their names to you about 30 to 40 people on a particular day and we will be happy visit the company. So above all let the company prospers much more, I thank you very much for Chairman, board of directors and all the employees at all levels.

Parthasarthy

Parthasarthy from Chennai, I'm a banker by profession and I am a proud Infoscion for the past 7-8 years. My only query is I would like to know, when you would start your fixed deposit division, I read in your thing that there is a fixed deposit division but you have not started accepting. Leading companies are having FDs so it is my humble request to you if you can open a fixed deposit division for shareholders let the interest rate be anything like even if it is 8% or 9%. We would like to associate yourself in that area like we can depositor also in addition to being a shareholder in case because in markets we do not hold shares for a very long time but I think deposit section we would associate ourselves in a longer tenure so I think that area you could consider irrespective of the interest rate and then I find for the past six months there has been no bonus issues. You know very well that the bonuses are all tax-free and so if you could consider that as a shareholder it would be better sir. Thank you.

Jai Kumar

This is Jai Kumar here, I am a shareholder, and I am also basically a software engineer. I have three questions, the first one is in one of the presentation I have seen like FY 11 we had 620 clients and in FY 12 it shows like 694 clients but that actually when you say like this 172 new clients are added. So I would like to know what is the actual number of clients added and also the percentage in terms of client's retainship from last year to this year, so it shows the client credibility towards the company. Second question is, on the face value seeing 172 clients addition it looks like nice thing but are we sacrificing through in margin level, profit margins whatever it is so are we

sacrificing and pushing the sales and trying to get more clients and trying to show more projects under these terms. So it is a kind of CTS other peer companies, they are doing the same kind of thing. So I would like to know whether we are satisfying on the profitability terms because there seems to be seeing more clients added in the same year. So the third question it is an indirect impact of the business, in the page number 14, I have seen that there are various awards been given to for green initiatives like saving power and things like that and it has been mentioned like 15 million units and so on fourth I've been saved so and so. If we go to page number 54, I'm able to see that 180 crores we have spent on electricity so I think we have to consider utilizing the wind farms or solar panels things like that which will indirectly benefit the company profitability in the long-term. So I would like to know the actual electricity consumed like in megawatt terms or unit terms. Probably we can put it in a Annals book itself so many companies use to do that, they use to mention how much they are consuming and what kind of fuel is it diesel or electricity or windmills so we will come to know clearly what is the consumption and how much we are trying to push towards the green initiative? So these are the three questions, thank you.

Om Prakash

I am Om Prakash a shareholder, I thank the management and the company for excellent performance this year and good dividend to shareholders. Along with these things one small point is there which I wanted to make. This is regarding risk management, this is on the day 13th of April one day before the price of the shares was 2750 and the day the results were announced the price was 2402 that means a loss of Rs.348 per share. There are 460,000 shareholders and the total loss was 20,000 crores. This is such a big amount which should be considered by the management that how the shareholders should not lose such a large amount. On page 28 we have this risk management report as well as key components of Infosys risk management framework. In that there are six areas they have given, one more area should be included that how to save the shareholder losses which are not actually speaking the losses but the losses which have come out because of sentiments of the public and not because of performance of the company, performance of the company is excellent but still people are losing such a big amount that should be done. This risk has been mitigated to some extent by other companies, look to the case of Reliance Industry Ltd. As soon as they found that the results will not be so good they came out with a buyback offer, why don't you consider buyback because that is a great help to the shareholder so that that will give the strength to the share prices, that will give strength to the company and that will give strength to the shareholders. One thing more I would like to say volatility in the share market is too much and that is the reason that common man is not attracted to equity investments. If the volatility is less than common man will be attracted and for that it is the duty of authorities as well as the companies as well as the people that the share prices etc. should be according to the performance of the company and not according to market sentiments so much. So these points may kindly be thought over and considered by the directors whether they will look to this buyback and or otherwise they can come for bonuses also. These are the things I would like to attract the attention of the Board, thank you so much.

TN Ramkrishna

I am TN Ramkrishna. First of all would like to know what could be the effect in Q1 due to the currency movement which is adversely impacting our economy of course for exporters? And what could be the effect in case the dollar depreciates and how much percentage of our revenue is hedged at what kind of premium or discount. Second thing is about corporate social responsibility, 30 crore allocation considering the various kind of cash benefits the company has availed for about 15 or 20 years or whatever number of years, the allocation is very-very less. In fact company should voluntarily go forward to even before it can be legislated the 2% what government

is expecting, the corporate spent considering the exporting companies, particularly IT companies are majorly benefited out of the government policies and taxation and various other matters. We have got much better responsibility than a normal company which pays a normal 30% to 33% tax so that can be considered from this year itself. One more thing is, if you consider the number of shareholders who are residing in the city of Bangalore, the number of turnout here is very less. We can uniquely whoever has a mobile which is available in company database with a DP that can be sent an SMS reminder that this AGM is there because even I have forgotten and then realized and I came so this can be introduced and about the CSR responsibilities, as an knowledge-based company we are one of the premier and highest beneficiaries of the work done by some of our forefathers. In establishment education institutions, once a great person Pandit Madan Mohan Malaviya who has established first university of the country, Banaras Hindu University of which the present Chairman is the recipient of honorary doctorate from the same University, his 150th birthday is celebrated, for a change by the Union government, of Malaviya. As a major beneficiaries of Malaviya legendary work, which he founded the Banaras Hindu University way back in 1916 when the concept of universities were are not even heard properly and many of our employees are from Banaras University and all the universities of the countries are guided by BHU's works. It is payback time so last year Mr. Narayana Murthy has donated from the company or its CSR division or from the foundation a crore of rupees for the benefit of the teachers when he participated in Teachers Day celebration in Bangalore. We request the company to do something concrete to pay back for the visionary work done by Madan Mohan Malaviya whose work we are all benefited and mainly the knowledge-based companies who were benefited. So it is our responsibility, it is our company's responsibility that they should establish some share in BHU, and some scholarships or an awards in the memory of Malaviya from whom all these companies are benefited a lot and we have published a calendar in his respectful memory. I would like to hand over this copy of the calendar which is done in the memory of Malaviya 150th birthday. Thank you.

Sundereshan

Good afternoon, my name is Sundereshan. I got just two queries; one is with particular respect to hedged currencies, your exposure to forward exchange contacts. I think there was a news item, it was in the Chartered Accountant Journal of June, if you have gone through there was a particular item wherein it had compared the relevance of AS15 and AS 30. So about Infosys, it has compared the Infosys also along with its peers like TCS, any other blue-chip companies. So about Infosys it was put that it was following AS 30 to the extent to which it is does not contravene any other provisions. So I want to know what would be the impact if it has followed otherwise? The second one is about the Green initiative, we are also happy, we are also a part of your Green initiative method wherein we forego our option of getting in glossy paper and things like that but one thing is even Infosys this time, I got the mail around May 7th around 6 PM, I may be wrong but the first mail which was sent even the attachment was not opened. So even a person of having a basic intelligence of computer may find it difficult if you don't send the attachment properly. Second is the green initiative gives me only two options, one, either take this glossy paper or you go by the e-mail method. My thing is, why can't the management represent to the governmental authorities to the departments of MCA and things like that wherein the information is provided in a small post card saying that the accounts of the company, the AGM of the company is to be held on so-and-so time, the venue and you may access our Annual reports in our website so-and-so, so that will be great. Thank you very much.

BR Prakash

Respected Chairman, directors and other dignitaries on the dais and my fellow shareholders. I am BR Prakash a small investor. So though we have been permitted to express ourselves regarding the business I'm sorry to say that instead of making frequent trips to the podium, even I will adopt

the same method what our other shareholders have made in coming out with my observations on business, of business and certain suggestions. So coming to certain suggestions, why not we conduct AGM at Infosys campus like other companies do so that it will give an opportunity for the shareholders to visit the campus. Other companies they provide you transport, they arrange the meeting at the company campus and we have a pleasant evening, so that is one thing. Second, regarding this online voting, couple of years back I suggested why not this be sold to the government wherein the general elections also can be conducted online but I do not know what is prevented from approaching the government or anything that is vice versa. At least now, my suggestion is, we have got such a big client base where the majority of the limited companies having shareholders, it' why not this be supplied to them and generate revenue and help so many other companies also adopt online voting because by staying in Bangalore I would not be in a position to attend the meetings at Bombay or Delhi or Calcutta anywhere, so this can generate revenue to our company's plus it will help the shareholder's to express their intention. As far as my knowledge goes, ours is the only company where we have got video facility for shareholders in Bombay so similar facilities can be adopted by other companies also. Then coming to our other suggestion instead of arranging the registration at the 3rd floor, it should have been done on the ground floor and after registration we would have come to the upper floor for the meeting. Then I would like you to adopt one more method though I wanted to come to speak so probably I was the 1st speaker to come but due to other people following it up I may be I'm the last and may not be least so why not we adopt a list whoever wants to speak and then you can call them one by one and give an opportunity for everybody. Now coming on to business, so as one of our predecessors refers to the page 1 of your statement by Mr. Narayana Murthy, so I think Infosys is on with the third engine. Now though it is a difficult on dividends I would like the chair to permit me to give a few details.

Comparing about the dividends of other companies which I'm not interested because the policies of different companies are different whereas the policy of Infosys is only 30% of the profits. So in Telugu we say, when I were we offer something to God (De vani ki suplo mani ki maplo) because we offer to the God and we eat it ourselves. So like that here we are called and we are shown different aspects what is the profit of the company, how it is progressing, how it is doing everything but the shareholder is being victimized when a dividend is declared. In the present days of cost of living, the investment what has been made the returns are not equal. The comparison of our own company, last year the dividend declared amounted to 27% of the profits where as this year though the dividend is higher it amounts only to 25% of the profits. Why this 2% reduction? It has to be added from 27% to 30% it should have gone. Why this is not being done? So I request the chair immediately increase the dividend before sending the dividends and then even a company policy of declaring 30% is insufficient for a company like Infosys where our returns are much higher. So I would like you to regulate the policy from 30% to a minimum of 50%. So again it is repentance it is on green initiative so as others have expressed so I don't want to repeat the same points. So the effect of low turnout today is an effect of green initiatives because many have not received the notices. So as one of our previous speaker suggested the notice is to be sent physically. This you should fight with the government. Annual reports will not be sent, only for those who require can be sent annual reports but notice has to be sent physically.

And coming to page 54, where expenses have been given there I find provisions for post sales client support and warranties, it has increased 12 times so what is the reason for that so if it can be explained, we will be happy. The next item, provisions for bad and doubtful debts and advances has increased the more than 15 times. So is a company anticipating the losses, and doubtful debts? Is a company serving companies which are not paying? So this is very remarkable point which the company has to take care of. If this is the progress tomorrow we will end up with no revenues every company will adopt the same thing and on the same page we have got a policy maybe it is auditing system. So there on the left column if you go, they say provisions for doubtful loans and advances will be made to the extent, what it is doubtful. You can just check it out from there so in the year 2011 unsecured considered doubtful loans and advances to employees was 3

crore and provision 3 crores and this year it is 4 and 4. So when we are making a provision to the extent of what is anticipated so that goes totally noticed and you don't have any reference on to what are the doubtful debits which has been recovered so there is no explanation for that? So to what extent the company really lost we are not aware of. I will provide a little humor at the end on page 53, we have got deposits in so many banks which are reputed and there on I find one new name, it is a very new name for me, may not be for others, Ratnakar Bank, where there was no deposits last year, there is a 5 crore deposits so what is the purpose of adding this Ratnakar Bank? Is it a scheduled bank or a private bank or definitely it is not a nationalized bank so why it has been started? And secondly to add a humor I said so we have got deposits all over the nation and people say Swiss bank is very safe, secure and you have got all facilities there whereas here I find on a Deutsche bank only one crore so what is the amount that has been kept by Infosys in Swiss bank, this the Chairman may not be revealing at the meeting, he can tell me even after the meeting. Thank you.

Subramaniam

I am Subramaniam shareholder for the last 10 years and I have got only one observation to make. I have been receiving these annual reports every year and this year I noticed, I didn't observe the previous year but I wanted to make this suggestion. I'm a shareholder my wife is a shareholder and my daughter and son are also shareholders so this year I received 4 annual report copies and why don't you restricted to only one copy per address. After getting requests from all the four shareholders signing it, we can sign it and give it you with an undertaking that only one is sufficient so on that basis you can send only one that is more than sufficient. I think this is also in line with the green initiative of printing lesser number of copies and also lesser expenses on that account. Thank you sir.

Sridar Iyengar

Can I request Mr. Shibulal to take the questions, I think we have grouped them and we will answer them.

S. D. Shibulal

Thank you very much for the observations, suggestions and the questions. What I will do is, I will answer some of them and then I will request some of my colleagues to answer them. So let me start Mr. KM Narayanan the question regarding US, Europe and rest of the world revenue share and the observation was that why not focus more on the rest of the world. So we are quite focused in all parts of the world. Our revenue share from Europe in fact, if you look at it has gone up almost 100% over the last 6 to 7 years because we have put in a lot of effort to grow Europe in revenue. We continue to be focused in Europe and specifically in continental Europe. Rest of the world is also equally important to us, you can clearly see that we have now started actively working in India. The two programs I talked about the income tax central processing unit as well as the Airtel money program they are both in India. Australia which is not part of US and Europe actually is the third largest market we have. We get 8.8% of our revenue from Australia so the third largest country we have is Australia with 8.8%. We will continue to focus in Japan, in India, in China and other parts of Asia.

There were multiple questions on performance and I wanted to just go back to the last slide which I present there is a choice to make a different people take different choices. Different companies choose different paths. We clearly believe that in the long run if you want to address the industry challenges or the challenges which I talked about of talent, of commoditization, of delivering higher

value to our clients it is very important that we create a balanced portfolio and the balanced portfolio should contain all the things which are relevant to our clients. It should drive efficiencies for our clients. We should be transformational partner for our clients. We should be able to drive, deliver innovations through products and platforms. So we clearly believe that the Infosys 3.0 strategy is which we have chosen is a right strategy and we also believe that that will deliver sustainable high-quality growth over a period of time. You may see short-term challenges; in fact you can clearly see that we have gone through this transformation in a very challenging environment. The economic environment which I mentioned is challenging. There are turbulences all over the world because of the current economic situation but we have chosen to go through the transformation in this challenging environment that will mean that there will be some turbulence in the short term but we clearly believe that our path of creating a balanced portfolio, balancing the high-value services with the commodity services will deliver the right performance, will deliver the aspiration which we have for high-quality growth in the long term.

So Mr. Narayanan asked us another question that was on the product R&D. We spend 2.1% of our revenue currently on research and development. We are now trying to have products and platform but historically we are a service corporation and there is considerable amount of money being spent on research and development. It is reflected in multiple ways, it is reflected in our leadership position with Finacle in the banking service. We have Infosys labs which I said filed around 150 unique patents application, last year it is reflected there. It is reflected in the number of people we have in educational and research. It is reflected in the number of people we have in productivity and quality so we are making investments in research and development and we will continue to do so.

There were multiple suggestions from Narayanan itself. One of them was about being present in the special economic zone; we do have centers in the special economic zone. We have multiple centers in the special economic zone. And there were questions about challenges.

So now let me move on to the next person Mr. Bhandari had a question on related to the US challenges in outsourcing as well as prospects for Infosys. Yes, US is undergoing certain challenges, there is high unemployment, there is lack of economic growth, there is certain and the outsourcing sentiment of course in the media, it is an election year. But when we look back at our experiences with US, we have found that corporations do what is right for them. The US corporations tend to do what is right for them and also generally they take a balanced approach to these kind of issues. Our clients in US, as long as we are providing higher superior value to them, as long as we are helping them differentiate in their market, as long as we are allowing them to create profit for themselves, we clearly believe that we will have a very-very key role to play in their market. Prospects for Infosys, I can explain in multiple ways and let me do it in two or three ways, number one, if you look at our clients spread, we have 694 clients and our repeat business is more than 95%, which means that our relationship with our clients is extremely strong but at the same time our market is global 2000 so we only have 1/3 of the clients in that space. So if you look at the client base, we have almost 2/3 of the clients they still to be added. So, we have enough runway to go in the long-term. If you look at services I would consider only application developments and maintenance and consulting as mature services both delivering somewhere between 30% to 40% of revenues. We have number of services like engineering services, independent validation, infrastructure management which are about \$200 million to \$400 million which can easily go up to a billion dollars so that is another dimension to look at, so every dimension which I look at, we do have enough runway to grow in the long-term.

Mr. Srinivas Rao asked a question regarding compensation. Please remember we operate in the global markets, we compete with global talent, we compete for global talent, we compete with global competition, and we recruit the best talent from the universities. We recruit some of the best talent in this country and outside and it is reflected in our revenue productivity for example, in a very challenging year our revenue per person has gone up by 4.7%. So it is a very challenging

year, the revenue productivity has gone up. It is a reflection of the talent which we have, the kind of talent which we have. So if you want to attract that kind of talent it is important to make sure that their compensations are also as per the market conditions.

There was another question from Mr. Srinivas Rao on why we are not focused on manufacturing? We are quite focused in manufacturing; we have multiple clients in manufacturing. Syngenta is one of our clients in the manufacturing segment. We will continue to focus in manufacturing, we have clients in high-tech manufacturing, in aerospace, we do considerable amount of work in engineering in the aerospace.

Dr. Ashok had a question on performance which I already answered. There was another question on 150,000 people on revenue per person again from Dr. Ashok. I already answered it. Our revenue productivity has consistently gone up. Last year it went away 4.7%, if you look at our strategic direction of building tomorrows enterprise, if you look at the portfolio which we are trying to create, we are consulting and system integration portfolio is the meant to create higher revenue productivity work. And when you look at the current revenue productivity, one thing you need to consider is the lower utilization which we have. Our revenue productivity is for the entire organization with bench included. If you actually normalize it where we want it to be I think it will again go up.

Mr. C Gopalakrishnan Rao has suggestions on women's representation, auditors name to be put in the balance sheet. I will request the board to consider those.

Mr. Parthasarthy had questions on new client additions and percentage of client retention and sacrificing margins for acquiring clients. We look at margins as a reflection of the business model that is one of the reflection of pricing or a specific client. One has to look at a pricing as a portfolio, it cannot be looked at as everyone will have exactly the same pricing or the same kind of margins. One has to look at pricing as a portfolio, some strategic clients; we will have to negotiate the price occasionally that is something which we will do. Client's additions are extremely important because when you had a client today it is not meant for exactly today, it is meant for the next 15 years. If you look at some of our clients, actually if you look at some of the clients which you saw on the video, they have been with us for many years. So when you talk about long-term sustainable growth, it is extremely important that we continue to add clients. We also have very stringent criteria for qualifying a client, it is our revenue of \$10,000, and we don't consider it as a client. So because of that you will see some negative subtractions on the clients. We also have clients in certain segments where we sell products where it is a one-off client that is why the growth addition and the net addition don't match all the time. If you look at the numbers, our net number of clients have gone up. The number of million dollar clients have gone up. Our repeat business is continued to be extremely strong at more than 95%. So our retention is pretty good, actually we have clients who have been with us for last 15 years and as I said profit is a reflection of multiple things and we look at pricing as a portfolio.

Mr. R Prakash had multiple suggestions on online voting, why not provide to the government, why not provided to various clients, why not AGM in the Infosys campus and registration on the third floor. I think, some of them we will consider and some of them the board will consider.

There was a question on visit to campus, it is on my list, I can go back there and of course you are welcome to visit our campus. The people who are interested in visiting the campus please get in touch with our company secretary, Ravi Krishnan, he will arrange for the visit.

Now let me go back and switch back to, there are a number of questions, let me request Bala to respond to. And number one is dividend policy, it has been asked by multiple people and the dividend policy and the payouts, Bala would you please respond to that and then I can give you the next one.

V. Balakrishnan

On the dividend we have clearly stated the policy we pay up to 30% of the net profit as dividend every year. We also said we need to have certain amount of cash in the business to give us comfort in running the business. Number three; we also said we want to earn at least twice the cost of capital as a return on capital employed and thrice the cost of capital return on invested capital excluding cash. Today our cost of capital is around 12% but if you look at our returns, we earn much higher than the targets. Our return on capital employed is close to 40% and return on invested capital excluding cash is more than 70%. And fourth, we also need certain amount of cash for acquisitions because when we are following the new strategy there is a need to acquire certain companies which has got good intellectual property. So we balance all the four at any point of time if we believe that we have access cash, we do give special dividends that is what we have done in the past too. So our policy is to pay up to 30% and we want to use the cash for certain strategy reasons that is why we are retaining it. We don't find the need we always return it to the shareholders. One of the shareholder said, cash of 18,000 crores are concern, it is not a concern, it is a good problem to have because when the world got into turmoil in 2008, people said cash is not king it is God, we keep it and worship it. So when you have lot of cash it gives you comfort in uncertain times and is a good problem to have. On the bonus we keep debating that at appropriate time the board will definitely decide on that and there were certain questions on the subsidiaries. Why subsidiaries in Shanghai, Brazil and MccaMish making losses. Those are new subsidiaries the subscale, we are making the investment, and once it comes to certain size definitely they will become profitable. Of course, we want all the subsidiaries to be highly profitable.

There was also a question on Mr. Murthy, why retired at 65 and should continue for lifetime. The company policy is that all executives' directors should retire at 60 and if they are non-executive they can continue up to 65 and Murthy like every employee have followed the policy. We don't want to make any exceptions and that's why we made him Chairman Emeritus for life so whenever we want to consult him, we have ability to go and consult him and he is always available for us.

There were some questions on comparing Infosys performance from other competitors. We clearly said that we want to pursue high-quality growth. Even last year, we grew at 16% and if you look at our revenue productivity it went up by 4.7% and none of the players in the industry has seen the kind of increase in revenue productivity. So in the long run whether it is Broadman or Viswanath all matters is how do you perform over the period of time and it is all about long-term, it is not about short-term, whether you get bowled in the first innings or you get bowled in the second match all that doesn't matter. During your tenure, how you performed that is very important and we are building the company for medium to long-term performance. We always focus on high quality growth and we are not going to take our eyes from that.

There was also a question on visa case and how it is going to impact us. We don't know, there is an investigation going on. We are cooperating with the government, giving them all the information and I think it would take its own course and you will know once there is some decision from the government on this side.

There were certain questions on acquisition, our acquisition strategy is to make sure it meets our Infosys 3.0 strategy. We are looking at companies which have got good intellectual property on their products, platforms, and on solution side which will enhance our portfolio and it will help us to grow faster and build a non-linear growth. We are also looking at acquisitions to enhance presence in certain verticals like healthcare or life science or in certain geographies where we don't have a large presence so we continuously look at various companies. We look for strategic fit, of course, we have not done many acquisitions in the past, it doesn't mean we won't do in the

future. We always look at companies, we have a group which actually pursues that and if we find the right fit we will definitely do that.

There was a question on restricted stock option. It is a terminology is like any other option but we give the option at par value to the employees so there is always upside for the employee but of course it is linked to performance. So as long as they perform, the stock vest and there is no other restriction.

There was also a question on why the share capital is increasing because of ESOP, we had two plans, 98 and 99 plan, those plans have come to an end. There is a tail effect of those plans we hardly have another is 11,000 options which could be exercised in the next one year. So we don't have any other options.

On the dividend front our policy is to pay up to 30% that is what that we are pursuing. If we feel we have excess cash will always look at that.

On the DSO there was a concern that it has increase, it is 63 days in dollar terms as compared to 61 days last year and in rupee terms it has gone up because there was a depreciation of rupee during the years.

On accepting fixed deposits, we have lot of cash, we are running out of banks keep the money, and we don't want to accept any more fixed deposit because we can't find a bank to put the money.

On client additions the data is different because you are talking about group and parent.

On the electricity consumption we have seen 40% reduction in electricity consumption. The per capita has come down because we are using more green power and we are also investing new technologies to reduce the power consumption.

On currency, we have one of the best currency policies because we said two years back, we are living in a very volatile world and in the volatile world you never take a long-term view, you take a short-term view. So we hedge up to next two quarters of net exposure at any point of time and if you look at the numbers we hardly had any impact on the net income because change is in the currency if you look at the whole industry, we are one of the best hedging strategy and it worked for us in the last three years and we will continue to pursue that.

On the impact for every 1% change in the rupee-dollar rate, we will have an impact of close to 40 basis points on the margin. Right now, the rupee has depreciated, it is favorable to us it gives us a lot of flexibility to reinvest in the business in areas where we want to.

On the hedging policy, we adopt AS 30, there is some conflict between 15 and 30 that's why we put the note but we mark-to-market all our hedges and pass the impact the profit and loss account. We don't carry any hedging losses in the balance sheet.

There was some question on post sales customer support and the provision for doubtful debts, why it went up. Our policy is to provide for all doubtful debts where we have not collected it for more than 180 days irrespective of it was collectable or not and even if you look at the increased number of 60 crores and 62 crores on a turnover of 33,000 crores it is 0.2% is very small and it is one of the lowest in the industry. We practically track it every day so there is no concern and there was a question on Ratnakar Bank, why we kept 5 crores, we evaluate all the banks and we have a fixed standard on each bank we can put money. Ratnakar Bank also a client of us and is a reputed private bank so we have kept some money there. Thank you.

Shareholder

Why can't Mr. Narayana Murthy is not available at least for one year so that will take away apart from the economic concern people are talking company specific in terms of transition and all. We people are ready to contribute I would advice to you.

K.V. Kamath

I think suggestion is well made. We will consider the needs of the company. I think the statements that you have made, transition, if you see Shibu has taken over very recently. We need to measure performance, we need to measure context, what is happening in the global context. I think he has had great pains explained our strategy which is quite distinct from that of several competitors. So it takes time to implement it. I think we need to look at it and I think Bala has explained the role of the chief mentor that he is always available for advice if we seek that advice. That is always available for advice. So if we seek that advice that's what Mr. Murthy said last year. And I think that will continue to be followed. If I may share Mr. Chairman, there are a couple of other issues on board functions. So I will cover those so that we have addressed it comprehensively. One issue was on function of the board, remuneration, accountability and lady Directors. Last issue on lady Directors, clearly the board is continuing to look for appropriate candidates and we take the suggestion that we will need that sledge to increase to reflect agenda. As far as the board function is concerned if you look at Page #62 to #68, I think clearly the function as well as the committee and what they do and what they did during the year is laid out and I think board directors have compensated looking at several things including competitor policy, where they map with the competitors, and global map in terms of this subject. And our policies compare fairly well with best practices. It was a general issue on mailing of report notice to be mailed, smses to be sent and I will request Shibu and the company secretary to look at comprehensively and address this before the next AGM so that this is taken care of for once for all. All the issues, all the suggestions made in this regard. Again the board I am sure will note the sentiment of our shareholders on CSR and we will act as appropriate. I think that covered general board matters, any other residual issues?

S. D. Shibulal

There were 2 – 3 questions on the CSR activity, 30 crores and whether we should increase, I will request Kris to respond to it. There was also a question on Madan Mohan Malviya and contribution to the Teacher's foundation.

Kris Gopalakrishnan

So the Infosys Foundation gets up to 1% of the profit of the company every year. That's the commitment we have made to the foundation. The foundation gets funding every year and it is an ongoing set of activities, over the last few months the foundation has built about 2,200 homes for people who have been affected by flood waters in north Karnataka. Has also contributed to buildings in Andhra Pradesh, is in the process of building about 10,000 toilets in north Karnataka, so the foundation does lots of activities. We will take the sentiments of the investors whether we can increase it and place it before the board. We will also work with the foundation to see how the foundation can look at other activities where, there may be a need for funding. Foundation does work in the area of education. The scholarships, we also created Infosys Science Foundation, both company as well as several other board members have contributed to the science foundation and of course you know that science foundation is recognizing the best research in the country so that we can promote research in the country.

Sridar Iyengar

Thank you very much. I think with the quite of lot of questions and the answers which have been provided from here, I would now request any member to move the resolution for the adoption of the accounts. Name? Akash, I request any member to second the resolution. Vishal. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with requisite majority.

We now move on the Item #2 of the notice, which is the declaration of the dividend, which is Item #2 of the notice. The board has recommended a final dividend of Rs.22 per share and a special dividend of Rs.10 per share together making a total dividend of Rs.47 per share including an interim dividend of Rs.15 per share which is paid on October 2011 for the year 2012. I now declare the results of the non-mandatory ballot relating to Item #2. Holders of 938,48,133 equity shares have voted in favor of the resolution and there are 812 votes against the resolution. Are there any questions from the members pertaining to this item? Okay. I request any member to propose the resolution, thank you. I request any member to second the resolution. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with the requisite majority.

Item #3, to appoint a director in place of Mr. S Gopalakrishnan who retires by rotation and being eligible 6 re-appointments. In terms of Article 122 of the Articles of Association, S. Gopalakrishnan retires by rotation and being eligible 6 re-appointments. I now declare the results of the non mandatory ballots relating to this item. Holders of 9,38,46,687 equity shares have voted in favor of the resolution and the holders of 1,508 equity shares have voted against the resolution. I request any member to propose the resolution. I request any member to second the resolution. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution passed with requisite majority.

Kris Gopalakrishnan

Thank you very much.

Sridar Iyengar

Item #4, to appoint a director in place of Mr. K. V. Kamath who retires by rotation and being eligible for 6 re-appointment. In terms of Article 122 of Articles of Association, Mr. K. V. Kamath retires by rotation and being eligible 6 re-appointments. I now declare the results of the non-mandatory ballot relating to this item. Holders of 9,38,45,971 equity shares have voted in favor of the resolution and holders of 1,624 equity shares have voted against the resolution. I request any member to propose the resolution. Thank you. I request any member to second the resolution. Okay. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution passed with requisite majority.

Item #5, to appoint a director in place of Mr. David L. Boyles who retires by rotation and being eligible 6 re-appointment. In terms of Article 122 of Articles of Association, David L. Boyles retires by rotation and being eligible 6 re-appointments. I now declare the results of the non-mandatory ballot relating to this item. Holders of 9,38,46,693 equity shares have voted in favor of the resolution. And holders of 1,502 equity shares have voted against the resolution. I request any member to propose the resolution. Name? Okay. I request any member to second the resolution. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with requisite majority.

Item #6, to appoint a director in place of Professor Jeffery S. Lehman who retires by rotation and being eligible 6 re-appointments. In terms of Article 122 of the Articles of Association, Prof. Jeffery S. Lehman retires by rotation and being eligible 6 re-appointments. I now declare the results of the non-mandatory ballot relating to item number 6, holders of 9,38,46,693 equity shares have voted in favor of the resolution and holders of 1,502 equity shares have voted against the resolution. I request any member to propose the resolution. T. V. Subbarao, thank you. I request any member to second the resolution, Mr. Nayyar. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with requisite majority.

The next item on the agenda is appointment of auditors. The auditors M/s BSR & Co Chartered Accountant retire at this meeting and have confirmed their eligibility and willingness to accept the offices if re-appointed. The text of the resolution is provided in the notice convening the meeting. I now declare the results of the non-mandatory ballot relating to item #7. Holders of 9,38,48,699 equity shares have voted in favor of the resolution and holders of 6 equity shares have voted against the resolution. I request any member to propose the resolution. Srinath. I request any member to second the resolution. Raja Karthik. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with the requisite majority.

Now we come to the special business. The next item on the agenda is the appointment of Mrs. Ann M. Fudge as a director liable to retire by rotation. The text of the resolution in the explanatory statement is provided in the notice circulated to the members. I now declare the results of the non-mandatory ballot relating to item #8. Holders of 9,38,47,377 equity shares have voted in favor of the resolution and holders of 818 equity shares have voted against the resolution. Now I seek the member's approval by way of ordinary resolution. I request any member to propose the resolution, Usha. I request any member to second the resolution. Manab. Thank you. I request the members in favor of the resolution to raise their hands. I request the members who are in against the resolution to raise their hands. I declare the resolution as passed with requisite majority.

The next item on the agenda is the appointment of Mr. V. Balakrishnan, Director liable to retire by rotation and also as a whole time director. The text of the resolution in explanatory statement is provided in the notice circulated to the members. I now declare the results of the non-mandatory ballot relating to this item. Holders of 9,38,45,965 equity shares have voted in favor of the resolution and holders of 1,630 equity shares have voted against the resolution. Now I seek the member's approval by way of ordinary resolution. I request any member to propose the resolution. Rajendra. Thank you. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with requisite majority.

The next item on the agenda is the appointment of Mr. Ashok Vemuri as director liable to retire by rotation and also as a whole time director. The text of the resolution and explanatory statement is provided in the notice circulated to the members. I now declare the results of the non-mandatory ballot relating this item. Holders of 9,38,34,865 equity shares have voted in favor of the resolution and holders of 13,330 equity shares have voted against the resolution. Now I seek the member's approval by way of ordinary resolution. I request any member to propose the resolution. Rajashekhar. I request any member to second the resolution, Arvind. I request the members in favor of the resolution to raise their hands. I request the members who are against the members to raise their hands. I declare the resolution as passed with the requisite majority.

The next item on the agenda is the appointment of Mr. B. G. Srinivas as a director liable to retire by rotation and also as a whole-time director. The text of the resolution as an explanatory statement is provided in the notice circulated to the members. I now declare the results of the non mandatory

ballot relating to item #11. Holders of 9,38,46,571 equity shares have voted in favor of the resolution and holders of 1,624 equity shares have voted against the resolution. Now I seek the member's approval by way of ordinary resolution. I request any member to propose the resolution. Yeah. I request any member to second the resolution, Shivshankar. I request the members who are in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with requisite majority.

The next item on the agenda is to seek the consent of the members for payment of remuneration in the form of commission for non-executive directors. The text of the resolution in explanatory statement is provided in the notice circulated to the members. I now declare the results of the non-mandatory ballot relating to item #12. Holders of 9,38,45,009 equity shares have voted in favor of the resolution and holders of 3,321 equity shares have voted against the resolution. Now I seek the member's approval by way of special resolution. I request any member to propose the resolution. I request any member to second the resolution. Thank you. I request the members in favor of the resolution to raise their hands. I request the members who are against the resolution to raise their hands. I declare the resolution as passed with requisite majority.

With this, the formal part of the 31st Annual General Meeting comes to an end. I want to thank you for attending. I hereby declare the proceedings of the 31st annual general meeting as closed.