

Mansi Chheda
DM – Listing Compliance Department
National Stock Exchange of India Limited (NSE)
Exchange Plaza,
Bandra Kurla Complex,
Bandra East,
Mumbai – 400051.

September 11, 2017

Subject: Clarification pertaining to Resignation of Dr. Vishal Sikka from the post of Managing Director and Chief Executive Officer, email dated August 24, 2017.

Dear Madam,

We refer to your email dated August 24, 2017. In this regard, we provide our responses as below-

Responses as approved by the Nomination and Remuneration Committee -

Media article reference by NSE	Response as approved by the Nomination and Remuneration Committee
The article titled "Murthy flags 'huge' severance pay, governance issues" appearing in Hindustan Times dated February 13, 2017	<u>Response:</u> The matter was placed before the Nomination and Remuneration Committee (NRC) on September 5, 2017. The NRC took note of the article titled "Murthy flags 'huge' severance pay, governance issues" appearing in Hindustan Times dated February 13, 2017. In this regard, the NRC noted that the Company signed a letter agreement with Mr. Bansal on October 11, 2015. The agreement provided for extended non-compete obligations, besides other rights and obligations usual for such agreements. The agreement also explicitly enabled Mr. Bansal to report to the regulatory authorities in future any matter of impropriety that he became aware of that happened during his tenure. The Company has made the necessary statutory filings and disclosures in the matter. Following certain insinuations/rumours and



an anonymous letter received regarding Mr. Bansal's separation, the Board/Audit Committee had proactively ordered two separate investigations over the last one year into this matter - the first in October, 2015 and the second in August 2016. The investigations were conducted by Cyril Amarchand Mangaldas (CAM), a reputed law firm. Both investigations were shadowed by Company's auditors, and revealed no wrongdoings or efforts to cover up any wrong doings. For further details, we request you to refer to our press release dated October 21, 2016. Further, in March 2017, Audit Committee had proactively ordered another independent investigation by Gibson Dunn & Crutcher, LLP (Gibson Dunn), an international law firm recognized for its expertise in conducting internal investigations, and Control Risks, a global risk consultancy specializing in expert analysis and in-depth investigations to investigate all the matters set out in the two anonymous whistleblower complaint received by SEBI on February 12 and 19, 2017 including the thoroughness of the CAM investigations. The Gibson Dunn investigation, concluded that they found no evidence whatsoever to support the allegation in the complaint regarding wrongdoing by the Company including that CAM's two previous investigations were thorough, and that their findings and conclusions were reasonable and credible based on the evidence. For further details, we request you to refer to our press release dated June 23, 2017.

The article titled "Vishal Sikka resigns as MD, CEO of Infosys - The company said that the succession plan for appointment of new managing director and chief executive officer operationalised by board; search for same has

Response: The matter was placed before the NRC on September 5, 2017. The NRC took note of the article titled "Vishal Sikka resigns as MD, CEO of Infosys. said that the succession plan for appointment of new managing director and chief



commenced" appearing in Economics Times dated August 18, 2017, request you to explain the succession plan of the Company.

executive officer operationalized by board by giving search for same has commenced" appearing in Economics Times dated August 18, 2017. In this regard, the NRC noted that:

On August 18, 2017 the Board has mandated the Chairman and the Nomination and Remuneration Committee to expeditiously identify and select a permanent CEO and Managing Director. Further, as a part of its succession planning and to ensure a smooth transition, the Board appointed Dr. Vishal Sikka as the Executive Vice Chairman and appointed Mr. U. B Pravin Rao as the MD & interim CEO reporting to Dr. Vishal Sikka and the Board.

On August 25, 2017 with the appointment of Mr. Nandan Nilekani as the non-executive Chairman, the transition from Dr. Vishal Sikka was expedited and Dr Sikka stepped down from the Board. The Board has also approved the appointment of the executive recruitment firm Egon Zehnder to work with its Nominations and Remunerations Committee to review and identify the right candidate to be the Company's next CEO and MD.

For further details, we request you to refer to our press release dated August 18, 2017 and August 25, 2017.

The article titled "Infosys justifies COO Pravin Rao's salary hike, says effective rise only 1.4%" appearing in www.firstpost.com dated April 04, 2017.

Response: The matter was placed before the NRC on September 5, 2017. The NRC took note of the article titled "Infosys justifies COO Pravin Rao's salary hike, says effective rise only 1.4%" appearing in www.firstpost.com dated April 04, 2017. In this regard, the NRC noted Infosys has the responsibility to attract and retain top quality talent to be effective in the transformation journey that the company has



embarked upon. In this context, the company undertook a comprehensive survey of best practices and benchmarked senior management compensation with key Indian and global companies. The compensation structure revised thereafter reduces the proportion of cash component in the total compensation and has introduced higher stock incentives (to be vested over a 4-year period); it was rolled out for the entire senior leadership including Mr. Pravin Rao, Chief Operating Officer. The details were disclosed in the stock exchange filings on October 14, 2016. The revised compensation proposal was placed before the shareholders and the recommendations have been approved by 67% of the company's shareholders in a postal ballot, the results of which were disclosed to the stock exchanges on Saturday, April 1, 2017. For further details, please refer to our press release dated April 3, 2017.

Responses as approved by the Audit Committee -

Media article reference	Response approved by the Audit Committee
a. The article titled "Vishal Sikka's exit: The \$200-million transaction that rocked Infosys' boat" appearing in The Times of India dated August 20, 2017.	Response: The matter was placed before the Audit Committee on September 5, 2017. The Audit Committee took note of the article titled Vishal Sikka's exit: The \$200-million transaction that rocked Infosys' boat" appearing in The Times of India dated August 20, 2017. The Audit Committee noted that the allegations raised in the article were the subject matter of a comprehensive investigation by Gibson Dunn, an international law firm recognized for its expertise in conducting internal investigations, and Control Risks, a global risk consultancy specializing in



	expert analysis and in-depth investigations. The Audit Committee further noted that Gibson Dunn and Control Risks completed their detailed and extensive Independent Investigation on June 19, 2017 and did not find any evidence whatsoever of wrongdoing. For further details on the investigation, we request you to refer to our press release dated June 23, 2017.
b. Exchange had vide its mail dated February 15, 2017 had asked the Company to place the matter before Audit Committee, on February 22, 2017 you had replied that the Audit Committee will be initiating the steps to investigate into allegations made. You are requested to update on the matter.	Response: The allegations made in the whistleblower complaint ("Anonymous Complaints") were placed before the Audit Committee. The Audit Committee approved a comprehensive investigation into the Anonymous Complaints for which Gibson Dunn, an international law firm recognized for its expertise in conducting internal investigations, and Control Risks, a global risk consultancy specializing in expert analysis and in-depth investigations, were retained to conduct the investigation (the "Independent Investigation"). Gibson Dunn and Control Risks completed their detailed and extensive Independent Investigation on June 19, 2017 and did not find any evidence whatsoever to support any of the allegations regarding any wrongdoing by the Company. For further details on the investigation, we request you to refer to our press release dated June 23, 2017.
c. Exchange had vide its mail dated February 21, 2017 had asked the Company to place the matter before Audit Committee, on February 22, 2017 you had replied that the Audit Committee will be initiating the steps to investigating into allegations made. You are requested to update on the matter.	Response: Please refer to our response to point (b).
d. Further in the "Company Statement" dated February 09, 2017 wherein you have mentioned "to formalize this process, the Board has recently appointed Cyril Amarchand Mangaldas, corporate	Response: The Board actively considers broad based shareholder consultation process as a critical part of its overall engagement initiatives with all the stakeholders of the Company. For

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governance experts, to receive from Promoters and other key stakeholders various inputs, evaluate them and make recommendations to the Board.”, kindly update the status.

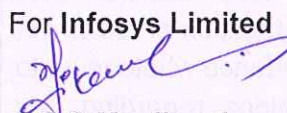
further details, we request you to refer to our press releases dated August 24 and 25, 2017.

It may also be noted that, as mentioned in the Company statement dated September 1, 2017, the Company has started engaging in broad-based shareholder consultations to determine what further actions, if any, the Company can take to ensure that it continues to adhere to high governance standards. During such consultations, no material unpublished price sensitive information or financial updates will be provided. We request you to refer to our letter dated September 1, 2017 submitted to the exchange in this regard.

Trust this answers your queries.

Regards,
Manikantha

For Infosys Limited


A G S Manikantha
Company Secretary

