

E. Shareholders

Disclosures regarding the appointment or re-appointment of directors

According to the Articles of Association, one-third of the directors retire by rotation and, if eligible, seek re-appointment at the Annual General Meeting of shareholders. As per Article 122 of the Articles of Association, N. R. Narayana Murthy, Prof. Marti G. Subrahmanyam, S. Gopalakrishnan, S. D. Shibulal and T. V. Mohandas Pai will retire in the ensuing Annual General Meeting. The Board has recommended the re-appointment of all the retiring directors. The detailed profiles of all these directors are provided in the *Notice convening the Annual General Meeting*.

Communication to the shareholders

We send quarterly reports to each shareholder via email. The report contains select financial data extracted from the audited financial statements under Indian GAAP and unaudited financial statements under IFRS. The quarterly report along with additional information is also posted on our website. Moreover, the quarterly / annual results and official news releases are generally published in The Economic Times, The Times of India, Business Standard, Business Line, Financial Express and Udayavani (a regional daily published from Bangalore). Quarterly and annual financial statements, along with segmental information, are posted on our website, www.infosys.com. Earnings calls with analysts and investors are broadcast live on the website and their transcripts are published on the website soon thereafter. Any specific presentations made to analysts and others are also posted on our website. The proceedings of the Annual General Meeting are webcast live for shareholders across the world. The video archives are also available on our website for reference.

Investor grievances and share transfer

We have a Board-level investor grievance committee to examine and redress shareholders' and investors' complaints. The status on complaints and share transfers is reported to the entire Board. The details of shares transferred and the nature of complaints are provided in the *Shareholder information* section of the Annual Report. For shares transferred in physical form, the Company provides adequate notice to the seller before registering the transfer of shares. The share transfer committee of the Company will meet as often as required to approve share transfers. For matters regarding shares transferred in physical form, share certificates, dividends and change of address, shareholders should communicate with Karvy Computershare Private Limited, our registrar and share transfer agent. Their address is given in the *Shareholder information* section of the Annual Report.

General body meetings

The details of the last three Annual General Meetings and that of the extraordinary general meeting are as follows:

Financial year ended	Date and Time	Venue	Special resolution passed
March 31, 2007	June 22, 2007 at 3 p.m. IST	NIMHANS Convention Center, Hosur Road, Bangalore, India	Payment of remuneration in the form of commission to directors who are neither in the whole-time employment of the Company nor a managing director
March 31, 2008	June 14, 2008 at 3 p.m. IST	NIMHANS Convention Center, Hosur Road, Bangalore, India	None
March 31, 2009	June 20, 2009 at 3 p.m. IST	Christ University Auditorium, Hosur Road, Bangalore, India	None

Share transactions in electronic form can be effected in a much simpler and faster manner. After confirmation of sale / purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to the Company to register the share transfer.

Details of non-compliance

There has been no instance of non-compliance with any legal requirements nor have there been any strictures imposed by any stock exchange, SEBI or SEC, on any matters relating to the capital market over the last three years.

Postal ballots

For the year ended March 31, 2010, there are no ordinary or special resolutions that need to be passed by our shareholders through a postal ballot.

Auditors' certificate on corporate governance

As required by Clause 49 of the Listing Agreement, the auditors' certificate is given in the *Annexure to the directors' report* section in the Annual Report.

CEO and CFO certification

As required by Clause 49 of the Listing Agreement, the CEO / CFO certification is provided in the *CEO and CFO certification* section of the Annual Report.

Code of Conduct

In compliance with Clause 49 of the Listing Agreement, the Company has adopted a Code of Ethics for Principal Executives and Senior Financial Officers. This Code is applicable to all the members of the Board, the Executive Council and senior financial officers. This Code is in addition to the Company's Code of Business Conduct, applicable to all the employees of the Company.

A copy of the said Code of Ethics for Principal Executives and Senior Financial Officers and the Code of Business Conduct is available on our website, www.infosys.com.

All the members of the Board and the Executive Council and senior financial officers have affirmed compliance to the Code of Ethics for Principal Executives and Senior Financial Officers and the Code of Business Conduct, as at March 31, 2010. A declaration to this effect signed by the CEO and Managing Director and the CFO is provided in the *CEO and CFO certification* section of the Annual Report.

Compliance with non-mandatory requirements of Clause 49 of the Listing Agreement

Clause 49 of the Listing Agreement mandates us to obtain a certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in the Clause, and annex the certificate with the Directors' report, which is sent annually to all our shareholders. We have obtained a certificate to this effect and the same is given as an annexure to the Directors' report. The Clause further states that the non-mandatory requirements may be implemented as per our discretion. However, the disclosures of compliance with mandatory requirements and adoption (and compliance) / non-adoption of the non-mandatory requirements shall be made in this section of the Annual Report. We comply with the following non-mandatory requirements:

The Board

Independent directors may have a tenure not exceeding, in the aggregate, a period of nine years on our Board.

None of the independent directors on our Board have served for a tenure exceeding nine years from the date when the new Clause 49 became effective.

Remuneration committee

We have instituted a compensation committee. A detailed note on compensation / remuneration committee is provided in the Annual Report.

Shareholders' rights

The Clause states that a half-yearly declaration of financial performance, including summary of the significant events in the last six months, may be sent to each shareholder.

We communicate with investors regularly through e-mail, telephone and face-to-face meetings either in investor conferences, company visits or on road shows.

We also leverage the internet in communicating with our investor base. We announce quarterly financial results within two weeks of the close of a quarter. After the announcement of the quarterly financial results, a business television channel in India telecasts a live discussion with our Management. This enables a large number of retail shareholders in India to understand our operations better. The announcement of quarterly results is followed by media briefings in several television channels, press conferences and earnings conference calls. The earnings calls are webcast live on the internet so that information is available to all at the same time. Further, transcripts of the earnings calls are posted on our website, www.infosys.com, within a week. Highlights of the results are also made available to mobile phone users in India through SMS and WAP. We have also voluntarily furnished eXtensible Business Reporting Language (XBRL) data to the SEC. We are participating in SEC's voluntary program for reporting financial information on EDGAR using XBRL and are one of the few companies in the world to adopt this standard. We adopted IFRS effective fiscal 2009 for our filings with SEC and consequently discontinued publishing financial statements as per U.S. GAAP.

Training of Board members

All new non-executive directors inducted into the Board are given an orientation. Presentations are made by various executive directors and senior management giving an overview of our operations to familiarize the new non-executive directors with the operations. The new non-executive directors are given orientation on our services, group structure and subsidiaries, our constitution, Board procedures and matters reserved for the Board, our major risks and risk management strategy.

The Board's policy is to have separate meetings regularly with independent directors to update them on all business-related issues and new initiatives. In such meetings, the executive directors and other members of the senior management share point of views and leadership thoughts on relevant issues.

We also facilitate the continual education requirements of our directors. Each director is entitled for a training fee of US \$5,000 per annum. Independent directors are allowed to attend educational programs in the areas of board / corporate governance.

Mechanism for evaluating non-executive Board members

The Board evaluates the performance of non-executive / independent directors through a peer-evaluation process every year. Each external Board member has to present before the entire Board on how they have performed / added value to the Company. Every Board member evaluates each external Board member on a scale of 1 to 10 based on the performance indicators.

Independent directors have three key roles, namely, governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include:

- Ability to contribute to and monitor our corporate governance practices
- Ability to contribute by introducing international best practices to address top-management issues
- Active participation in long-term strategic planning
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities. This includes participation and attendance.

Whistle-blower policy

We have established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. It also provides for adequate safeguards against victimization of employees who avail of the mechanism, and also allows direct access to the Chairperson of the audit committee in exceptional cases. We further affirm that no employee has been denied access to the audit committee.